



# TASMAN RESOURCES NL

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## AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

13 February 2007

### **Non-Renounceable Pro-Rata Rights Issue**

Further to the announcement of 31 January 2007 attached is a copy of the prospectus for the Non-Renounceable Pro-Rata Rights Issue dated 13 February 2007 as lodged with the Australian Securities and Investment Commission today.

Gregory Solomon  
Executive Chairman



# TASMAN RESOURCES NL

ACN 009 253 187

## NON-RENOUNCEABLE RIGHTS ISSUE PROSPECTUS

For a non-renounceable pro-rata Rights Issue of approximately 13.6 million New Shares and 6.8 million free attaching New Options (each to acquire 1 fully paid Share at an exercise price of 20 cents exercisable at any time up to and including 31 December 2009) at an issue price of 16 cents per New Share on a one for eight basis to raise approximately \$2.18 million before the costs of the Rights Issue.

### **Underwriters**

Taylor Collison Limited  
ACN 008 172 450

RM Capital Pty Ltd  
ACN 065 412 820

### **Important Information**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

**CORPORATE DIRECTORY**

**Directors:** Gregory H. Solomon, LLB (Executive Chairman)  
Douglas H. Solomon, B.Juris LLB (Hons) (Non-executive)  
Guy T. Le Page, B.A, B.Sc. (Hons), M.B.A, ASIA,  
MAusIMM (Non-executive)

**Company Secretary:** Raymond F. Buscall

**Registered Office:** Level 40  
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**Share Registry:** Advanced Share Registry Services  
110 Stirling Highway  
Nedlands  
Western Australia

**Solicitors to the Company:** Solomon Brothers  
Level 40  
Exchange Plaza  
2 The Esplanade  
Perth  
Western Australia

**Underwriters**  
Taylor Collison Limited  
12 Pirie Street  
Adelaide  
South Australia

RM Capital Pty Ltd  
1175 Hay Street  
West Perth  
Western Australia



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## 1. SUMMARY OF OFFER

### 1.1 Investment Highlights

- 100% interest in a highly prospective under-explored portfolio of mineral tenements and applications covering an area of more than 10,000km<sup>2</sup>.
- A substantial drilling programme, testing a number of exciting gold (-silver) and base metal (zinc, lead and copper) targets is planned for early 2007.
- In addition, Tasman also has a highly prospective uranium tenement portfolio which will largely be held by Fission Energy Ltd, a subsidiary company of Tasman which is to be the subject of an IPO and ASX Listing.
- Strong and experienced Board.

### 1.2 Keypoints

New Share Issue Price:	\$0.16 per New Share
Qualifying Shareholder Entitlement:	1 New Share for every 8 Shares held on the Record Date (together with 1 free accompanying New Option for every 2 Shares acquired under this Prospectus)
Approximate number of New Shares to be issued under the Rights Issue:	Up to 13,627,188*
Approximate number of New Options to be issued under the Rights Issue:	Up to 6,813,594*
Approximate amount to be raised under the Rights Issue (before Expenses of the Offer):	Up to \$2,180,000.00

\*On the assumption that none of the current Options of the Company are converted to Shares prior to the Record Date.

### 1.3 Summary of Important Dates

Lodgement of Prospectus with ASIC and Appendix 3B with ASX	13 February 2007
Record Date to determine Entitlements	21 February 2007
Prospectus with Acceptance Form dispatched and Rights Issue opens	27 February 2007
Closing Date for acceptances	15 March 2007
Dispatch of holding statements	23 March 2007
Trading of New Shares and New Options on ASX expected to commence	26 March 2007

This timetable is indicative only and subject to change. The Company, in conjunction with the Underwriters, reserves the right, subject to the Corporations Act and the Listing Rules, to vary the above dates (including, without limitation, to extend the Closing Date or to close this Rights Issue early), or to withdraw this Rights Issue and Prospectus at any time, without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the issue of the New Shares and New Options.



## 2. CHAIRMAN'S LETTER

Dear Shareholder

The pro rata non-renounceable rights issue the subject of this Prospectus is aimed at raising additional working capital for Tasman Resources NL ("Tasman") to carry on its exploration projects, predominantly in South Australia.

The Rights Issue is fully underwritten. The Directors have elected to make the Issue non-renounceable and encourage all Qualifying Shareholders, after they have carefully read and understood this Prospectus, to take up their Entitlement in full, to avoid having their Rights lapse at the expiration of the Offer Period.

After having to wait almost nine months to procure drilling rigs, we were fortunate at the beginning of September to secure three rigs which drilled a series of projects as announced to the ASX. These included the Parkinson Dam epithermal / uranium prospects, gold prospects in the Central Gawler Craton, nickel prospects in the Central Gawler Craton and a base metal / silver prospect north of Olympic Dam.

The assays from these drilling programs, and in particular the results from the Parkinson Dam epithermal project, the nickel prospect at Sturt and the gold prospect at Skye, were particularly encouraging. Since then Tasman has:-

- (1) entered into a \$6.5million joint venture with WCP to explore for Olympic Dam Style Iron Oxide Copper/Gold targets (IOCG) on Tasman's tenements in the area around Olympic Dam in South Australia; and
- (2) announced its intention to list Fission Energy Ltd on the ASX as a uranium focused explorer, essentially targeting all sedimentary hosted uranium on Tasman's South Australian tenements and 9 exploration licence applications in Western Australia.

Tasman (through its wholly owned subsidiary, Noble Energy Ltd), as the largest shareholder of Eden Energy Ltd, is pleased to note that Eden is making strong advances in the marketing of its products relating to Hythane®, a mixture of hydrogen and natural gas that may be used as an ultra low-emission fuel in motor vehicles, in the USA, Europe, India and China. Eden is also acquiring a 50% interest in a joint venture in a major coal bed methane project in Wales which Eden hopes to drill near the end of the first quarter of 2007. The investment in Eden has increased significantly in value and represents a very significant asset for Tasman.

The directors look forward to a bright future for Tasman.

Yours sincerely

**Gregory H. Solomon**  
Chairman



### 3. PROSPECTUS INFORMATION

#### IMPORTANT NOTICE

This Prospectus is dated 13 February 2007.

A copy of this Prospectus was lodged with the Australian Securities and Investments Commission (ASIC) on 13 February 2007. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus.

This Prospectus contains an offer to Qualifying Shareholders whose registered addresses are in Australia and New Zealand, and has been prepared to comply with the requirements of the securities laws of Australia and New Zealand. Distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make an offer. No action has been taken to register this Prospectus, the New Shares or New Options or the Rights, or otherwise permit an offering of the New Shares or New Options or the Rights, in any jurisdiction outside of Australia or New Zealand.

No Shares or Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application will be made within 7 days after the date of this Prospectus for permission for the New Shares and New Options offered by this Prospectus to be admitted to Quotation on the ASX.

The New Shares and New Options offered by this Prospectus are of a speculative nature. Qualifying Shareholders should read this Prospectus in its entirety and, if in any doubt, consult with their professional advisors before deciding whether to apply for New Shares and New Options. In particular, it is important Qualifying Shareholders consider the risk factors (refer to sections 4.17 and 9 of this Prospectus) which could adversely affect the financial performance of the Company. The New Shares and New Options offered under this Prospectus carry no guarantee in respect of return of capital, return on capital investment, payment of dividends or the future value of the Shares or Options.

#### DISCLAIMER

No person is authorised to give any information or to make any representation in connection with the Rights Issue which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by Tasman (or its Directors or advisers) in connection with the Rights Issue.





## PROSPECTUS AVAILABILITY

This Prospectus is available in an electronic form and a paper version. Qualifying Shareholders with registered addresses in Australia and New Zealand will be sent a copy of this Prospectus on 27 February 2007. In addition, Qualifying Shareholders can obtain a copy of this Prospectus during the Rights Issue on the Tasman website at [www.tasmanresources.com.au](http://www.tasmanresources.com.au) or by calling Mr Ray Buscall, Company Secretary, Tasman, by telephone on (08) 9282 5889.

However, the electronic version of this Prospectus on the Tasman website will not include an Acceptance Form. A personalised Acceptance Form will accompany the paper copy of the Prospectus which will be mailed to Qualifying Shareholders on 27 February 2007.

Neither this Prospectus nor the accompanying Acceptance Form may be sent to Qualifying Shareholders outside of Australia and New Zealand or otherwise distributed outside of Australia and New Zealand.

## SECTION 713 OF THE CORPORATIONS ACT

This Prospectus contains an offer of continuously quoted securities (as defined in the Corporations Act) of Tasman, and has been prepared in accordance with section 713 of the Corporations Act (see section 10.1 of this Prospectus for further information).

## DEFINITIONS AND ABBREVIATIONS

Throughout this Prospectus abbreviations and defined terms are used. Defined terms are generally identified by the use of an uppercase first letter. Details of the definitions and abbreviations used are set out in section 12 of this Prospectus.



## 4. DETAILS OF THE OFFER

### 4.1 The Issue

A non-renounceable pro rata entitlements issue to Qualifying Shareholders of approximately 13.6 million New Shares and 6.8 million New Options (assuming that none of the current Options of the Company are converted to Shares prior to the Record Date) on the basis of 1 New Share for every 8 existing Shares held as at the Record Date at an issue price of 16 cents each, plus one free attaching New Option for every two New Shares subscribed for under this Prospectus, to raise approximately \$2.18 million before Issue costs.

Each New Option is to acquire 1 fully paid ordinary Share at an exercise price of 20 cents per Share exercisable at any time up to and including 31 December 2009.

All New Shares issued pursuant to this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with the Shares already on issue (see section 10.4 of this Prospectus).

The New Options to be issued under this Prospectus will be issued on the same terms and conditions as the Company's Existing Quoted Options (see section 10.5 of this Prospectus).

As the Rights Issue is non-renounceable, Qualifying Shareholders who do not wish to exercise their Rights to subscribe for some or all of the New Shares (and accompanying New Options) being offered to them under this Prospectus may not sell or otherwise transfer those Rights, and those Rights will lapse at the expiration of the Offer Period.

### 4.2 Underwriting

The Issue is fully underwritten, by Taylor Collison Limited as to 65 percent of the Issue and by RM Capital Pty Ltd as to the remaining 35 percent of the Issue. A summary of the terms and conditions of the Underwriting Agreement made with each Underwriter is set out in Section 10.6.1 of this Prospectus.

If either or both of the Underwriting Agreements are terminated by either or both Underwriters, this Rights Issue will still proceed, in which case this Rights Issue may not be fully subscribed. In this case, there will be no minimum subscription to this Rights Issue and the funds raised under this Rights Issue will be applied in the order of priority set out in section 8.4 of this Prospectus.

Arkenstone Pty Ltd and March Bells Pty Ltd, companies associated with the Directors, have sub-underwritten their respective Entitlements under this Rights Issue. A summary of these sub-underwriting agreements are set out in section 10.6.1 of this Prospectus.

### 4.3 Entitlement to participate in the Rights Issue

Shareholders who are registered on the Company's Share Register and whose registered addresses are in Australia or New Zealand (Qualifying Shareholders) at the close of business on the Record Date, being 5.00 pm WST on 21 February 2007, are eligible to participate in the Offer.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares and New Options. For this purpose, holdings in the same name are aggregated for calculation of Entitlements. If Tasman considers that holdings have been split to take advantage of rounding, Tasman reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Acceptance Form setting out each Qualifying Shareholder's Entitlements to New Shares and New Options will accompany the Prospectus sent to that Shareholder.



#### **4.4 Opening and Closing Dates**

Tasman will accept applications from 27 February 2007 until 5.00pm WST on 15 March 2007 (the Closing Date), subject to the right of the Company, in conjunction with the Underwriters, in its absolute discretion to either close this Rights Issue at an earlier time and date or to extend the Closing Date without prior notice (subject to the requirements of the Corporations Act and Listing Rules).

No New Shares or New Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

#### **4.5 Indicative Timetable**

Please refer section 1.3 of this Prospectus for an indicative timetable for the Offer.

#### **4.6 Acceptances**

This Offer may be accepted by Qualifying Shareholders in whole or in part prior to the Closing Date subject to the right of the Company and the Underwriters to extend the Offer Period or close the Offer early.

Instructions for accepting your Entitlement are set out in Section 5 of this Prospectus and on the Application Form which accompanies this Prospectus.

#### **4.7 Application money**

All Qualifying Shareholders who accept the Offer in its entirety will receive their Entitlement in full.

New Shares and New Options will be issued only after all Application Money has been received and ASX has granted permission for the New Shares and New Options to be quoted. It is expected that New Shares and New Options will be issued on 23 March 2007 and the listing of the New Shares and New Options on ASX is expected to commence on 26 March 2007.

All Application Money received before New Shares and New Options are issued will be held in a special purpose trust account. After New Shares and New Options are issued to Applicants, the funds in the account plus accrued interest will be received by Tasman. All Application Moneys will be returned (without interest) if this Rights Issue is withdrawn or otherwise does not proceed.

If the New Shares and New Options are not quoted by ASX within three months after the date of this Prospectus, Tasman will refund all Application Money in full.



#### **4.8 Issue Outside Australia and New Zealand**

This Prospectus does not constitute an offer of Securities in any place outside Australia and New Zealand in which, or to any person to whom, it would not be lawful to make such an offer or to issue the Prospectus. The distribution of this Prospectus and the accompanying Acceptance Form in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus and the accompanying Acceptance Form (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

No action has been taken to register the Rights, the New Shares or New Options or this Prospectus or otherwise permit an offering of the New Shares or New Options or the Rights in any jurisdiction outside of Australia or New Zealand. Without limitation, the Rights and the New Shares and New Options have not been, and will not be, registered under the *US Securities Act 1993 (as amended)* or the securities laws of any State of the United States of America and may not be offered in the United States of America or to, or for the account of or benefit of, US persons.

#### **4.9 Treatment of Overseas Shareholders**

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand because of the small number of such Shareholders, the small number and value of the Securities which would be offered to such Shareholders and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. The Prospectus is sent to those Shareholders for their information only.

The Offer contained in this Prospectus to Qualifying Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

#### **4.10 ASX Quotation of New Shares and New Options**

Within seven (7) days after the date of this Prospectus, application will be made to the ASX for the New Shares and New Options offered by this Prospectus to be granted Quotation. If approval for Quotation is not granted within three (3) months after the date of this Prospectus (or any longer period permitted by ASIC), the Company will not allot or issue any New Shares and New Options pursuant to this Rights Issue and will repay all Application Moneys without interest as soon as practicable.

Subject to approval being granted by ASX, it is expected that the quotation and trading of New Shares and New Options issued under this Rights Issue will commence on ASX on a normal basis on 26 March 2007.

It is the responsibility of all Qualifying Shareholders to determine their allocation prior to trading in New Shares and New Options. Qualifying Shareholders who sell New Shares and New Options before they receive their holding statements will do so at their own risk. Tasman disclaims all liability in tort (including negligence), statute or otherwise to persons who trade New Shares and New Options before receiving their holding statements.

ASX takes no responsibility for the contents of this Prospectus. The fact that the ASX may approve quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the New Shares and New Options offered pursuant to this Prospectus.



#### 4.11 Market Price Of Shares

The lowest and highest market-traded prices of the Shares on the ASX during the three (3) months immediately preceding the date of this Prospectus, and the respective dates of those prices, were:

1. Highest: 28 cents on 12 February 2007; and
2. Lowest: 13 cents on 24 November 2006.

The approximate volume weighted average price of the Shares in that three month period was 17.1 cents.

The closing price for the Shares on the ASX on the day immediately prior to the date of this Prospectus was 25 cents on 12 February 2007.

The lowest and highest market-traded prices of the Existing Quoted Options on the ASX during the three (3) months immediately preceding the date of this Prospectus, and the respective dates of those prices, were:

1. Highest: 12.50 cents on 14 December 2006; and
2. Lowest: 4.60 cents on 1 December 2006.

The approximate volume weighted average price of the Existing Quoted Options in that three month period was 8.2 cents.

The closing price for the Existing Quoted Options on the ASX on the day immediately prior to the date of this Prospectus was 12 cents on 12 February 2007.

#### 4.12 CHESS

Tasman participates in the clearing house electronic sub-register system (“CHESS”), operated by ASX Settlement & Transfer Corporation Pty Ltd (“ASTC”) (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and SCH Business Rules. Tasman operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up Tasman’s principal register of securities.

Under CHESS, the Company does not issue certificates to investors. Therefore Qualifying Shareholders who acquire New Shares and New Options will not receive a certificate but will receive an updated statement of their holdings, that will include the number of New Shares and New Options allotted to that Qualifying Shareholder under this Prospectus. The Statements will also advise Qualifying Shareholders of either their Holder Identification Number (HIN) in the case of the holding on the CHESS sub-register or Security Holding Reference Number (SRN) in the case of a holding on the issuer sponsored sub-register. A statement will be routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time, however a charge may be incurred for additional statements.



#### **4.13 Rights and Liabilities attaching to New Shares and New Options**

The New Shares will, once issued, rank equally in all respects (including as to dividend and bonus issues) with all existing Shares. The rights attached to the Shares are set out in Tasman's Constitution, which may be examined free of charge by appointment between 9.00 am and 5.00 pm on normal business days at the registered office of Tasman at Level 40, Exchange Plaza, 2 The Esplanade, Perth and, in certain circumstances, is regulated by the Corporations Act, the Listing Rules and the general law. A summary of the principal rights attaching to the Shares is set out in section 10.4 of this Prospectus.

The New Options, once issued, will have the rights set out in section 10.5 of this Prospectus. The New Options will be issued on the same terms and conditions as the Existing Quoted Options.

#### **4.14 Pro-Forma Capital Structure**

The pro-forma capital structure of Tasman (reflecting the issued and paid up capital structure of the Company upon completion of this Rights Issue) is set out in section 8.2 of this Prospectus.

#### **4.15 Effect on existing Shareholders and Optionholders**

As at the date of this Prospectus, the Company has on issue 109,017,510 Shares.

In addition, the Company has issued, pursuant to its ESOP, a total of 3,200,000 Options to its employees. Details of these Options are set out in section 10.12 of this Prospectus. The Company also issued 6,000,000 Options to sophisticated and professional investors on 21 November 2006 (these options were issued, free of charge, together with a placement to such investors of 6,000,000 Shares at 13.5 cents per Share) ("the Existing Quoted Options"). The New Options are being issued on the same terms and conditions as the Existing Quoted Options. A summary of the terms and conditions on which the Existing Quoted Options have been issued, and the New Options will be issued, are set out in section 10.5 of this Prospectus.

For the effect this Rights Issue will have on Shareholders' and Optionholders' existing interests, please see sections 4.16 and 8.3 respectively of this Prospectus.

#### **4.16 Existing Optionholders**

Holders of the existing Options may participate in this Rights Issue by exercising any or all of their Options prior to the Record Date. As at the date of this Prospectus there are 9,200,000 Options on issue in total.

As at the date of this Prospectus, there are 3,200,000 Options on issue to employees of the Company under its ESOP. Each Option entitles the holder to acquire 1 Share. A summary of the terms and conditions of these Options is contained in section 10.12 of this Prospectus. All of these Options, except 200,000 (which have not yet vested), are capable of being exercised. If all of the Options capable of exercise (3,000,000) were exercised before the Record Date, an additional 3,000,000 new Shares would be issued upon exercise of the Options. In addition, in the event that all of the Rights in respect of these additional Shares were subscribed for, an additional 375,000 New Shares (together with 187,500 accompanying New Options) would be issued under this Rights Issue, and a further \$60,000.00 would be raised under this Rights Issue.



As at the date of this Prospectus, in addition to the Options issued to the Company's employees under its ESOP, there are 6,000,000 quoted Options on issue. These Existing Quoted Options were issued to sophisticated and professional investors who took a placement of 6,000,000 Shares at 13.5 cents per Share on 21 November 2006 free of charge. Each Option entitles the holder to acquire 1 Share (exercisable at 20 cents on or before 31 December 2009). A summary of the terms and conditions of these Options is contained in section 10.5 of this Prospectus. All of these Options are currently capable of being exercised. If all of these Options (6,000,000) were exercised before the Record Date, an additional 6,000,000 new Shares would be issued upon exercise of the Options. In the event that all of the Rights in respect of these additional Shares were subscribed for, an additional 750,000 New Shares (together with 375,000 accompanying New Options) would be issued under this Rights Issue, and a further \$120,000.00 would be raised.

#### **4.17 Risk factors**

In addition to the general risks applicable to all investments in listed companies, there are specific risks associated with an investment in Tasman, which are set out in section 9 of this Prospectus.

#### **4.18 Enquiries In Relation to this Rights Issue**

This Prospectus provides information for Qualifying Shareholders and should be read in its entirety. Enquiries concerning the Acceptance Form accompanying this Prospectus or about participation in this Rights Issue should be directed to Tasman by telephone on (08) 9282 5889 or facsimile on (08) 9282 5866.

If after reading this Prospectus or contacting Tasman you have any questions about any aspect of an investment in Tasman, please consult your stockbroker, accountant or independent financial advisor.



## 5. ACTION REQUIRED BY QUALIFYING SHAREHOLDERS

### 5.1 What you may do - choices available

If you are a Qualifying Shareholder, you may take any of the following actions:

- take up all of your Rights (refer to section 5.2);
- take up part of your Rights and allow the balance to lapse (refer to section 5.3); or
- do nothing (refer to section 5.4).

You may not sell or otherwise transfer all or part of your Rights to another person.

### 5.2 Taking up all of your Rights

If you are a Qualifying Shareholder and you wish to take up all of your Rights, you must complete the personalised Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form.

You should then forward the completed Acceptance Form, together with your cheque, money order or bank draft for the Application Moneys, to reach one of the following addresses by no later than 5.00 pm WST on 15 March 2007:

**By mail:** Tasman Resources NL  
c/- Advanced Share Registry Services  
PO Box 1156  
Nedlands, WA, 6909

**By delivery:** Tasman Resources NL  
c/- Advanced Share Registry Services  
110 Stirling Highway  
Nedlands, WA, 6009

### 5.3 Taking up part of your Rights and allowing the balance to lapse

If you are a Qualifying Shareholder and wish to take up part of your Rights and allow the balance of your Rights to lapse, complete the accompanying Acceptance Form in accordance with the instructions set out in that form and forward this form, together with your cheque, money order or bank draft for the Application Moneys for the New Shares and New Options you wish to subscribe for, to reach one of the following addresses by no later than 5.00 pm WST on 15 March 2007:

**By mail:** Tasman Resources NL  
c/- Advanced Share Registry Services  
PO Box 1156  
Nedlands, WA, 6909

**By delivery:** Tasman Resources NL  
c/- Advanced Share Registry Services  
110 Stirling Highway  
Nedlands, WA, 6009





## 5.4 Consequences of doing nothing – Rights not taken up

If you decide not to take up all or part of your Rights, you do not need to do anything as any Rights not taken up will automatically lapse at the expiration of the Offer Period.

You will receive no benefit if you do not take up your Rights.

## 5.5 Acceptance Forms

**New Shares and New Options will only be issued on receipt of an Acceptance Form which was issued together with this Prospectus.**

A completed and lodged Acceptance Form, together with payment for the number of New Shares and New Options accepted, cannot be withdrawn and constitutes a binding application for, and acceptance of, the number of New Shares and New Options specified in the Acceptance Form on the terms set out in this Prospectus. The Acceptance Form does not need to be signed to be binding.

Acceptance Forms which do not specify an Australian or New Zealand address for service (or which are accompanied by payment drawn on a foreign bank account) will be rejected and returned unless Qualifying Shareholders provide evidence which satisfies Tasman that the issue of the New Shares and New Options will not contravene the laws of any other jurisdiction.

No brokerage or stamp duty is payable by Qualifying Shareholders on the issue of New Shares and New Options.

**If the Acceptance Form is not completed correctly Tasman can reject it or treat it as valid. Tasman's decision as to whether to reject the Acceptance Form or treat it as valid and how to construe, amend or complete it is final.**

## 5.6 Payment upon taking up your Entitlement

Payment of the Issue Price for the number of New Shares and New Options accepted is payable in full on acceptance and must be made by cheque, money order or bank draft in Australian currency drawn on an Australian branch of a financial institution for the amount of the Application Money. Cheques, money orders or bank drafts must be payable to: "Tasman Resources NL Rights Issue" and crossed "Not Negotiable". No brokerage or stamp duty is payable by Qualifying Shareholders. Do not forward cash. Receipts for payments will not be issued.

## 5.7 Overseas Shareholders

Shareholders with registered addresses outside Australia and New Zealand should refer to sections 4.8 and 4.9 of this Prospectus.



## 6. COMPANY OVERVIEW

### 6.1 Background

Tasman was incorporated on 30 June 1987 as PF Mining Shelf Co (No 19) NL and changed its name on 2 September 1987 to Tasman Resources NL.

Tasman undertook an initial public offering in the last quarter of 2001 pursuant to a prospectus dated 15 August 2001 raising \$3,500,000.00. Tasman was admitted to quotation on the official list of the ASX on 18 December 2001.

Tasman holds 28 granted exploration licences in South Australia, located around the northern end of Lake Torrens, adjoining the Olympic Dam mine; west of Port Augusta near Iron Knob; and on the Central Gawler Craton between Coober Pedy and Tarcoola, and has applied for a further 2 exploration licences in the latter two areas in South Australia. In addition, Tasman has applied for 6 exploration permits for minerals in western Queensland. Fission Energy Ltd, Tasman's wholly owned subsidiary, has also applied for 8 exploration licences on the Yilgarn Craton in Western Australia and 1 exploration licence in the north of the State, 40km east of the Kintyre uranium deposit.

Tasman's wholly owned subsidiary, Noble Energy Ltd, holds 26.940% of the issued shares and 37.433% of the issued quoted options in Eden Energy Ltd, which undertook an initial public offering in the first half of 2006 pursuant to a prospectus dated 29 March 2006 raising \$8,389,600.00, and was admitted to quotation on the official list of the ASX on 6 June 2006.

Further information in relation to Tasman's projects is contained in section 6.2 of this Prospectus.

### 6.2 Projects

#### Title Summary

Tasman (and its subsidiary, Fission Energy Ltd) hold exploration tenements and applications in South Australia, Queensland and Western Australia. The following table provides a summary of these tenements. The total area of the tenements (including applications) held by Tasman is approximately 13,470 km<sup>2</sup>

State	Type	ID	Area Km <sup>2</sup>	Locality	Expiry Date	Note
SA	EL	2989	874	Hedley Hill	24-Jul-07	2, 5
SA	EL	3102	75	Wartaka	19-Jun-07	5
SA	EL	3109	244	White Cliff	23-Jul-07	2, 5
SA	EL	3123	615	Stuart Creek	02-Sep-07	5
SA	EL	3140	440	Porter Hill	14-Oct-07	2, 5
SA	EL	3174	230	Ferguson Hill	09-Mar-07	2, 5
SA	EL	3175	12	Andamooka	09-Mar-07	2, 5
SA	EL	3177	402	Todds Dam	09-Mar-07	2, 5
SA	EL	3209	1,302	Andamooka North	10-May-07	2, 5
SA	EL	3254	247	Mt Norwest	28-Sep-07	5
SA	EL	3261	160	Harcus Hill	13-Oct-07	2, 5
SA	EL	3306	436	Warrior	16-Feb-07	5
SA	EL	3307	194	Iron Knob	16-Feb-08	5
SA	EL	3339	62	McDouall Peak	19-May-07	5
SA	EL	3340	173	Gina Outstation	19-May-07	5
SA	EL	3341	339	Muckanippie	19-May-07	5



State	Type	ID	Area Km <sup>2</sup>	Locality	Expiry Date	Note
SA	EL	3342	184	Garford	19-May-07	5
SA	EL	3343	430	Sandstone	19-May-07	5
SA	EL	3344	262	Commonwealth Hill	19-May-07	5
SA	EL	3345	131	Mulgathing Hill	19-May-07	5
SA	EL	3423	161	Wildingi Claypan	04-Oct-07	5
SA	EL	3449	47	Gambier Hill	14-Nov-07	2, 5
SA	EL	3453	223	Reid Lookout	14-Nov-07	1, 5
SA	EL	3532	379	Galaxy Tank	21-Mar-07	1, 5
SA	EL	3541	271	South Hill	18-Apr-07	5
SA	EL	3607	281	Bopeechee	27-Jul-07	5
SA	EL	3634	473	Parakylia	08-Oct-07	2, 5
SA	EL	3677	107	Cadnia Hill	06-Sep-07	5
SA	ELA	189/06	168	Sandy Tank		5
SA	ELA	289/06	40	Old Wartaka		5
Qld	EPMA	15642	314	Mirrica North		4
Qld	EPMA	15645	314	Mirrica South		4
Qld	EPMA	16127	628	Georgina		4
Qld	EPMA	16125	628	Wanda		4
Qld	EPMA	16124	628	Marian		4
Qld	EPMA	16126	691	Linda		4
WA	ELA	28/1744	181	PontonCreek		3
WA	ELA	29/650	162	Barlee East		3
WA	ELA	29/651	102	Elvire		3
WA	ELA	57/693	133	Noondie		3
WA	ELA	57/695	60	Perseverance		3
WA	ELA	77/1393	27	Elvire South		3
WA	ELA	77/1402	209	Barlee South		3
WA	ELA	77/1447	209	Barlee West 2		3
WA	ELA	45/2997	222	Mt Sears Range		3

## Notes:

1. Renewal applied for – pending
2. These tenements are subject to the farm in and joint venture agreement between Tasman and WCP Resources Ltd - see sections 6.3.1 and 10.6.2 of this Prospectus for further information.
3. Applications made by Fission Energy Ltd (wholly owned Tasman subsidiary) – see sections 6.3.7 and 6.4 of this Prospectus.
4. Queensland EPM applications
5. Subject to the exclusion in section 6.4, Tasman's interest in any uranium, thorium or other radio-active mineralization in South Australian tenements which are not subject to the WCP farm-in and joint venture agreement, and Tasman's interest in any Neoproterozoic and younger sediment hosted uranium, thorium or other radio-active mineralization which are the subject of the WCP farm-in and joint venture agreement (in both cases, where the in-ground valuation of the uranium, thorium or other radio-active mineralisation in any defined resource is at least 50% of the value of any poly metallic deposit) are proposed to be transferred to Fission Energy Ltd– see section 6.4 of the Prospectus for further information.

### 6.3 Overview of Exploration Activities

Tasman's exploration activities are largely focussed in South Australia, with new exploration plays under application in Queensland and Western Australia. The Company has significant tenement holdings for a range of commodities. These include the following:



### **6.3.1 Iron-Oxide Copper Gold Targets**

Tasman has a significant tenement package adjoining or in close proximity to the giant Olympic Dam iron-oxide copper gold uranium (“IOCGU”) mine. Included in Tasman’s tenements is one known iron-oxide copper gold system (Titan), another haematite-altered breccia system (Marathon South) and at least five other untested targets identified from geophysical surveys (magnetics and gravity) within a 30 to 40km range of the Olympic Dam ore body which may host IOCGU deposits. The Olympic Dam ore body is the largest IOCGU deposit in the world, and in addition contains more than 40% of the world’s known uranium resources. Further exploration of these targets will be carried out by WCP Resources Limited pursuant to a farm in and joint venture agreement recently entered into between Tasman and WCP. A summary of the interest which may be earned by WCP in such tenements, and the terms and conditions of this farm-in and joint venture agreement, are contained in section 10.6.2 of this Prospectus.

### **6.3.2 Parkinson Dam Epithermal Gold / Silver / Lead / Zinc / Uranium Prospect**

In 2005, Tasman discovered a new gold-silver-lead-zinc epithermal-style system approximately 60km west of Port Augusta. The prospect was initially drilled by Tasman at the end of 2005, with significant intersections of gold, silver, lead and zinc (eg up to 3.4g/t Au and 80g/t Ag over 3m down hole). In 2006 follow up drilling located higher grades of lead and zinc (including an intersection of 7.6% Pb, 10.5% Zn, 0.4% Cu, 1.2g/t Au and 120g/t Ag over 1.66m down hole).

In close proximity to the epithermal mineralisation, uranium mineralisation (uraninite) has been discovered at the base of the Corrunna Conglomerate, which is of similar age and geological setting to that which hosts the Ranger, Jabiluka and Nabarlek deposits in the Northern Territory. Further evaluation of this unconformity-style uranium opportunity is in progress.

### **6.3.3 Central Gawler Craton – Gold / Nickel**

Tasman’s tenements in this area are prospective for gold, nickel and uranium. The gold targets include inadequately tested prospects with significant gold results in RAB and RC holes, as well as several areas identified by geochemical sampling, all within 60-90km of the Challenger Goldmine. In 2006 RAB drilling at the Skye prospect located primary gold mineralization of 6m at 3g/t down hole, incl. 1m at 8g/t Au beneath a low grade supergene gold blanket defined by previous shallow drilling. Follow up drilling of the primary mineralised zone at depth and along strike is planned to test for high grade “Challenger style” plunging shoots.

The nickel targets include newly discovered ultramafic rocks located in the Fowler Domain. This region of the Gawler Craton has been interpreted by the South Australian Department of Primary Industry & Resources as having strong similarities to the Thomson Nickel Belt in Canada. There are two main areas where significant nickel in calcrete (supported by elevated cobalt and copper) provide targets for potential nickel mineralisation. RAB drilling of one of these areas in 2006 intersected a probable large differentiated mafic intrusion prospective for nickel-copper and PGE. A possible 8km strike length is inferred from aeromagnetics. Anomalous Ni and Cr values up to 1400 and 5100 ppm respectively were intersected.



#### **6.3.4 Central Gawler Craton – Uranium**

Tasman's tenements also include well over 100km of known palaeochannels, which are considered prospective for uranium mineralisation. Targets include more than 40km of untested palaeochannels at Wynbring, which has been established by previous exploration to host appropriate geological environments to concentrate uranium mineralisation. Tasman also holds a large portion of the Garford Palaeochannel, which is located in a similar geological setting and with similar uranium potential source rocks (granite), and is totally untested for uranium. A TEMPEST airborne EM survey was flown over Tasman's Garford tenements in 2006 and defined +80km of uranium-prospective palaeochannel.

#### **6.3.5 Base Metal (Lead / Zinc / Silver) Targets**

North of Olympic Dam within the Andamooka Limestone, Tasman has identified a high priority target for Mississippi Valley - style lead-zinc-silver mineralisation. A recent geochemical survey using soil desorption pyrolysis has defined several drill targets. \$70,000 of PACE funding was recently awarded by the South Australian Government for drill testing of this prospect.

#### **6.3.6 Mirrica Project (Gold, Base Metals, Queensland)**

Tasman has applied for tenements covering an area northwest of Bedourie in south west Queensland with potential for Proterozoic gold and/or base metal mineralisation under relatively thin cover rocks of the Eromanga Basin and Simpson Desert sands. The prospectivity of the region for uranium and diamonds is also open to further investigation.

This virtually untested province is characterised by relatively shallow cover over a Palaeoproterozoic terrane with potential similarities to the Tanami, Tennant Creek or Challenger (South Australia) gold provinces. It is located near major regional structures and possible extensions of the Mt Isa block and has unexplained significant gold anomalism in soils, lag, calcrete and aircore chips.

#### **6.3.7 Western Australia – Uranium**

Fission, a wholly owned subsidiary of Tasman, has applied for eight exploration licences for sediment-hosted uranium on the Yilgarn Craton and one (Mt Sears Range) for unconformity - style uranium, 40km east of the Kintyre uranium deposit.

Seven of the Yilgarn licences cover airborne radiometric uranium anomalies associated with palaeodrainages/playa lakes on granite terrain in the northern Yilgarn Craton. The other application covers a palaeochannel 160 km east of Kalgoorlie.

The Mt Sears Range application includes a known uranium occurrence in the Mt Sears Range which has an associated airborne radiometric uranium anomaly. It is hosted by the Mesoproterozoic Coolbro Sandstone immediately above the Palaeoproterozoic unconformity with the Rudall Metamorphic Complex.

#### **6.3.8 Glenormiston - Uranium (Queensland)**

Tasman has recently applied for four exploration permits for minerals located 150 to 250km south west of Mt Isa in western Queensland. Tasman has identified numerous airborne radiometric uranium anomalies from a recent regional survey and believes there has been little or no previous uranium exploration in this remote area.



### **6.3.9 Columba Coal Prospect**

Tasman has recognised a possible Permian coal basin 80km south west of Coober Pedy, interpreted from a TEMPEST airborne EM survey combined with existing drilling, seismic and gravity data. A strong NW-SE trending conductor from 70m-130m depth is believed to be indicative of a trough very similar to several narrow linear troughs further to the east which host the Lake Phillipson and Penrhyn coal deposits. These are located within the upper portions of the Mt Toondina Formation within the Permian Arckaringa Basin and according to government reports contain in excess of 5 billion tonnes of sub bituminous coal (PIRSA Report Book 96/25, 1996).

Any future coal discovery by Tasman could benefit from its close proximity to the existing Lake Phillipson deposits and the Darwin–Adelaide railway which is located 30km to the east. A potential market for the coal would be the Port Augusta power station which is serviced by rail access and is anticipated to exhaust its own coal reserves at Leigh Creek within approximately 10 to 15 years.

All of these prospects have the potential to produce economic mineralisation and offer a wide spectrum of interesting targets.

Tasman has a very experienced and highly respected team of geologists and consultants, who manage the exploration programs.

## **6.4 Fission Energy Ltd**

As set out in section 6.3.7 above, Fission, a wholly owned subsidiary of Tasman, has applied for eight exploration licences for sediment-hosted uranium on the Yilgarn Craton and one (Mt Sears Range) for unconformity - style uranium. In addition, Tasman proposes to transfer to Fission all of its interest in:

- in the case of tenements subject to the farm-in and joint venture agreement with WCP Resources Ltd (see section 10.6.2 of this Prospectus for a summary of the terms and conditions of this agreement) - any Neoproterozoic and younger sediment hosted uranium, thorium or other radio-active mineralisation which may be discovered (where the in-ground valuation of the uranium, thorium or other radio-active mineralisation in any defined resource is at least 50% of the value of any poly metallic deposit); and
- in the case of all other South Australian tenements, all uranium mineralisation which may be discovered (where the in-ground valuation of the uranium, thorium or other radio-active mineralisation in any defined resource is at least 50% of the value of any poly metallic deposit).  
At Parkinson Dam a 13km<sup>2</sup> area prospective for epithermal gold-base metal mineralization is excluded.

As announced by Tasman to ASX on 12 February 2007, it is proposed that Fission will seek to raise funds from the public, by way of an initial public offering under a prospectus, for the exploration of such mineralisation and to subsequently list on the ASX.



## 7. DETAILS OF DIRECTORS

### **Gregory Howard Solomon, LLB (Executive Chairman)**

Mr Solomon has been a director of Tasman Resources NL since its incorporation in 1987 and executive chairman since 1997 and is also a solicitor with more than 30 years Australian and international experience in a wide range of areas including mining and energy law, commercial negotiation (including numerous mining, energy and exploration joint ventures) and corporate law. He has held numerous directorships of various Australian public companies since 1984 including several resources and technology companies. He is also the chairman of Eden Energy Ltd, Brehon Energy Ltd and a partner in the Western Australian legal firm Solomon Brothers.

### **Douglas Howard Solomon, LLB (Non-Executive Director)**

Mr Solomon is a Barrister and Solicitor with more than 20 years experience in the areas of mining, corporate, commercial and property law and finance. He is a partner in the legal firm Solomon Brothers. He has been a director of Tasman Resources NL since the time of its incorporation in 1987, and is also a director of Eden Energy Ltd. Mr Solomon has advised a wide range of national and international companies on many transactions and has significant experience in both negotiation and dispute resolution.

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

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 ASX. 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.



## 8. EFFECT OF THE ISSUE ON TASMAN AND USE OF PROCEEDS

### 8.1 Introduction

As this Rights Issue is fully underwritten, the gross proceeds that will be raised by Tasman under this Rights Issue (before deducting the costs of this Rights Issue) is approximately \$2,180,000.00 (on the assumption that none of the current Options of the Company are converted to Shares prior to the Record Date).

### 8.2 Pro-forma Capital structure on completion of the Rights Issue

The pro-forma capital structure of Tasman is set out below and reflects the issued and paid up capital structure of the Company assuming the Rights Issue is fully subscribed and assuming that none of the current Options of the Company are converted to Shares prior to the Record Date or before completion of this Rights Issue.

Issued & Paid Up Capital				
	Shares	Percentage	Options	Percentage
Shares and Options Presently on Issue	109,017,510	88.89%	9,200,000	57.45%
No. of New Shares and New Options Now Offered (estimated)	13,627,188	11.11%	6,813,594	42.55%
Total Shares and Options on Issue at completion of Rights Issue (estimated)	122,644,698	100.00%	16,013,594	100.00%

On the assumptions set out above, a total of up to approximately 122,644,698 Shares and up to 16,013,594 Options will have been issued by the Company at the successful conclusion of this Rights Issue. The maximum number of New Shares and New Options which may be issued under this Rights Issue cannot be calculated precisely until Rights have been determined following the Record Date because of the rounding up of entitlements to fractional new Shares and Options.

The terms and conditions of the Options currently on issue in the Company are detailed in sections 10.5 and 10.12 of this Prospectus.

### 8.3 Effect on Shareholders

Qualifying Shareholders who take up their Rights in full will not have their interest in the Company diluted.

Qualifying Shareholders who do not exercise their Rights or only exercise their Rights in part will have their interest in the Company diluted.

Any Shareholder who is not a Qualifying Shareholder (for example, certain overseas Shareholders) will have their interest in the Company diluted.





## 8.4 Purpose of this Rights Issue and use of funds raised under this Rights Issue

The gross proceeds to be raised by Tasman under this Prospectus are approximately \$2,180,000.00 (on the assumption that none of the current Options are exercised prior to the Record Date). The Rights Issue is fully underwritten by Taylor Collison Ltd and RM Capital Pty Ltd. The proceeds of the Rights Issue will be used by Tasman as follows:

- (1) Firstly, to pay the expenses of the Issue (estimated at approximately \$170,000.00).
- (2) Secondly, to fund the on-going exploration activities of the Company for the next 18 months (estimated at approximately \$1,000,000.00).
- (3) Thirdly, to fund on-going working capital requirements of the Company for the next 18 months (estimated at approximately \$1,010,000.00).

Tasman proposes to apply funds raised towards the following exploration activities:-

- (1) Follow-up drilling at its promising Parkinson Dam Project early in 2007. This epithermal-style gold-silver system was discovered by Tasman, and drilling to date has defined gold-silver-lead-zinc mineralisation over several square kilometres. Drill intersections include up to 3.4g/t Au and 80g/t Ag over 3m down hole and recently, Tasman's first diamond drill hole recorded an intersection of 7.6% Pb, 10.5% Zn, 0.4% Cu, 1.2g/t Au and 120g/t Ag over 1.66m down hole. In 2007, drilling at Parkinson Dam will be aimed at locating further high-grade mineralisation in the remaining, large, untested parts of the project, with initially about eight diamond and RC percussion holes planned, costing approximately \$350,000.
- (2) Drilling at Tasman's lead-zinc-silver target north of Olympic Dam in 2007, where it is planned to drill several RC /diamond holes.
- (3) Further exploration work, including electromagnetic surveys and possible drilling, is planned at Tasman's Sturt and Durkin nickel prospects in the central Gawler Craton, and exploration will continue at Skye, Birdie and Golf North in the central Gawler Craton for Challenger-style high-grade gold deposits.
- (4) To progress exploration on its Mirrica Project in Queensland, considered prospective for gold and/or base metals.
- (5) To progress exploration of the mineral tenements applied for in Queensland, in areas considered prospective for uranium mineralisation.

The funds raised will be augmented by exploration undertaken by WCP Resources Ltd pursuant to the farm-in and joint venture agreement it has entered into with the Company (see section 10.6.2 of this Prospectus for further information in relation to this agreement) and any other potential joint venture partner(s), and any additional funds which may be raised to fund an expanded exploration program. The program is anticipated to continue to use both geophysics, geochemical sampling and drilling as the primary exploration techniques.

Given the speculative nature of Tasman's business, the intended allocation of funds as set out above may change depending upon market conditions and the results obtained in exploration programs.



If the Underwriting Agreements (or either of them) is terminated, the funds raised under this Rights Issue will be applied firstly to pay the expenses of the Issue and secondly to fund the ongoing exploration activities of the Company (with priority in general in line with paragraphs (1) to (5) above) and general working capital. In that case, further capital will be required to be raised earlier than if this Rights Issue is fully subscribed.

Based on the information available to it and based on its current plans, the Directors believe that Tasman will be able to pay its debts as and when they fall due, and carry out its stated objectives.

## 8.5 Accounts & Reports as at 30 June 2006

The audited accounts and report for the financial year ending 30 June 2006 were released to ASX by Tasman on 29 September 2006.

## 8.6 Pro-forma consolidated statement of financial position (pro-forma balance sheet)

The pro-forma Statement of Financial Position for the Company shows the impact on the financial position of Tasman of this Rights Issue (on the assumptions set out in section 8.2 of this Prospectus and net of the costs of this Rights Issue) as if they had occurred on 30 June 2006.

PRO-FORMA STATEMENT OF FINANCIAL POSITION FOR ECONOMIC ENTITY				
	Notes	Audited as at 30 June 2006	Adjustment	Proforma as at 30 June 2006
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	1	678,827	2,779,500	\$3,458,327
Trade and other Receivables		298,515		298,515
<b>TOTAL CURRENT ASSETS</b>		<b>977,342</b>	<b>2,779,500</b>	<b>\$3,756,842</b>
<b>NON-CURRENT ASSETS</b>				
Investments accounted for using the equity method		373,804		373,804
Property Plant & Equipment		24,375		24,375
Intangible Assets		1,543		1,543
Other Non-Current Assets		6,309,638		6,309,638
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,709,360</b>		<b>6,709,360</b>
<b>TOTAL ASSETS</b>		<b>7,686,702</b>	<b>2,779,500</b>	<b>10,466,202</b>
<b>CURRENT LIABILITIES</b>				
Trade and other Payables		204,490		204,490
<b>TOTAL CURRENT LIABILITIES</b>		<b>204,490</b>		<b>204,490</b>
<b>TOTAL LIABILITIES</b>		<b>204,490</b>		<b>204,490</b>
<b>NET ASSETS</b>		<b>\$7,482,212</b>	<b>2,779,500</b>	<b>\$10,261,712</b>
<b>EQUITY</b>				
Issued Capital	2	10,830,673	2,779,500	13,610,173
Reserves		343,355		343,355
Retained earnings / (accumulated) losses		(3,691,816)		(3,691,816)
<b>TOTAL EQUITY</b>		<b>\$7,482,212</b>	<b>2,779,500</b>	<b>\$10,261,712</b>



Notes:

1. Reconciliation of Cash Balance

	<b>Unaudited Pro Forma 30 June 2006 \$</b>
Balance per historical balance sheet as at 30 June 2006	678,827
Proceeds from Placement 21 November 2006 (Note 3)	810,000
Costs of Placement 21 November 2006 (Note 3)	(40,500)
Proceeds of the Offer	2,180,000
Costs of the Offer	(170,000)
<b>Balance per the Unaudited Pro Forma Balance Sheet</b>	<b>3,458,327</b>

2. Reconciliation of Share Capital

	<b>Unaudited Pro Forma 30 June 2006 No.</b>	<b>Unaudited Pro Forma 30 June 2006 \$</b>
Balance per historical balance sheet as at 30 June 2006	103,017,510	10,830,673
Placement 21 November 2006 (Note 3)	6,000,000	810,000
Costs of Placement 21 November 2006 (Note 3)	—	(40,500)
Proceeds of Offer	13,627,188	2,180,000
Costs of the Offer	—	(170,000)
<b>Balance per the Unaudited Pro Forma Balance Sheet</b>	<b>122,644,698</b>	<b>13,610,173</b>

3. On 21 November 2006 there was a placement of a total of 6,000,000 fully paid ordinary shares together with one free option to acquire one ordinary fully paid share (exercisable at 20 cents on or before 31 December 2009) were issued at an issue price of 13.5 cents per share raising a total of \$810,000 as per announcement lodged with the ASX on 22 November 2006.



## 9. RISK FACTORS

An investment in the Company carries risk and Qualifying Shareholders should consider the risk factors described in this section together with the information contained elsewhere in this Prospectus before deciding whether to apply for New Shares and New Options. Qualifying Shareholders should consult their professional advisers before deciding whether to accept this offer of New Shares and New Options. Neither Tasman nor its officers, employees, agents and advisers guarantee that any specific objectives of Tasman will be achieved or that any particular performance of the Shares or Options, including those offered under this Prospectus, will be achieved.

### 9.1 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

### 9.2 Security Investments

Qualifying Shareholders should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Shares and Options regardless of the Company's performance.

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

### 9.3 Joint Venture Parties, Agents and Contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

### 9.4 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.



## 9.5 Changes to Accounting Standards

For reporting periods beginning on or after 30 June 2005, the Company must comply with International Financial Reporting Standards (IFRS). These changes will affect the way certain items are reported in the Company's financial statements. The most significant changes to accounting treatment under the IFRS as it applies to the Company are likely to be related to the accounting for research and development costs, and intangible assets such as licences, goodwill and carried forward exploration costs. The Company must review the amortisation period and the amortisation method at least at the end of each annual reporting period.

## 9.6 Reliance on Key Personnel

The Company's success depends largely on the core competencies of its Directors and management, and their familiarisation with, and ability to operate, in the metals and mining industry and the Company's ability to retain its key executives.

## 9.7 Exploration Success

The tenements of the Company as described in this Prospectus are at various stages of exploration, and potential investors should understand that mineral exploration and development are high risk undertakings. There can be no assurance that exploration of the project areas described in this Prospectus, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements. Even if an apparently viable deposit is identified, there is no guarantee that it can be commercially exploited. Further, all of the tenements remain significantly unexplored and, with only limited exceptions, have no significant mining history and there is no certainty that the proposed exploration will reveal any mineable mineralisation or that any such mineralisation will ultimately be commercially viable.

## 9.8 Risks Specific to the Company

### 9.8.1 Uranium Mining

The Company, and its currently wholly owned subsidiary, Fission, hold certain tenements which are prospective for uranium.

Uranium mining is subject to extensive regulation by state and federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities.



The Federal Government currently permits the mining and export of uranium under strict international agreements designed to prevent nuclear proliferation. The export of uranium is tightly controlled by the Federal Government through its licensing process and Australian uranium can only be exported to those countries who undertake to use it for peaceful purposes.

Investors should be aware that the policy platform of the Australian Labor Party provides for uranium production and export only from existing mines upon its return to office and prohibits the development of any new mines (Chapter 12 of the National Platform and Constitution 2004).

The tenements and applications prospective for uranium are located in South Australia, Western Australia and Queensland. There is currently no legislation that expressly prohibits uranium mining in Western Australia, South Australia or Queensland.

However, the Western Australian State Government and the Queensland State Government have policies opposing uranium mining. In Western Australia, all mining leases granted since 22 June 2002 are subject to a condition which prohibits the mining of uranium. Whilst the Company is not restricted from exploration and evaluation of their uranium deposits, the development of the uranium deposits in Western Australia and Queensland is contingent upon a change of Western Australian and Queensland State Government policies in relation to uranium production.

The South Australian State Government does not have a formal policy opposing uranium mining. The Premier of South Australia has indicated that the South Australian Government supports the uranium mining industry in Australia and the export of uranium to countries that need nuclear power to supply energy as they do not have sufficient alternatives, such as Natural Gas. There are uranium mines currently operating in South Australia.

There can be no assurance that the Western Australian or Queensland State Governments' policies will change in the future, or that the South Australian State or Federal Governments' policies will remain unchanged, and this may adversely affect the long-term prospects of the Company. In addition, future changes in governments, regulations and policies may have an adverse impact on the Company.

Thus there is the significant risk that, even if economic deposits of uranium are discovered, the necessary government approvals for their commercial exportation may not be granted or may be significantly delayed.

### **9.8.2 Operating Risks**

The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, inadequate water supplies, unanticipated technical or metallurgical problems which may affect extraction rates and costs, inability to obtain satisfactory joint venture partners, difficulties in obtaining requisite planning approvals, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the cost of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or operation of the tenements or its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.



### **9.8.3 Production Risks**

Even assuming that viable deposits of minerals are located and able to be mined, the quality and rate of extraction of minerals will be variable (depending, for example on the size of the deposits, timing and/or success of development work and mineral quality). Production may be impacted or shut down for considerable periods of time due to any of the following factors:

- government regulation;
- processing interruptions;
- equipment failure;
- equipment or manpower shortages;
- force majeure;
- well blowouts;
- explosions;
- fires;
- pollution;
- releases of toxic gas; or
- other environmental hazards and risks.

### **9.9 Commodity Price Volatility & Exchange Rate Risks**

If the Company achieves success which results in mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company, including supply and demand fluctuations for precious and base metals, technological advancement, forward selling activities and other micro and macro economic factors. International prices of various commodities are largely denominated in United States dollars, whereas the income and expenditure of the Company, whilst operating on Australian projects, will be in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar.

### **9.10 Title Risks and Native Title**

Interests in exploration and mining tenements in Australia are governed by State legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, particularly for exploration licences, for compulsory reduction in the area held under licence from time to time. Consequently the Company could lose title to or its interest in the tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. It is also possible that, in relation to tenements in which the Company has an interest or in the future may acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to obtain the consent of any relevant land owner, or to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected. In addition, Aboriginal heritage sites are known to exist on various parts of the tenement areas, and exploration and mining activity is not permitted over such areas. The Directors closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.



### **9.11 Environmental Risks**

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Although the Company is not aware of any endangered species of fauna or flora within the tenement area, no definitive study has been carried out over the area, and if any were discovered this could prevent mining occurring.

### **9.12 Share Market Conditions**

The price of the Shares and Options when quoted on ASX will be influenced by international and domestic factors affecting market conditions in equity, financial and commodity markets. These factors may affect the share price for all listed companies, and the price of the Shares and Options may fall or rise, and the price of the Shares and Options may trade below or above the Issue Price. The price of the Shares and Options may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **9.13 Working Capital**

The Company is only raising sufficient funds pursuant to this Rights Issue to cover approximately 18 months of working capital requirements and, subject only to the terms of any joint venture or other commercial arrangement which may have been entered into, the Company is likely to have to raise further capital or borrow funds at the expiration of that period. There is no guarantee that such additional funds will be available to the Company, and the Company may be adversely affected in a material way if, for any reason, access to such funds is not available. The Company's activities will require substantial expenditures. If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

### **9.14 General Investment Risks**

In addition, there is a risk that the price of the Shares and Options and returns to Shareholders may be affected by changes in many general factors including local and world economic conditions and outlook, general movements in local and international stock markets, investor sentiment, interest rates, the rate of inflation, currency exchange rates, levels of tax, taxation law and accounting practice, government legislation or intervention, inflation or inflationary expectations, natural disasters, social





disorder or war in Australia or overseas, international hostilities and acts of terrorism, as well as many other factors which are beyond the control of the Company.

### **9.15 No Formal Valuation of Tenement or Shares or Options**

No formal valuation of any of the Company's tenements and/or the Shares or Options has been carried out.

### **9.16 Other Risks**

The above list of risk factors is not exhaustive of the risks faced by the Company and its Shareholders. The above risks, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares and New Options offered under this Prospectus. Therefore, no assurances or guarantees of future profitability, distributions, payment of dividend, return of capital or performance of the Company or its securities can be, or is, provided by the Company.

## 10. ADDITIONAL INFORMATION

### 10.1 Nature of this Prospectus

This Prospectus is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. That section enables listed disclosing entities to issue a prospectus with less rigorous disclosure requirements if:

- the securities offered by the prospectus are in a class of securities that have been quoted securities at all times in the 12 months before the date of the prospectus; and
- the company is not subject to certain exemptions or declarations prescribed by the Corporations Act.

Securities are quoted securities if:

- the company is included in the official list of ASX; and
- the Listing Rules apply to those securities.

The information in this Prospectus principally concerns the terms and conditions of this Rights Issue and the information necessary to make an informed assessment of:

- the effect of this Rights Issue on Tasman; and
- the rights and liabilities attaching to the New Shares and New Options offered by this Prospectus.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to Tasman which has been notified to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that was not already listed on a stock exchange. Qualifying Shareholders should therefore also have regard to the other publicly available information in relation to Tasman before making a decision whether or not to invest in New Shares and New Options.

### 10.2 Regular reporting and disclosure obligations

Tasman is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

These obligations require Tasman to notify ASX of information about specified events and matters as they arise for the purposes of ASX making that information available to the stock market conducted by ASX. In particular, Tasman has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information of which it becomes aware concerning Tasman which a reasonable person would expect to have a material effect on the price or value of securities in Tasman. Tasman is required to lodge with ASX quarterly reports which include details about its production, development and exploration activities.

As Tasman has been listed on ASX since 18 December 2001 a large amount of information concerning Tasman has previously been notified to ASX and is therefore publicly available.

Tasman is also required to prepare and lodge with ASIC both yearly and half yearly financial statements accompanied by a Directors' statement and report and an auditors report.

All announcements made by Tasman are available from ASX.

### 10.3 Your right to obtain copies of Tasman documents

Copies of any documents in relation to Tasman which have been lodged with ASIC may be obtained from, or inspected at, an ASIC office or viewed on Tasman's website at [www.tasmanresources.com.au](http://www.tasmanresources.com.au).

During the period that this Rights Issue remains open, Tasman will provide copies of the following to any person on request, free of charge:

- (a) Tasman's annual financial report for the year ended 30 June 2006, being the last annual financial report that has been lodged with ASIC before lodgement of this Prospectus;
- (b) any continuous disclosure notices used to notify ASX of information relating to Tasman between 30 June 2006 and the date of lodgement of this Prospectus. The following documents were lodged with ASX in relation to Tasman between 30 June 2006 and the date of lodgement of this Prospectus:

<b>Lodgement Date</b>	<b>Document Description</b>
12 February 2007	Response to ASX Share Price Query
12 February 2007	Medial Release – Tasman Spins off SA and WA uranium assets
12 February 2007	To spinoff its SA and WA uranium assets
31 January 2007	Second Quarter Activities & Cashflow Report
31 January 2007	Correction: Non-Renounceable Pro Rata Rights Issue
31 January 2007	1:8 Non-Renounceable Pro-Rate Rights Issue
22 December 2006	WCP ann: Expands IOCGU Portfolio in New Joint Venture
22 December 2006	Tasman – WCP Resources Limited \$6.5m
13 December 2006	Response to ASX Query re Share Price & Volume
5 December 2006	SA Government PACE 4 Funding
30 November 2006	AGM Results
30 November 2006	AGM Presentation
28 November 2006	Media Release – Uranium and Coal in Tasman Resources' Sights
28 November 2006	Exploration Update – Tempest Survey Results
22 November 2006	Appendix 3B & Top 20 Holders
22 November 2006	Share Issue
6 November 2006	Media Release – Assay Results Parkinson Dam
6 November 2006	Exploration Update – Assay Results Parkinson Dam
31 October 2006	Annual Report 2006
31 October 2006	Notice of Annual General Meeting
31 October 2006	Share Issue of Fully Paid Ordinary Shares
31 October 2006	Quarterly Exploration & Activity Report
11 October 2006	Media Release – Extended Epithermal Veining for Tasman
11 October 2006	Exploration Update – Sulphide-Rich Epithermal Veining Intersected



<b>Lodgement Date</b>	<b>Document Description</b>
29 September 2006	Financial Report for year ended 30 June 2006
26 September 2006	New Release – Australian Company in US Energy Department Hydrogen Fuel Test
11 September 2006	Final Directors Interest Notice
11 September 2006	Exploration Update SA Drilling
08 September 2006	Resignation of Director
08 September 2006	Change of Directors Interest Notice
08 September 2006	Changes of Directors Interest Notice
06 September 2006	Change of Directors Interest Notice
30 August 2006	Issue of Options Pursuant to Employee Share Plan
23 August 2006	Change of Directors Interest Notice
23 August 2006	Change of Directors Interest Notice
18 August 2006	Extraordinary General Meeting results
17 August 2006	Media Release SA Drilling Programmes
17 August 2006	Exploration Update SA Drilling Programmes
14 August 2006	Option to acquire further shares and options in Eden Energy Ltd
31 July 2006	Quarterly Exploration & Activity Report June 2006
17 July 2006	Notice of Extraordinary General Meeting
07 July 2006	Change of Directors Interest Notice
04 July 2006	Change of Directors Interest Notice

## **10.4 Rights and Liabilities Attaching to Shares**

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges, liabilities and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All New Shares issued pursuant to this Prospectus will, from the time they are issued, rank *pari passu* with all of the Company's existing Shares.

### **10.4.1 Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or 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).

#### **10.4.2 Rights on Winding Up**

Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of fully paid Shares held by them (and a partly paid share is counted as a fraction of a fully paid Share equal to the amount paid on it, divided by the total issue price of the share).

#### **10.4.3 Transfer of Shares**

Subject to the Constitution of the Company, the Corporations Act, and any other laws and SCH Business Rules and Listing Rules, Shares are freely transferable.

#### **10.4.4 Future Increases in Capital**

The allotment and issue of any Shares is under the control of the Directors. Subject to restrictions on the allotment of Shares to Directors or their associates, the Listing Rules, the Constitution of the Company and the Corporations Act, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

#### **10.4.5 Variation of Rights**

Under the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders, vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

#### **10.4.6 Dividend Rights**

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company that the Directors determine to distribute by way of dividend are divisible among the holders of ordinary Shares in proportion to the number of Shares held by them.



## 10.5 Terms and Conditions of the Existing Quoted Options and the New Options

The Existing Quoted Options have been issued, and the New Options will be issued, on the following terms and conditions:

1. The Options are exercisable at any time prior to 5.00pm WST 31 December 2009 (the Expiry Date). Options not exercised on or before the Expiry Date will automatically lapse.
2. The Options may be exercised wholly or in part by completing a notice of exercise of options in a form approved by the Company ( Notice of Exercise ) to be delivered to the Company's registered office and received by it any time prior to the Expiry Date. A summary of the terms and conditions of the Options including the Notice of Exercise will be sent to all holders of Options when the Options are issued.
3. The Options entitle the holder to subscribe (in respect of each Option held) for one fully paid ordinary Share at an exercise price per Option of 20 cents.
4. Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking pari passu with the then issued Shares. If at the date of exercise of the Options the Shares of the Company are quoted on the ASX, the Company will apply to ASX to have the Shares so issued granted Official Quotation.
5. Any Notice of Exercise received by the Company on or prior to the Expiry Date will be deemed to be a Notice of Exercise as at the last Business Day of the month in which such notice is received.
6. There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded 10 Business Days before the Record Date (as defined in the Listing Rules to determine entitlements to the issue), to exercise Options.
7. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on holders of Options which are not being conferred on Shareholders and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the reconstruction of capital), in all respects, the terms for the exercise of Options shall remain unchanged. For these purposes, the rights of the Option Holder may be changed from time to time to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganization.
8. The Options may be transferred at any time prior to the Expiry Date.
9. Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the Notice of Exercise.



## 10.6 Summary of Material Contracts

The Directors of Tasman consider the various contracts summarised below may be material to the Rights Issue or the operation of the business of Tasman.

### 10.6.1 Underwriting and Sub-Underwriting Agreements

The Company has entered into two Underwriting Agreements. The Underwriters have sub-underwritten a portion of the amount underwritten by them under the Underwriting Agreements to Arkenstone Pty Ltd and March Bells Pty Ltd, companies associated with Gregory Solomon and Douglas Solomon.

#### (1) Taylor Collison Limited Underwriting Agreement

The Company has entered into an Underwriting Agreement dated 13 February 2007 with Taylor Collison Limited (“the TCL Underwriting Agreement”). Pursuant to the TCL Underwriting Agreement, Taylor Collison Limited will underwrite 65% of the New Shares (and accompanying New Options) which are being offered under this Rights Issue. In consideration of its obligation under the TCL Underwriting Agreement, Taylor Collison Limited will be paid, upon allotment of the last of the New Shares (and accompanying New Options) under this Prospectus an underwriting commission of \$70,861.37 (representing five percent (5%) of sixty-five percent (65%) of the underwritten amount of \$2,180,350.00).

Taylor Collison Limited will pay all of its sub-underwriting commissions out of its commission. If the Underwriting Agreement has not been terminated, all of the conditions therein set out have been satisfied and the Company has complied with all of its material obligations thereunder, Taylor Collison must lodge or cause to be lodged Applications for 65% of the Shortfall Shares (if any) with the Company (together with appropriate Application Moneys). The TCL Underwriting Agreement provides that Taylor Collison may terminate the TCL Underwriting Agreement and be relieved of its obligations if any of the following termination events occur before the issue of the New Shares (and accompanying Options) pursuant to accepted Application Forms:

(a)

#### (i) **(disclosures)**

- (A) a statement contained in the Prospectus is misleading or deceptive, a material matter is omitted from the Prospectus or the issue of the Prospectus is misleading or deceptive;
- (B) the Prospectus does not contain all such information as investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the rights and liabilities attaching to the Securities;
- (C) the Prospectus does not contain all such information as investors and their professional advisers would reasonably require, and reasonably expect to find in the Prospectus, for the purpose of making an informed assessment of the assets, liabilities, financial position and performance, profits and losses and prospects of the Company; or
- (D) the Prospectus does not contain any other material information regarding the Offer which is required under the Corporations Act to be contained in the Prospectus;

- (ii) **(Supplementary Prospectus)** a supplementary prospectus or a replacement prospectus is, in the reasonable opinion of the Underwriter, required under section 719 of the Corporations Act or a person (other than the Underwriter) give notice to the Company under section 730 of the Corporations Act;
- (iii) **(compliance with regulatory requirements)**
  - (A) a director or senior executive of the Company (or any of its related bodies corporate) is charged with an indictable offence or becomes bankrupt;
  - (B) there is a material contravention by the Company of the Corporations Act, its constitution, or any of the Listing Rules; or
  - (C) the Prospectus or any aspect of the Offer breaches the Corporations Act or any other applicable law or regulation in any material respect;
- (iv) **(ASX approval)** permission is not granted for the Securities to be quoted on the official list of ASX or if approval is granted the approval is subsequently withdrawn, qualified or withheld;
- (v) **(insolvency)** the Company (or any of its related bodies corporate) is or becomes unable to pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act or is presumed to be insolvent under the Corporations Act;
- (vi) **(receiver etc appointed):**
  - (A) a receiver, receiver and manager, trustee, administrator or similar official is appointed, or steps taken for such appointment, over any of the assets or undertakings of the Company (or any of its related bodies corporate); or
  - (B) an application or order is made for the winding-up or dissolution of the Company (or any of its related bodies corporate) or a resolution is passed or any steps are taken to pass a resolution for the winding-up or dissolution of the Company (or any of its related bodies corporate) otherwise than for the purpose of an amalgamation or reconstruction which has the prior consent of the Underwriter;
- (vii) **(alteration to capital structure or constitution)** the Company (or any of its related bodies corporate) alters its capital structure or constitution without the prior written consent of the Underwriter;
- (viii) **(notifications):**
  - (A) ASIC issues proceedings in relation to the Offer;
  - (B) ASIC issues an order under section 739 of the Corporations Act in relation to the Offer, which is not dismissed or withdrawn by the Closing Date;



- (C) an application is made by ASIC for an order under section 1324B of the Corporations Act in relation to the Prospectus which is not dismissed or withdrawn by the Closing Date; or
  - (D) any person who has previously consented to the inclusion of its name in the Prospectus (or any Supplementary Prospectus) or to be named in the Prospectus withdraws that consent;
- (ix) (**withdrawal**) the Company withdraws the Prospectus or the Offer;
- (x) (**compliance with agreement**) there is a material default by the Company in the performance of any of its obligations under the TCL Underwriting Agreement;
- (xi) (**prescribed occurrence**) a prescribed occurrence in relation to the Company (or any of its related bodies corporate) occurs as that expression is defined in section 652C of the Corporations Act but substituting the respective party for “target”;
- (b)
- (i) (**Timetable**) any event specified in the timetable for the Offer is delayed for more than 5 Business Days;
  - (ii) (**material adverse change**) any material adverse change occurs in the assets, liabilities, financial position and performance, profits, losses or prospects of the Company, including any adverse change in the assets, liabilities, financial position, profits, losses or prospects of the Company (or any of its related bodies corporate) from those respectively disclosed in the Prospectus;
  - (iii) (**change of law**) there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law or a government agency adopts or announces to adopt a new policy, any of which does or is likely to prohibit or regulate the Offer, capital issues or stock markets;
  - (iv) (**material contracts**) without the prior written consent of the Underwriter (which may not be unreasonably withheld), any of the material contracts summarised in the Prospectus are terminated (whether by breach or otherwise), rescinded, altered or amended in a material respect or any such contract is found to be void or voidable;
  - (v) (**Small Ordinaries Index**) the Small Ordinaries Index of the ASX falls at any time below 3,310;
  - (vi) (**hostilities**) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom any member state of the European Union, Indonesia, Japan, Russia or the Peoples Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic or political establishment of any of those countries elsewhere in the world, or a national emergency is declared by any of those countries;

- (vii) **(banking moratorium)** a general moratorium on commercial banking activities in Australia, the United Kingdom or the United States of America is declared by the relevant central banking authority in any of those countries and remains in force for 2 consecutive Business Days, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries which remains in force for 2 consecutive Business Days; or
- (viii) **(adverse change in financial markets)** there occurs any material adverse change or material adverse disruption to the political or economic conditions or financial markets in Australia, the United Kingdom, the United States of America or the international financial markets or any change or development involving a prospective change in national or international political, financial or economic conditions.

In the case of the happening of an event referred to in paragraph (b) above, Taylor Collison may not exercise its right to terminate the TCL Underwriting Agreement unless it has reasonable and bona fide grounds to believe and does believe that the event has or is likely to have a materially adverse effect on the outcome of the Offer, or could give rise to a liability of Taylor Collison under any law or regulation.

(2) RM Capital Pty Ltd Underwriting Agreement

The Company has entered into an Underwriting Agreement dated 13 February 2007 with RM Capital Pty Ltd (“the RMC Underwriting Agreement”). Pursuant to the RMC Underwriting Agreement, RM Capital Pty Ltd will underwrite 35% of the New Shares (and accompanying New Options) which are being offered under this Rights Issue. In consideration of its obligations under the RMC Underwriting Agreement, RM Capital Pty Ltd will be paid a management fee of 1% of the underwritten amount (being \$7,631.22) and a lodgement fee of four percent (4%) of the underwritten amount (being \$30,524.88).

RM Capital Pty Ltd will pay all of its sub-underwriting commissions out of its fees.

If the Company has complied with its obligations under the RMC Underwriting Agreement and has not breached any of the representations, warranties and undertakings made by it therein and the RMC Underwriting Agreement has not been terminated, RM Capital Pty Ltd must lodge or cause to be lodged applications for 35% of the Shortfall Securities with the Company accompanied by a cheque or cheques in payment of the Application Monies for those Shortfall Securities.

RM Capital Pty Ltd may terminate its obligations under the RMC Underwriting Agreement if (in the reasonable opinion of RM Capital Pty Ltd reached in good faith, it has or is likely to have, or the following events together have, or could reasonably be expected to have, a material adverse effect or could give rise to a liability of RM Capital Pty Ltd under the Corporations Act):

- (a) **Prospectus:** any of the following occurs in relation to the Prospectus:
  - (i) the Underwriter reasonably forms the view that there is a material omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;

- (ii) the Underwriter reasonably forms the view that any projection or forecast in the Prospectus becomes, to a material extent, incapable of being met or unlikely to be met in the projected time;
  - (iii) ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
  - (iv) any person other than the Underwriter who consented to being named in the Prospectus withdraws that consent;
- (b) **Supplementary Prospectus:** the Underwriter reasonably forms the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriter;
- (c) **ASX listing:** ASX does not give approval for the Securities the subject of the Offer to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (d) **Index change:** the ASX All Ordinaries Index or the Dow Jones Industrial Average Index as determined at close of trading falls at least 10% below their respective levels at the close of trading on the date of the RMC Underwriting Agreement for a total of three consecutive trading days during the underwriting period;
- (e) **indictable offence:** a director of the Company or any related corporation is charged with an indictable offence;
- (f) **return of capital or financial assistance:** the Company or a related corporation takes any steps to undertake a proposal contemplated under section 257A or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (g) **banking facilities:** the Company's bankers terminate or issue any demand or penalty notice or amend the terms of any existing facility or claim repayment or accelerated repayment of any facility or require additional security for any existing facility;
- (h) **change in laws:** any of the following changes of law occurs:
  - (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or
  - (ii) the public announcement of prospective legislation or policy by the Federal Government, or the Government of any State or Territory; or
  - (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy,
  - (iv) which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Offer or the operation of stock markets generally;
- (i) **failure to comply:** the Company or any related corporation fails to comply with any of the following:

- (i) a provision of its Constitution;
  - (ii) any statute;
  - (iii) a requirement, order or request, made by or on behalf of the ASIC or any governmental agency; or
  - (iv) any material agreement entered into by it,
  - (v) which is likely to prohibit or materially restrict the business of the Company or the Offer;
- (j) **alteration of capital structure or constitution:** the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter;
- (k) **extended Force Majeure:** a force majeure, which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;
- (l) **default:** the Company is in default of any of the terms and conditions of the RMC Underwriting Agreement or breaches any warranty or covenant given or made by it under the RMC Underwriting Agreement;
- (m) **adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a related corporation);
- (n) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related corporation;
- (o) **Due Diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Offer or the results of the investigation or the verification material are false or misleading;
- (p) **Prescribed Occurrence:** a prescribed occurrence occurs;
- (q) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (r) **Event of Insolvency:** an event of insolvency occurs in respect of the Company or a related corporation;

- (s) **Judgment against a Related Corporation:** a judgment in an amount exceeding \$100,000 is obtained against the Company or a related corporation and is not set aside or satisfied within 7 days;
- (t) **Calamity:** the occurrence of any calamity or crisis or any change in financial, political or economic conditions or currency exchange rates or controls in Australia or any restriction or limitation on the nature/basis of trading of equities on ASX;
- (u) **Market Conditions:** any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any material adverse change occurs in national or international political, financial, economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriters, reached in good faith, it is impracticable to market the Offer or to enforce contracts to issue and allot or sub-underwrite the securities pursuant to the Prospectus or that the success of the Offer is likely to be adversely affected.

(3) Arkenstone Pty Ltd & March Bells Pty Ltd Sub-Underwriting Agreement

By sub-underwriting agreements both dated 13 February 2007, Arkenstone Pty Ltd and March Bells Pty Ltd, companies associated with Gregory Solomon and Douglas Solomon, have agreed with each of Taylor Collision Ltd and RM Capital Pty Ltd to sub-underwrite the amount of \$307,573.00. Accordingly, they have agreed to sub-underwrite in total \$615,146 ("the total sub-underwritten amount"). Pursuant to each of these sub-underwriting agreements, Arkenstone Pty Ltd and March Bells Pty Ltd are collectively entitled to a fee equal to 5% of the total sub-underwritten amount (being \$30,757.30), which will be paid out of the underwriting fees payable to Taylor Collision Ltd and RM Capital Pty Ltd under their Underwriting Agreements with the Company. If Arkenstone Pty Ltd and March Bells Pty Ltd take up any of their Rights under this Offer, the amount of any Shortfall Shares which they are required to sub-underwrite will be reduced by the number of New Shares (and accompanying New Options) taken up by them.

**10.6.2 Farm-In and Joint Venture Agreement with WCP Resources Ltd**

On 12 February 2007, the Company entered into a Farm-in and Joint Venture Lake Torrens IOCGU Project Agreement with WCP in relation to ELs 2989, 3109, 3140, 3175, 3174, 3177, 3209, 3261, 3449 and 3634 ("the Tenements"). Pursuant to this agreement:-

- (1) WCP is required, by 26 February 2007, to issue to Tasman 1,000,000 fully paid ordinary shares in WCP ("the Completion Date").
- (2) Tasman has agreed not to dispose of any interest in the WCP shares for a period of 12 months from the Completion Date (or such longer period as may be required by the Listing Rules).
- (3) Tasman has granted to WCP the right to earn a 25% interest in the Tenements and in the Included Mineral Rights (see paragraph (d) below), free from all encumbrances, but excluding the Excluded Mineral Rights (see paragraph (d) below) ("the Farmin Interest") by:-
  - (a) spending \$750,000 (or such greater amount as is required to keep the Tenements in good standing at all times) ("the Minimum Expenditure Commitment") on exploration costs during the period of 12 months from 12 February 2007 and a minimum of \$1,000,000 per



year thereafter; and

- (b) spending \$2,500,000 (“the Farmin Amount”) (inclusive of the Minimum Expenditure Commitment) on exploration costs within the period between 12 February 2007 and the first to occur of:
  - (i) the date upon which the aggregate of the expenditure incurred by WCP is equal to \$2,500,000; and
  - (ii) the expiration of 3 years 12 February 2007, (“the Farmin Period”).

(4) The Included Mineral Rights means the mineral rights in respect of Included Minerals, namely:

- (a) subject to paragraph (ii), those minerals which occur within the pre-Neoproterozoic basement which underlies and/or is older than the Neoproterozoic sequences that belong to the Adelaidean rift system. For the avoidance of doubt, Included Minerals includes minerals that occur within the fluvial sedimentary sequence that comprises the Mesoproterozoic Pandurra Formation;
- (b) does not include all Neoproterozoic and younger sediment hosted Mineralisation, which phrase includes but is not limited to gold and/or base metal mineralisation commonly described as Mississippi Valley Type Mineralisation, Sedex Type Mineralisation, or Sandstone Hosted mineralisation, roll-front uranium mineralisation and diamonds.

(5) The Excluded Mineral Rights means the mineral rights in respect of the Excluded Minerals, namely all minerals other than the Included Minerals.

(6) If WCP does not:

- (a) meet the Minimum Expenditure Commitment during the period of 12 months from 12 February 2007; or
- (b) thereafter during the Farmin Period, expend on exploration costs \$1,000,000 (or such greater amount as is required to keep the Tenements in good standing at all times) during each successive 12 month period; or
- (c) if the total Farmin Amount is not expended by WCP within the Farmin Period,

then, in any such case, WCP will be deemed to have withdrawn from the agreement at the end of the said period during which it so failed to spend.

(7) After the Farmin Date, WCP will continue to sole fund exploration costs until it has expended (inclusive of the Farmin Amount) a total of \$6,500,000 on exploration costs (Maximum Sole Funding Expenditure) and WCP will earn, in addition to the Farmin Interest, a further 5% interest in the Tenements (excluding the Excluded Minerals and the Excluded Minerals Rights) and the Included Mineral Rights (Additional Interest), up to a maximum total Additional Interest of 40%, for every \$500,000 that it spends in addition to the Farmin Amount on exploration costs during the Sole Funding Period. The Sole Funding Period is the period between the Completion Date and the first to occur of:

- (a) the date that WCP elects, or is deemed to have elected, to cease sole funding exploration;
  - (b) the date upon which WCP gives notice to Tasman that it has spent the Maximum Sole Funding Expenditure;
  - (c) the expiration of five years from 12 February 2007,  
("the Formation Date").
- (8) WCP may elect, at any time after the Farmin Period, by notice in writing to Tasman, subject to certain conditions and limitations, to cease sole funding exploration for Included Minerals, and, in certain circumstances, will be deemed to have made this election.
- (9) During the first two years of the Sole Funding Period, all exploration for Included Minerals will be conducted by WCP in accordance with an agreed exploration program. Thereafter and during the balance of the Sole Funding Period all exploration for Included Minerals will be conducted by WCP and WCP will liaise with and consult with Tasman and will keep it fully informed as to, but will solely determine, in its absolute discretion the nature, location, timing and conduct of exploration for Included Minerals (including any drilling) and how exploration costs are committed.
- (10) During the Sole Funding Period, certain obligations are imposed on WCP in relation to the maintenance and upkeep of the Tenements and WCP is required, in the conduct of exploration for Included Minerals, to comply with the requirements and provisions of the Mining Act and all other relevant laws and with the lawful requirements of the director of mines and all other government authorities and not do any act whereby the Tenements may become liable to forfeiture or plaintiff.
- (11) If a Tenement is forfeited as the result of plaintiff or forfeiture action being taken in respect of a failure by WCP to satisfy its obligations under paragraph (i), WCP will indemnify Tasman and the Excluded Mineral Rights Holder against any loss suffered or incurred by Tasman and/or the Excluded Mineral Rights Holder (or either of them) arising out of or in connection with such forfeiture.
- (12) WCP may (but not otherwise) withdraw from the agreement during the Farmin Period by giving 10 Business Days' notice in writing to Tasman:
- (a) after having expended the Minimum Expenditure Commitment; or
  - (b) after WCP has paid to Tasman the Minimum Expenditure Commitment less the amount of exploration costs expended by WCP to the date of the notice,
- whereupon WCP will have no right or interest in the Tenements. If WCP withdraws from the agreement:
- (c) WCP must indemnify Tasman against all losses in connection with any act or omission of WCP in respect of the agreement that occurred before the effective date of withdrawal or deemed withdrawal; and
  - (d) Tasman must indemnify WCP against all losses in connection with any act or omission of Tasman in respect of the agreement that occurred before the effective date of withdrawal or deemed withdrawal.



- (13) Tasman has provided certain usual warranties and representations to WCP in relation to, inter alia, the Tenements and has agreed to indemnify and keep indemnified WCP against any loss suffered or incurred by WCP in respect of any breach thereof by Tasman.
- (14) Subject to WCP having acquired the Farmin Interest, the parties will be associated, with effect from the Formation Date, in a contractual joint venture for the exploration and evaluation and, if warranted, development and exploitation of Included Minerals within the Tenements on the terms contained in the agreement (“the Joint Venture”). The Joint Venture will be deemed to have commenced on the Formation Date and will continue until the first to occur of the relinquishment of the last of the Tenements or one participant holding a participating interest of 100%.
- (15) The participating interests of the parties in the Joint Venture as at the Formation Date will be:-
  - (a) WCP: 25% plus all Additional Interests earned (see paragraph (f) above);
  - (b) Tasman: 100% - WCP's participating interest.
- (16) Under the Joint Venture, the Participants are required to establish a management committee (which will have the overall management and control of the Joint Venture) which will consist of four members, two appointed by each participant and each participant represented by its appointed members will have 1 vote for every whole 1% participating interest it holds at the date the vote is taken. All decisions of the management committee will be made by approval of a simple majority of the votes cast (except in the case of the relinquishment of a Tenement, which shall require a unanimous resolution).
- (17) Subject to the control and direction of the management committee, all Joint Venture activities shall be carried out by, or by agents of or contractors engaged by and under the supervision of, a manager on behalf of and as agent of the participants in proportion to their respective participating interests and pursuant to programs and budgets approved by the management committee. The manager of the Joint Venture will be the participant with the largest participating interest from time to time. The manager is required to maintain the Tenements. The manager must indemnify each participant and the Excluded Mineral Rights Holder.
  - (a) if a Tenement is forfeited as the result of plaint or forfeiture action being taken in respect of a failure by the Manager to satisfy its obligations to maintain the Tenements, against any loss suffered or incurred by the participants and/or the Excluded Mineral Rights Holder arising out of or in connection with the such forfeiture; and
  - (b) against any loss suffered or incurred by the participants and/or the Excluded Mineral Rights Holder arising out of or in connection with any negligence or misconduct of the manager in the performance of any of its duties or satisfaction of any of its obligations with respect to the Joint Venture or any breach by the manager of its duty to exercise skill, care and diligence or to comply with law.
- (18) Each participant, to the extent of its participating interest, must indemnify the manager against any loss (other than a loss the subject of the indemnity referred to in paragraph (p) above) incurred by the manager in the conduct of Joint Venture activities, except insofar as the same arises by reason of bad faith, negligence or the misconduct of the manager.
- (19) Each participant must contribute to all expenditure in proportion to its participating interest. A participant may elect, by written notice given to the management committee and the manager at least 10 Business Days prior to the final vote adopting a program and budget for a financial year,



to contribute to that program and budget in some lesser amount than its respective participating interest, or not at all, in which case its participating interest will be diluted and recalculated in accordance with an industry standard dilution clause.

- (20) If the participating interest of a party to the Joint Venture is diluted to 10% or less, then the manager is to notify such participant in writing, and if that party does not elect to recommence contributions to expenditure in terms of the then current program and budget approved by the management committee within 30 days of such notice then that party will be deemed to have withdrawn from the Joint Venture and that party will be entitled to receive a royalty from the effective date of its deemed withdrawal. The royalty will be equal to 2% of the net smelter return generated from the sale of ores, concentrates or other primary, intermediate or final product of any Included Mineral substances produced from a mining operation for Included Minerals on the mining area.
- (21) The management committee may only make a decision to establish a commercial mining operation on the land the subject of the Tenements based on a bankable feasibility study which recommends the establishment of a mining operation. Upon the making of a decision to mine, the participants will be associated in an unincorporated joint venture to establish a commercial mining operation within the mining area. The interest of each participant under the mining joint venture at the commencement thereof shall, unless mutually agreed otherwise, be in the proportions that their respective participating interests under the Joint Venture bear to each other on the date of its formation.
- (22) A participant may withdraw from the Joint Venture by giving a withdrawal notice to the other participants not less than 20 Business Days prior to the completion of the program and budget then current and if there is no current program and budget then by giving not less than 45 Business Days' notice. A withdrawing party is deemed to have assigned to the other participants, in proportion to their respective participating interests inter se, all interests of the withdrawing party under the agreement and in all Joint Venture property. The withdrawing party's rights, entitlements and obligations under the agreement will cease upon withdrawal, provided that:
- (a) a withdrawing party will remain liable for payment of any cash calls issued to it and current on the date on which the withdrawal notice is given; and
  - (b) a withdrawing party will remain liable for its share of any obligation or liability (including reclamation costs) in respect of any act, event or circumstance occurring or arising prior to the effective date of withdrawal (which will be equal to its participating interest at the time the liability was incurred); and
  - (c) a withdrawing party will remain liable to comply with all obligations of confidentiality imposed on it by the Agreement.
- (23) The parties (as holders of both the Included Mineral Rights and Excluded Mineral Rights) have agreed to co-operate and co-ordinate their activities on the Tenements in good faith so as not to conflict or interfere with the activities of any other party within the project area, and to give a notice to each other party setting out the nature and location of any activities which it proposes to undertake on the Tenements. The parties have also agreed on a procedure for establishing priority of mining of Included Minerals and Excluded Minerals over the same area, which is based on the estimate of the recoverable value of the respective mineral resource situated within the proposed area to be mined.

- (24) Each Excluded Minerals Rights Holder has agreed to indemnify:
- (a) each Included Minerals Rights Holder and, during the Sole Funding Period, WCP; and
  - (b) their respective officers, directors, employees, agents or contractors,
- against any loss suffered or incurred by them arising out of, or in connection with:
- (c) any act, default or omission (including negligence, breach of contract or breach of statute) in relation to the Tenements by the Excluded Minerals Holder, anyone acting on the Excluded Minerals Holder's behalf, or their respective officers, directors, employees, agents or contractors; or
  - (d) the exercise by the Excluded Minerals Holder of its Excluded Mineral Rights.
- (25) Each Included Minerals Rights Holder (which, during the Sole Funding Period, is WCP) severally in proportion to its interest in the Included Mineral Rights has agreed to indemnify:
- (a) each Excluded Minerals Rights Holder; and
  - (b) their respective officers, directors, employees, agents or contractors,
- against any loss suffered or incurred by them arising out of, or in connection with:
- (c) any act, default or omission (including negligence, breach of contract or breach of statute) in relation to the Tenements by each Included Minerals Holder, anyone acting on each Included Minerals Holder's behalf, or their respective officers, directors, employees, agents or contractors; or
  - (d) the exercise by each Included Minerals Rights Holder of its Included Mineral Rights.
- (26) If the performance of any provision of the agreement requires the consent of the Minister under the Mining Act or compliance with any law, regulation or order of any governmental agency or any dealing with a Tenement under the agreement constitutes a transfer or other dealing for which the consent of the Minister, the director of mines or a person acting with the authority of the Minister or the director on mines, is required under the Mining Act, such performance or transfer will be subject to and conditional upon such consent being first obtained and compliance with such law, regulation or order.
- (27) If a party proposes to dispose of all or any part of its interest in the Agreement, interest in any of the Tenements (other than Excluded Mineral Rights), or its participating interest in the Joint Venture, they must first comply with certain pre-emptive rights set out in the Agreement.

### **10.6.3 Management Services Contract**

A Management Services Contract between the Company and Princebrook Pty Ltd (a company of which Gregory Solomon and Douglas Solomon are directors and shareholders) pursuant to which Princebrook Pty Ltd will provide office accommodation, accounting, company secretarial, secretarial, and administrative services, photocopying, telephones, facsimiles and related services for a monthly fee of \$12,500 ("the Fee") (subject to adjustment in accordance with changes in the consumer price index) plus a monthly administration fee of 5% of the Fee, to cover out of pocket expenses. The contract was for an initial 5 year period commencing on 15 August 2001. Princebrook Pty Ltd exercised its option to renew the contract for a further 5 year term commencing on 15 August 2006, however the contract is



terminable, inter alia, by either party giving 3 months notice to the other party at any time. GST will be payable in addition on all fees.

## 10.7 Interests of Directors

Other than as set out below or as set out elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with the ASIC, any interest in:-

- (a) The promotion or formation of the Company;
- (b) Property acquired or proposed to be acquired by the Company in connection with its promotion or formation or the offer of New Shares or New Options under this Prospectus; or
- (c) The offer of New Shares or New Options under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director other than as set out below:

- (a) to induce him to become, or to qualify him, as a Director; or
- (b) for services rendered by him in connection with the formation or promotion of the Company or the offer of New Shares or New Options under this Prospectus.

### 10.7.1 Shareholding and Option holding of Directors

As at the date of this Prospectus all of the directors hold Shares in the Company. None of the Directors hold any Options. The Directors are all Qualifying Shareholders and will therefore receive Rights to subscribe for New Shares and New Options pursuant to this Rights Issue. Each of the Directors intends to take up all of his Rights under this Rights Issue.

The relevant interest of each of the Directors in the Shares of the Company as at the date of this Prospectus, and assuming they take up their Rights in full by applying for all of the New Shares and New Options to which they are entitled under this Rights Issue, is as follows:

	<u>Directors</u>		
	Gregory Solomon	Douglas Solomon	Guy Le Page
<b>Note</b>	1	2	3
<b>No. of Shares held</b>	15,379,226	15,378,027	810,779
<b>No. of New Shares offered under this Rights Issue (estimated)</b>	1,922,403	1,922,253	101,347
<b>No. of Shares held on completion of this Rights Issue (estimated)</b>	17,301,629	17,300,280	912,126
<b>Total No. Shares on Issue on completion of this Rights Issue (estimated)</b>	122,644,698	122,644,698	122,644,698
<b>No. of New Options offered under this Rights Issue (estimated)</b>	961,202	961,127	50,674
<b>Total No. Options on Issue on completion of this Rights Issue (estimated)</b>	16,013,594	16,013,594	16,013,594



Note 1 All Shares are either held by a family trust associated with Gregory Solomon by a company on behalf of such a family trust or by him personally.

Note 2 All Shares are either held by a family trust associated with Douglas Solomon or by him personally.

Note 3 All Shares are held by Guy Le Page personally.

### **10.7.2 Directors' Remuneration**

Non executive directors' fees not exceeding an aggregate of \$72,000 per annum have been approved by the Company in general meeting. Levels of these fees may be varied by the Company in general meeting according to its Constitution. As at the date of this Prospectus, directors' fees of \$24,000 per annum for each non-executive director are being, and will continue to be, paid.

The remuneration of any executive director will be fixed by the Directors and may be paid by way of fixed salary or based on agreed hourly rates according to time spent, up to an agreed maximum amount. At the date of this Prospectus, Tasman does not have any contractual obligations with respect to executive directors but it has been resolved to pay Gregory Solomon an annual fee of \$120,000 for acting as executive chairman.

### **10.7.3 Directors' And Officers' Indemnity**

In accordance with the Constitution and to the extent permitted by law, the Company must indemnify each Director and other officers of the Company out of the assets of the Company against any liability incurred by them:-

- in defending proceedings, whether civil or criminal, in which judgment is given in their favour or in which they are acquitted; or
- in connection with any application under the Act in which relief is granted to them by the Court.

### **10.7.4 Other Interests of Directors**

Gregory Solomon and Douglas Solomon are partners in the legal firm Solomon Brothers that will receive legal fees of approximately \$35,000 (plus GST) for services performed in relation to the preparation of this Prospectus. Further, the Company uses, and will continue to use, the services of Princebrook Pty Ltd, a company of which Gregory Solomon and Douglas Solomon are shareholders and directors, to provide all office, accommodation, use of office equipment, accounting, secretarial and management services to the Company at a cost of \$12,500 (plus GST) per month plus an administration fee of 5% plus GST as detailed in section 10.6.3 of this Prospectus.

Guy Le Page is a director, and shareholder, of RM Capital Pty Ltd, one of the Underwriters, which will receive an underwriting fee of \$38,156.10 (see section 10.6.1(2) of this Prospectus for further information).



Arkenstone Pty Ltd and March Bells Pty Ltd, companies associated with Gregory Solomon and Douglas Solomon, have entered into sub-underwriting commitments with each of the Underwriters and will collectively receive an underwriting fee of \$30,757.30 (see section 10.6.1(3) of this Prospectus for further information).

## 10.8 Interests of Named Persons

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoter or stockbroker to the Company or broker has, or had within two years before lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the offer of New Shares or New Options under this Prospectus; or
- (c) the offer of New Shares or New Options under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the offer of New Shares or New Options under this Prospectus.

Solomon Brothers, Solicitors, a firm of which Gregory Solomon and Douglas Solomon are partners, will receive professional fees of approximately \$38,500.00 for legal work undertaken by Solomon Brothers in connection with this Prospectus and for work performed in relation to the due diligence process. In addition, Solomon Brothers received legal fees on account of professional services rendered to the Company of approximately \$14,940.00 for the financial year ended 30 June 2005 and approximately \$7,450.00 for the financial year ended 30 June 2006.

Taylor Collison Limited and RM Capital Pty Ltd will act as the Underwriters to the Rights Issue and will receive an underwriting fee of up to approximately \$70,861.37 and \$38,156.10 respectively for services each performs in managing the Rights Issue and as consideration for its underwriting obligations in accordance with the Underwriting Agreements (a summary of which are contained in section 10.6.1 of this Prospectus).

## 10.9 Consents

The following persons have consented to being named in the Prospectus but have not authorised or caused the issue of this Prospectus or made any statements that are included in the Prospectus and to the maximum extent permitted by law, expressly disclaims and take no responsibility for any part of the Prospectus other than their consent to be named in the Prospectus, and have not withdrawn their consent before the lodgement of this Prospectus with the ASIC:-

- (1) Solomon Brothers as Solicitors to the Company;
- (2) Taylor Collison Ltd as Underwriter to this Prospectus;
- (3) RM Capital Pty Ltd as Underwriter to this Prospectus; and
- (4) Advanced Share Registry Services as the Share Registry.



## 10.10 Expenses of the Issue

It is estimated that approximately \$170,000 will be payable by the Company in respect of legal, underwriting, printing, ASIC and ASX fees and other costs arising from this Prospectus and this Rights Issue, as follows:

ASIC prospectus lodgement fee	\$ 2,010.00
ASX quotation fees	\$ 13,420.00
Legal fees and expenses	\$ 38,500.00
Underwriting fees	\$ 109,017.50
Other expenses	\$ <u>7,052.50</u>
Total	\$ 170,000.00

## 10.11 Litigation

The Company is not involved in any litigation or arbitration proceedings, nor, so far as the Directors are aware, are any such proceedings pending or threatened against the Company.

## 10.12 Employee Incentive Scheme

As an incentive to employees of the Company, the Company has adopted a scheme called the Tasman Resources Employee Share Option Scheme (“ESOP”). The purpose of the ESOP is to give employees and Directors of the Company an opportunity, in the form of Options, to subscribe for ordinary Shares in the Company. The Directors consider the ESOP will enable the Company to retain and attract skilled and experienced employees and Directors and provide them with the motivation to make the Company more successful.

As at the date of this Prospectus, 3,200,000 Options (in total) have been issued under the ESOP to four employees of the Company. Each of these Options entitle the holder to subscribe for one Share in the Company. The terms and conditions of these Options are as follows:

- A. On 3 March 2005, 600,000 Options were issued to two employees of the Company, free of charge, on the following terms:
  - a. 200,000 Options vest on each of the date of the grant of the Options (“the First Vested Options”), the first anniversary of the date of the grant of the Options (“the Second Vested Options”) and the second anniversary of the date of the grant of the Options (“the Third Vested Options”), and the Options may only be exercised after they have vested; and
  - b. The First Vested Options were exercisable at any time after they have vested and prior to the first anniversary of the date of the grant of the Options at a price of 20 cents per Option (and have therefore now lapsed), the Second Vested Options are exercisable at any time after they have vested and prior to the second anniversary of the date of the grant of the Options at a price of 25 cents per Option, and the Third Vested Options are exercisable at any time after they have vested and prior to the third anniversary of the date of the grant of the Options at a price of 30 cents per Option (and are not therefore capable of exercise as at the date of this Prospectus).



- B. On 14 August 2006, 2,800,000 Options were issued to four employees of the Company (including the two employees referred to in paragraph A above), free of charge, each of which Options entitle the employee holder to subscribe for 1 Share at an exercise price of 20 cents at any time on or before 30 August 2009.

A summary of the terms and conditions of the ESOP is set out below:

### **1. Participants in the ESOP**

The Board may offer free options to persons (“Eligible Persons”) who are:

- (i) full-time or part-time employees; or
- (ii) Directors of the Company or of associated bodies corporate of the Company.

Upon receipt of such an offer, the Eligible Person may nominate an associate acceptable to the Board to be issued with the options.

In accordance with Listing Rule 10.14 and Article 35.2.4 of the Company’s Constitution, options under the ESOP can only be issued to Directors, and/or associates of the Directors, with the approval of the holders of ordinary securities by special resolution passed at a general meeting.

### **2. Terms of Options**

There is no issue price for the options. The exercise price for the options will be:

- (i) 125% of the weighted average market price of the Company’s shares sold on the ASX on the five trading days immediately before the date on which the options are granted;
- (ii) 20 cents; or
- (iii) any greater price determined by the Board,

whichever is the greatest.

Shares issued on exercise of options will rank equally with other ordinary Shares of the Company.

Options may not be transferred without the approval of the Board. Quotation of options on ASX will not be sought. However, the Company will apply to ASX for official quotation of the Shares issued on the exercise of the options.



### 3. Restrictions on Issue and Exercise of Options

The Board may not offer options under the ESOP if the total number of Shares which would be issued were each option accepted, together with the number of Shares of the same class or options to acquire such Shares issued pursuant to all employee or executive share schemes during the previous five years, exceeds 5% of the total number of issued shares in that class as at the date of the offer.

Options may only be issued or exercised within the limitations imposed by the Corporations Act and the Listing Rules.

Options may be issued which impose conditions that will result in the options lapsing if those conditions are satisfied and may also be issued with restrictions on the disposal of shares acquired by an option holder as a result of the exercise of the options

### 4. Exercise of Options

If an Eligible Person leaves the employment of the Company:

- (i) two years or more after options are issued to them; or
- (ii) because of retirement at or after 55 years of age, permanent disablement, retrenchment, death or any other circumstances approved by the Board,

the options may be exercised within 30 days (or three months in the case of death), or any longer period permitted by the Board. If not exercised in that time, the options lapse.

If an Eligible Person leaves the employment of the group earlier than two years after options are issued to them and 4.(ii) above does not apply, the options lapse.

If any Eligible Person acts fraudulently, dishonestly or in breach of obligations to the Company or any subsidiary then, at the Board's discretion, options issued for that person will lapse.

Unexercised options will automatically lapse five years after they are issued.

### 5. Participation in Future Issues

The holders of options will only participate in new issues, including bonus issues, if they have exercised the options at that time and provided such exercise is permitted by the terms of the option.

If the Company makes a bonus issue of securities to ordinary Shareholders, each unexercised option will, on exercise, entitle its holder to receive additional shares and the exercise price is reduced.

If the Company makes a pro rata rights issue of ordinary shares for cash to its ordinary shareholders, then there is provision for adjustment of the exercise price of unexercised options to reflect the diluting effect of the issue.





## 6. Capital Reconstruction

In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

## 7. Right of Company to cash out the options

The Board may determine within 7 days of the exercise of an option not to allot or issue shares under the option but to refund the tendered exercise price for the option and either to pay to the option holder an amount equal to the difference between the market price of the shares as at the date of exercise and the exercise price of the option, or issue that number of shares having a market value at the date of exercise of the option equal to the difference between the market price of the shares as at the date of exercise and the exercise price for the option.

## 10.13 Acknowledgment And Privacy Statement

By returning an Acceptance Form, each Qualifying Shareholder acknowledges that they have received and read this Prospectus.

As Qualifying Shareholders are already shareholders of Tasman, Tasman and its share registry (Advanced Share Registry Services) have already collected certain personal information from Qualifying Shareholders. However, if Qualifying Shareholders apply for New Shares and New Options pursuant to this Prospectus, they will be supplying new, additional, or updated personal information (by its inclusion on the Acceptance Form) to Tasman.

The information included on an Acceptance Form is used for the purposes of processing the Acceptance Form and to administer the Shareholder's holding of Shares and Options. By submitting an Acceptance Form, each Shareholder agrees that the Company may use the information provided by a Shareholder on the Acceptance Form for the purposes set out in this privacy statement and may disclose it for those purposes to Advanced Share Registry Services and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses, professional advisers (e.g. auditors, lawyers and accountants), intellectual technology support providers and to ASX and other regulatory authorities.

The Corporations Act requires the Company to include information about each Shareholder (including name, address and details of the Shares and Options held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

Under the Privacy Act, Shareholders have a right to gain access to personal information that the Company holds about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

If you do not provide the information required on the Acceptance Form, the Company may not be able to accept or process your Acceptance Form.



#### **10.14 No Valuation**

No formal valuation has been completed of the exploration assets or the Shares or Options of the Company.

#### **10.15 Dividends**

The Board is not able to indicate when and if dividends will be paid in the future, as payment of any dividend will depend on the future profitability, financial position and cash requirements of Tasman.

#### **10.16 Australian and New Zealand Taxation implications**

The acquisition and disposal of New Shares and New Options in Tasman will have tax consequences in both Australia and New Zealand that will differ depending upon the individual financial affairs of each Qualifying Shareholder. The Directors consider that it is not appropriate to give Qualifying Shareholders advice regarding the taxation consequences of subscribing for New Shares and New Options under this Prospectus. All Qualifying Shareholders applying for New Shares and New Options are therefore first urged to obtain independent financial advice about the consequences of acquiring the New Shares and New Options from a taxation viewpoint and generally. Qualifying Shareholders should consult their own professional tax advisers in connection with subscribing for New Shares and New Options under this Prospectus.



## 11. CONSENT BY DIRECTORS

Each of the Directors of Tasman Resources NL has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act.

Dated the 13th day of February 2007

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Signed for and on behalf of  
Tasman Resources NL  
By Gregory Howard Solomon (Chairman)



## 12. GLOSSARY NAMES AND TERMS

**Acceptance Form** means the entitlement and acceptance form attached to and forming part of this Prospectus.

**Application** means a valid application to subscribe for New Shares and accompanying New Options.

**Application Moneys** means the sum of sixteen cents (16 cents) per New Share payable on submission of an Acceptance Form pursuant to this Prospectus.

**ASIC** means Australian Securities and Investments Commission.

**ASTC** means ASX Settlement and Transfer Corporation Pty Ltd (A.C.N 008 504 532).

**ASX** means ASX Limited (A.C.N 008 624 691).

**Board** means the board of Directors unless the context indicates otherwise;

**Business Day** means a day on which trading takes place on the stock market of ASX.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means 15 March 2007 or such other date as may be determined by the Company and the Underwriters under this Prospectus.

**Company** means Tasman Resources NL (A.C.N. 009 253 187 ).

**Constitution** means the constitution of the Company.

**Corporations Act and Act** means the Corporations Act (2001) (C'th) of Australia.

**Directors** means the directors of the Company from time to time.

**Dollars** or \$ means Australian dollars unless otherwise stated.

**Eden** means Eden Energy Ltd (A.C.N. 109 200 900).

**Entitlement** means a Qualifying Shareholder's entitlement to subscribe for New Shares (and accompanying New Options) offered by this Prospectus on the basis of 1 New Share for every 8 Shares held by the Qualifying Shareholder as at the Record Date.

**ESOP** means the Tasman Resources Employee Share Option Scheme details of which are set out in section 10.12 of this Prospectus.

**Existing Quoted Options** means the 6,000,000 Options listed on the ASX and which were issued to sophisticated and professional investors who took a placement of 6,000,000 Shares at 13.5 cents per Share on 21 November 2006.

**Fission** means Fission Energy Ltd (A.C.N. 119 057 457).



**Glossary** means this glossary.

**Issue** has the same meaning as Rights Issue.

**Issue Price** means \$0.16 per New Share.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Mining Act** means the Mining Act 1971 (SA).

**Noble** means Noble Energy Ltd (A.C.N. 115 057 586).

**New Option** means an option to be issued under this Prospectus to subscribe for one Share in the Company at \$0.20 on or before 31 December 2009.

**New Share** means a Share to be issued under this Prospectus.

**Offer** means the offer of 1 New Share (with 1 free attaching New Option for every 2 New Shares subscribed for under this Prospectus) for every 8 existing Shares held by a Qualifying Shareholder at the Record Date at an issue price of 16 cents per New Share contained in this Prospectus.

**Option** means an option to subscribe for a Share.

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

**Official List** means the Official List of the ASX.

**Opening Date** means the date on which the Offer opens.

**Option Holders** means those parties holding Options to acquire Shares in Tasman.

**Prospectus** means the prospectus constituted by this document and includes any electronic or online version of this Prospectus.

**Qualifying Shareholder** means a holder of Shares registered on the Company's Share Register at 5:00pm WST on the Record Date and whose registered address is in Australia or New Zealand.

**Quotation** means quotation of the Shares on ASX.

**Record Date** means 5.00pm WST on 21 February 2007.

**Rights** means the right to subscribe for New Shares (with attaching New Options) under this Prospectus.

**Rights Issue** has the same meaning as the Offer.

**SCH Business Rules** means the business rules of the securities clearing house which operates CHES.

**Securities** means the New Shares and New Options to be issued under this Prospectus.



**Share** means one fully paid ordinary share in the capital of the Company.

**Shareholder** means the holder of a Share in the Company.

**Shortfall Shares** New Shares (and attaching New Options) for which successful valid Applications have not been received by the Closing Date.

**Tasman or the Company** means Tasman Resources NL (A.C.N. 009 253 187).

**Underwriter** means either or both of Taylor Collison Limited (A.C.N. 008 896 311) and RM Capital Pty Ltd (A.C.N. 065 412 820).

**Underwriting Agreement** means either or both of the underwriting agreements dated on or about the same date as this Prospectus, between each of the Underwriters and the Company.

**WCP** means WCP Resources Ltd (A.C.N. 002 664 495).

**WST** means Western Standard Time, Perth, Western Australia.



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## Acceptance Form

**THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISER.**

### TASMAN RESOURCES NL

ACN 009 253 187

**REGISTERED OFFICE:**  
Level 40 Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**SHARE REGISTRY:**  
Advanced Share Registry Services

**All Corro to:** 110 Stirling Highway, Nedlands WA 6009  
Telephone: (08) 9389 8033  
Facsimile: (08)9389 7871

«NAME»  
«ADD1»  
«ADD2»  
«ADD3»  
«ADD4»  
«ADD5»

Holder Number: «HOLD\_NO»  
Entitlement No: «ENT\_NO»  
«SUB\_REG»

Shareholding at 5.00pm  
WST on 21 February 2007

Entitlement to New  
Shares 1:8

Total amount  
payable on  
acceptance @  
\$0.16 per New  
Share

«NO\_SHRS»

«ENTMNT»

«AMOUNT»

**A NON-RENOUNCEABLE ISSUE OF 1 FULLY PAID ORDINARY SHARE AT A PRICE OF 16 CENTS EACH ON THE BASIS OF 1 NEW SHARE (AND 1 NEW OPTION FOR EVERY 2 NEW SHARES SUBSCRIBED FOR) FOR EVERY 8 FULLY PAID ORDINARY SHARES HELD.**

To the Directors,  
TASMAN RESOURCES NL

- (1) I/We the abovenamed being registered on 21 February 2007(at 5.00pm Australian WST) as the holder(s) of ordinary shares in your Company hereby accept and apply for the belowmentioned New Shares (and accompanying New Options) where indicated, to be issued in accordance with the terms of the Prospectus accompanying this form.

ENTITLEMENT TO NEW SHARES (OR PART THEREOF)	@ \$0.16 PER SHARE	AMOUNT ENCLOSED
	\$	AUD\$

- (2) I/We enclose my/our cheque made payable to **TASMAN RESOURCES NL – RIGHTS ISSUE**, for the amount shown being payment at the rate of \$0.16 per New Share applied for.
- (3) I/We hereby authorise you to place my/our name(s) on the register of members in respect of the number of New Shares (and accompanying New Options) allotted to me/us.
- (4) I/We agree to be bound by the Constitution of the Company.
- (5) If any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the directors as to whether to accept this form, and how to construe, amend or complete it, shall be final.
- (6) My/Our contact numbers in case of enquiries are:

Telephone  
Area Code

Facsimile  
Area Code

**NOTE:** Only cheques and/or bank drafts in **Australian currency** and drawn or payable on a bank within Australia should be sent, made payable to **TASMAN RESOURCES NL – RIGHTS ISSUE** crossed Not Negotiable and forwarded to Advanced Share Registry Services together with this Acceptance Form to arrive **NO LATER THAN 5.00PM WST ON 15 MARCH 2007**





THIS FORM DOES NOT REQUIRE SIGNING

RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF  
THE SECURITIES BEING OFFERED

**THIS ISSUE CLOSES 5.00PM WST ON 15 MARCH 2007**

**A To Accept all New Shares offered**

Return this Acceptance Form with your cheque for the full amount of your Entitlement, to Advanced Share Registry Services, PO Box 1156, Nedlands, WA, 6909 or 110 Stirling Highway, Nedlands, WA, 6009 by 5pm on 15 March 2007. No signature is required.

**B To accept some of the New Shares offered and allow the remaining Rights to lapse**

Insert in the boxes on the front of this Form:

- (ii) the number of New Shares accepted; and
- (iii) the amount of the cheque for those New Shares.

**IMPORTANT NOTE:** This offer is not being made in any jurisdiction other than Australia and New Zealand. In accepting your Entitlement you represent and warrant that (unless otherwise agreed with the Company) you are not in any jurisdiction other than Australia or New Zealand and are not acting on a non-discretionary basis for the account or benefit of any person in a jurisdiction other than Australia or New Zealand.