



ACN 009 253 187

Level 40, Exchange Plaza  
2 The Esplanade, Perth, Western Australia 6000  
Telephone: (08) 9282 5889 Facsimile: (08) 9282 5866

Website: [www.tasmanresources.com.au](http://www.tasmanresources.com.au)

**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT**

**14 September 2007**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Attached is a copy of the following documents being mailed to shareholders;

Notice of Extraordinary General Meeting  
Proxy Form for Extraordinary General Meeting  
Explanatory Statement

Raymond F Buscall  
Company Secretary

**TASMAN RESOURCES NL**  
(ACN 009 253 187)  
(the Company)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is given that an Extraordinary General Meeting of the members of the Company will be held at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia on Wednesday, 17 October 2007 at 11:00am.

**SPECIAL BUSINESS**

The business of the Extraordinary General Meeting is to consider and (if thought fit) to pass, with or without modification, the following ordinary resolutions:

**1. Issue of options to Gregory Howard Solomon**

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 (the **Act**) and for all other purposes, approval is given for Fission Energy Limited (ACN 119 057 457) (**Fission**) to issue to Gregory Howard Solomon (a current director of Fission) 1,000,000 options in Fission, each to acquire one fully paid ordinary share in Fission at an exercise price per option of \$0.20, which options shall be exercisable at any time prior to 5.00pm WST on 28 February 2011 (the **Time of Expiry**) and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

Note: The options will be issued no later than 1 month from the date of the extraordinary general meeting of Fission's members (to be held on or around the date of this Extraordinary General Meeting of the Company) which will also seek the approval of Fission's members to the issue of the options.

**2. Issue of options to Douglas Howard Solomon**

"That, for the purposes of Part 2E.1 of the Act and for all other purposes, approval is given for Fission to issue to Douglas Howard Solomon (a current director of Fission) 1,000,000 options in Fission, each to acquire one fully paid ordinary share in Fission at an exercise price per option of \$0.20, which options shall be exercisable at any time prior to the Time of Expiry and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

Note: The options will be issued no later than 1 month from the date of the extraordinary general meeting of Fission's members (to be held on or around the date of this Extraordinary General Meeting of the Company) which will also seek the approval of Fission's members to the issue of the options.

**3. Issue of options to Guy Touzeau Le Page**

"That, for the purposes of Part 2E.1 of the Act and for all other purposes, approval is given for Fission to issue to Guy Touzeau Le Page (a current director of Fission) 1,000,000 options in Fission, each to acquire one fully paid ordinary share in Fission at an exercise price per option of \$0.20, which options shall be exercisable at any time prior to the Time of Expiry and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

Note: The options will be issued no later than 1 month from the date of the extraordinary general meeting of Fission's members (to be held on or around the date of this Extraordinary General Meeting of the Company) which will also seek the approval of Fission's members to the issue of the options.

Dated this 31 day of August 2007

By order of the Board

.....  
RF Buscall  
Company Secretary

## NOTES RELATING TO PROXIES:

A member entitled to attend and vote at the Extraordinary General Meeting of the Company may appoint not more than two proxies to attend and vote in his or her place. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. A proxy may be, but need not be, a member of the Company.

Proxy forms (and the Power of Attorney or other authority, if any, under which the proxy form is signed) must be deposited at the registered office of the Company at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia, 6000 not less than 48 hours before the time for holding the Extraordinary General Meeting.



**TASMAN RESOURCES NL**  
(ACN 009 253 187)  
(the **Company**)

**EXPLANATORY STATEMENT**  
**ACCOMPANYING NOTICE OF EXTRAORDINARY GENERAL MEETING**

This Explanatory Statement is an important document and you should read it carefully. If you have any queries regarding the matters set out in this Explanatory Statement or the Notice to which it is attached please contact the Company or your professional advisor.

**Resolutions 1, 2 and 3 – Issue of Options to Fission Directors**

**Background**

Resolutions 1, 2 and 3 seek member approval for the purposes of Part 2E.1 of the *Corporations Act 2001* (the **Act**) and for all other purposes for Fission Energy Limited (ACN 119 057 457) (**Fission**) to issue options to the current directors of Fission.

The directors of Fission have resolved that, subject to receiving approval of Fission's members and the approval of the members of the Company in accordance with resolutions 1, 2 and 3, each of the current directors of Fission will be issued with 1,000,000 options in Fission (the **Options**). The directors of Fission as at the date of this Explanatory Statement are Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page (the **Directors**). The approval of the members of the Company is required because the Company (which is a public company) owns approximately 43.86% of the issued share capital of Fission, and therefore controls Fission for the purposes of section 50AA of the Act.

The Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to Fission.

Fission's intention to issue the Options was disclosed in Fission's IPO Prospectus dated 11 April 2007.

The terms and conditions upon which the Options will be issued (**Terms and Conditions**) are as follows:

1. The Options are exercisable at any time prior to 5.00pm WST 28 February 2011 (the **Time of Expiry**). Options not exercised on or before the Time of Expiry 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 Fission (a **Notice of Exercise**) and delivering it to Fission's registered office at any time prior to the Time of Expiry.
3. The Options entitle the holder to subscribe (in respect of each Option held) for one fully paid ordinary share in Fission (**Share**) at an exercise price per Option of \$0.20.
4. Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking equally with the then issued Shares, and Fission will apply to ASX Limited (ACN 008 624 691) (**ASX**) to have the Shares so issued granted official quotation.
5. Any Notice of Exercise received by Fission prior to the Time of Expiry will be deemed to be a Notice of Exercise as at the last business day (a day other than a Saturday or a Sunday on which banks are open for business in Perth, Western Australia) of the month in which it is received.
6. There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to members of Fission during the currency of the Options. Prior to any new pro rata issue of securities to members of Fission, holders of

Options will be notified by Fission and afforded 10 business days before the Record Date (as defined in the Rules to determine entitlements to the issue), to exercise their Options.

7. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of Fission prior to the Time of Expiry, 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 the holders of the Options which are not being conferred on members of Fission and (subject to the provisions with respect to rounding entitlements as sanctioned by the meeting of Fission members approving the reconstruction of capital) in all respects, the terms for the exercise of the Options shall remain unchanged. For these purposes, the rights of the holders of the Options may be changed from time to time to comply with the Rules applying to reorganisation of capital, at the time of reorganisation.
8. The Options may be transferred at any time prior to the Time of Expiry.
9. Shares issued pursuant to the exercise of an Option will be issued not more than 14 days after the Notice of Exercise.

The Terms and Conditions of the Options to be issued to the Directors are the same as the 12,500,000 Options already on issue to the Company. In addition, Fission has issued:

- (a) 1,000,000 options to Taylor Collison Limited, which entitle it to subscribe (in respect of each option held) for one Share at an exercise price per option of \$0.20 exercisable at any time on or before 18 June 2010 (subject to ASX escrow).
- (b) 300,000 options to three employees of the Company under Fission's Employee Share Option Scheme. These options have different vesting dates, but entitle the holder to subscribe (in respect of each option held) for one Share at an exercise price per option of \$0.20 exercisable at any time after they have vested prior to 31 March 2011.

In addition, on 30 July 2007 Fission lodged a prospectus with ASIC and ASX (the **Prospectus**) containing an offer to all members of Fission whose registered addresses are in Australia and New Zealand of one option for every two shares held as at 9 August 2007 (the record date) at \$0.01 per option (each option to acquire one Share in Fission at an exercise price of \$0.20 per share exercisable at any time up to and including 28 February 2011). Approximately 28,500,000 further options in Fission may be issued under the Prospectus (assuming that the offer contained in the Prospectus is fully subscribed and none of the existing options are exercised before the record date).

The Directors have agreed with the Company that the Options to be issued to them will be escrowed for a period of 24 months from the date of the issue.

The Directors (or their related parties) currently hold the shares in Fission set out below. None of the Directors currently hold any options in Fission (although to the extent to which they held shares in Fission as at the record date, they will be entitled to apply for options under the Prospectus). If all of the Options proposed to be issued to the Directors are exercised, an additional 3,000,000 shares in Fission will then be on issue. The capital structure of Fission as it currently stands and as it will stand if all of the Options are exercised (assuming all of the other options currently on issue in Fission are also exercised) is set out below:

Holders	Shares	Options <sup>1</sup>	Upon Exercise
Tasman Resources NL	25,000,000	12,500,000	37,500,000
Taylor Collison Limited	0	1,000,000	1,000,000
Company Employees	0	1,500,000	1,500,000
G H Solomon	400,000	1,000,000 <sup>2</sup>	1,400,000
D H Solomon	250,000	1,000,000 <sup>2</sup>	1,250,000
G T Le Page	150,000	1,000,000 <sup>2</sup>	1,150,000

<sup>1</sup> The table above does not take into account the issue of options under the Prospectus (or the exercise of those options).

<sup>2</sup> Assuming shareholder approval to the issue of Options is obtained.

Holders	Shares	Options <sup>1</sup>	Upon Exercise
Other	32,000,000	0	32,000,000
Totals	57,000,000	18,000,000	75,000,000

Subject to the significant qualifications detailed below the Directors have estimated, using the valuation methodology summarised below, that the value of each of the Options to be issued to the Directors is \$0.0224 per Option. Therefore the total value of each Director's 1,000,000 Options would be \$22,400.00 (estimated).

The Options have been indicatively valued using the Black-Scholes Option Valuation Model (the **Model**), which takes account of factors including option exercise price, the current underlying share price volatility, risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected option life. The Model attributes an indicative value of \$0.0224 per Option on the following assumptions:

- (a) the Options are exercisable at a price per Option of \$0.20;
- (b) a current underlying Share price volatility of 54.7%;
- (c) a risk-free interest rate of 6.5% per annum (based on the 5-year bond rate as at 29 August 2007);
- (d) the underlying value of each Share being \$0.14 (based on the value of Fission's shares on the ASX on 29 August 2007);
- (e) no dividends being payable; and
- (f) the Options are exercisable at any time after 24 months of the date of issue (i.e. at the expiration of the voluntary escrow period) and before the Time of Expiry.

The estimated value of each Option is subject to considerable uncertainty because many of the parameters of the Model are difficult to estimate. For example, the current underlying Share price volatility is considerably uncertain because the Shares have only a very short trading history (Fission was admitted to the official list of the ASX on 18 June 2007). Further, the share price may after 29 August 2007 go above, or below, 14 cents per Share.

Other parameters, such as the exercise price, the expected option life and the risk-free interest rate, are more certain.

### **The Act**

Part 2E.1 of the Act regulates the provision of "financial benefits" by public companies. Both the Company and Fission are public companies.

Section 208(1) of the Act provides that an entity that a public company controls can only give a financial benefit to a "related party" of the public company if it obtains the approval of the public company's members in accordance with the procedures set out in Part 2E.1 of the Act.

Section 208(1) of the Act will therefore require Fission to obtain the approval of the Company's members to give a financial benefit to a related party of the Company, because Fission is an entity controlled by the Company for the purposes of section 50AA of the Act.

Directors of public companies are related parties for the purposes of the Act. Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page are Directors, and therefore related parties, of Fission. Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page are also directors, and therefore related parties, of the Company.

The Act deems the issue of an option by a public company to a related party to constitute the giving of a financial benefit to that related party.

In the circumstances, the resolution by the Directors to issue the Options will result in Fission (an entity the Company controls) giving a financial benefit to Gregory Howard Solomon, Douglas Howard Solomon and Guy Touzeau Le Page, who are related parties of the Company.

The Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to Fission. Section 211 of the Act provides an exception to the need to obtain member approval to the giving of a financial benefit to a related party where the financial benefit is remuneration given to an officer (including a director) of a public company and giving the remuneration would be reasonable given the respective circumstances of the public company and the related party (including the responsibilities involved in the office or employment).

The Directors consider that the issue of the Options to the Directors is reasonable given the circumstances of Fission and the Directors. However to avoid doubt the approval of the members of both the Company and Fission is being sought for the purposes of Part 2E.1 of the Act.

The approval of Fission's members is to be sought at an extraordinary general meeting to be held on or around the date of this Extraordinary General Meeting. If the approval of the members of either the Company or Fission is not obtained, the Options will not be issued to the Directors.

As required by Part 2E.1 of the Act, and in particular section 219 of the Act, the following information contained in paragraphs A, B and C below is provided to allow the members of the Company sufficient information to determine whether or not they should approve these resolutions.

**A. Resolution 1**

1. The proposed financial benefit will be given to Gregory Howard Solomon (who is a Director).
2. The nature of the financial benefit is the issue of Options in Fission.
3. Gregory Howard Solomon (the person to whom the financial benefit will be given) does not wish to make a recommendation to members about this resolution on the basis that he has an interest in the resolution's passage. All of the Directors who do not have an interest in this resolution recommend that members approve this resolution on the basis that the Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to Fission.
4. Gregory Howard Solomon, as a Director and the person to whom the financial benefit will be payable, has an interest in this resolution.
5. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by members to allow them to make a decision whether it is in the best interest of the Company and/or Fission to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in Fission's IPO Prospectus dated 11 April 2007.

The Company will disregard any votes cast on Resolution 1 by Gregory Howard Solomon (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).

**B. Resolution 2**

6. The proposed financial benefit will be given to Douglas Howard Solomon (who is a Director).
7. The nature of the financial benefit is the issue of Options in Fission.



8. Douglas Howard Solomon (the person to whom the financial benefit will be given) does not wish to make a recommendation to members about this resolution on the basis that he has an interest in the resolution's passage. All of the Directors who do not have an interest in this resolution recommend that members approve this resolution on the basis that the Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to Fission.
9. Douglas Howard Solomon, as a Director and the person to whom the financial benefit will be payable, has an interest in this resolution.
10. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by members to allow them to make a decision whether it is in the best interest of the Company and/or Fission to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in Fission's IPO Prospectus dated 11 April 2007.

The Company will disregard any votes cast on Resolution 2 by Douglas Howard Solomon (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).

### **C. Resolution 3**

11. The proposed financial benefit will be given to Guy Touzeau Le Page (who is a Director).
12. The nature of the financial benefit is the issue of Options in Fission.
13. Guy Touzeau Le Page (the person to whom the financial benefit will be given) does not wish to make a recommendation to members about this resolution on the basis that he has an interest in the resolution's passage. All of the Directors who do not have an interest in this resolution recommend that members approve this resolution on the basis that the Options are being issued to the Directors in consideration of services which they have provided, and will subsequently provide, to Fission.
14. Guy Touzeau Le Page, as a Director and the person to whom the financial benefit will be payable, has an interest in this resolution.
15. The Directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by members to allow them to make a decision whether it is in the best interest of the Company and/or Fission to pass the resolution.

The fact that it was proposed to seek approval to issue these Options was disclosed in Fission's IPO Prospectus dated 11 April 2007.

The Company will disregard any votes cast on Resolution 3 by Guy Touzeau Le Page (being the related party of the Company to whom the resolution would permit the financial benefit to be given) and his associates (who are all prohibited from voting).