



**Tasman Resources Ltd**  
**ABN 85 009 253 187**

**and Controlled Entities**

**Interim Financial Report**  
**for the**  
**Half-Year Ended 31 December 2009**

**CONTENTS**

<b>Highlights</b>	<b>3</b>
<b>Corporate Directory</b>	<b>4</b>
<b>Review of Operations</b>	<b>5</b>
<b>Directors' Report</b>	<b>11</b>
<b>Auditors' Independence Declaration</b>	<b>12</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>13</b>
<b>Consolidated Statement of Financial Position</b>	<b>14</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>15</b>
<b>Consolidated Statement of Cash Flows</b>	<b>16</b>
<b>Notes to the Financial Statements</b>	<b>17</b>
<b>Director's Declaration</b>	<b>20</b>
<b>Independent Auditor's Review Report</b>	<b>21</b>

## **HIGHLIGHTS**

### **SA – VULCAN PROJECT**

- **New Iron-Oxide Copper-Gold-Uranium system (IOCGU or Olympic Dam-style) discovered in Tasman’s first drill hole at Vulcan Prospect, 30km north of Olympic Dam.**
- **The discovery hole hit IOCGU-style veined, brecciated and altered rocks over 240m despite being drilled on the outer margin of the main gravity target of interest.**
- **Assay results confirm enriched, strongly correlated levels of iron (-oxide), copper, gold and uranium and silver (IOCGU metal association).**
- **Tasman has commenced a program of further geological and geophysical work and resolution of an access issue to enable drilling to resume early- to mid- 2010.**

### **QLD – GOLD & BASE METALS**

- **Tasman’s Mirrica Project, located on the edge of the Simpson Desert has received a boost with encouraging results from exploration on adjoining tenements (held by Krucible Metals Ltd) to the north.**
- **Surface samples up to 1.44g/t Au and aircore/RC drill intercepts up to 27m at 0.4% Cu from 9m were reported.**
- **Tasman is considering a program of geochemical exploration across interpreted strike extensions of the associated structures into Tasman’s adjoining tenements.**

### **INVESTMENTS**

- **Fission Energy (Tasman: 28.1% shareholding, fully diluted as at the 31<sup>st</sup> December 2009).**  
**Evaluation and metallurgical testing of the Mt Thirsty cobalt-nickel-manganese (oxide) deposit continued.**  
**Exploration for nickel sulphides continued, with further diamond drill holes completed. Deepening of an earlier hole, which hit nickel sulphides, will occur early in the next quarter**
- **Eden Energy (Tasman: 17.8% shareholding, fully diluted as at the 31<sup>st</sup> December 2009)**  
**Progress was made in the development of Eden’s Hythane® businesses in India and the United States.**  
**A farm-out agreement was concluded with Origin Energy Ltd to farm into Eden’s Cooper Basin Geothermal Licence GEL 185 in S.A.**

**CORPORATE DIRECTORY**

**DIRECTORS:**

Gregory H Solomon **LLB** (Executive Chairman)  
Douglas H Solomon **BJuris LLB (Hons)** (Non-Executive)  
Guy T Le Page **BA, BSc (Hons), MBA, FINSIA, MAusIMM** (Non-Executive)

**COMPANY SECRETARY:**

Aaron P Gates **B.Com, CA**

**REGISTERED OFFICE:**

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**SOLICITORS:**

Solomon Brothers  
Level 40, Exchange Plaza  
2 The Esplanade  
Perth WA 6000

Minter Ellison  
1 King William Street  
Adelaide SA 5000

**AUDITORS:**

Grant Thornton Audit Pty Ltd  
Chartered Accountants  
Level 1  
10 Kings Park Road  
West Perth WA 6005

**SHARE REGISTRY:**

Advance Share Registry Services  
150 Stirling Highway  
Nedlands WA 6009

**STOCK EXCHANGE LISTING:**

ASX Code: TAS (ordinary shares) TASOB (options expiring 30 June 2012)

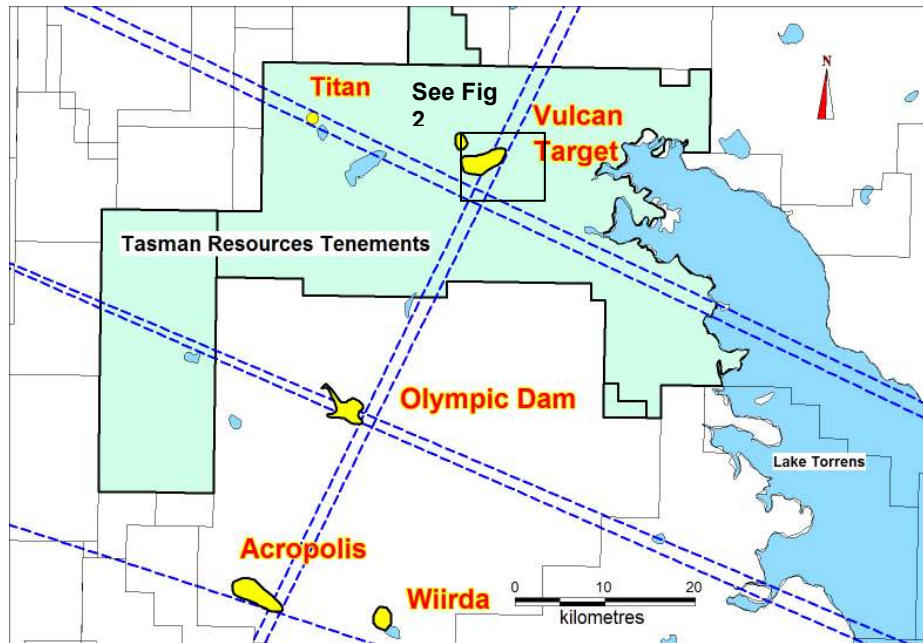
Quotation has been granted for all the ordinary shares and all issued options of the company on all Member Exchanges of the Australian Stock Exchange Limited.

**REVIEW OF OPERATIONS**

**IOCGU EXPLORATION: Vulcan Project (100% Tasman)**

**Background**

On 10<sup>th</sup> November 2009, Tasman announced the discovery of a new Iron – Oxide Copper Gold Uranium (IOCGU) system in the first drill hole VUD 001 at Vulcan Project (Figures 1 and 2). This hole was drilled on a relatively small offshoot of a much larger, previously untested gravity anomaly. VUD 001 was not drilled within the main anomaly (see Figure 2) due to an Aboriginal heritage issue, however it is expected that this will be resolved early in 2010, and drilling will then proceed to test the much larger, main anomaly identified.



*Figure 1: Location Plan showing the Vulcan IOCGU Project, located within Tasman's Lake Torrens Project, nearby IOCGU deposits/systems and several key (historic) tectonic lineaments (dashed blue lines).*

**Details**

As noted on 10<sup>th</sup> November, VUD 001 was drilled vertically and was collared at 693,862mE and 6,660111mN (GDA 94, AMG Zone 53). Basement was intersected from 870m to the end of the hole at 1113.3m. The hole intersected IOCGU (Olympic Dam-style) variably altered veined, brecciated, weakly mineralised volcanic rocks and sediments over 240 m. The most altered rocks are now dominated by a hematite, carbonate, sericite, chlorite and sulphide (dominantly pyrite, but with minor chalcopyrite) mineral assemblage.

The importance of the intersection in VUD 001 is highlighted by the size and strength of the associated very large, untested gravity anomaly, associated magnetic anomalies (Figure 2) and an interesting seismic response.

Assay results for VUD 001 confirm the IOCGU-style of the discovery at Vulcan. As mentioned in Tasman's announcement on 10<sup>th</sup> November, intersection of IOCGU-style alteration, brecciation and mineralisation, high concentrations of copper and associated metals were not expected in this hole as it had been drilled on the far northwestern margin of the system, based on the gravity anomaly (Figure 2).

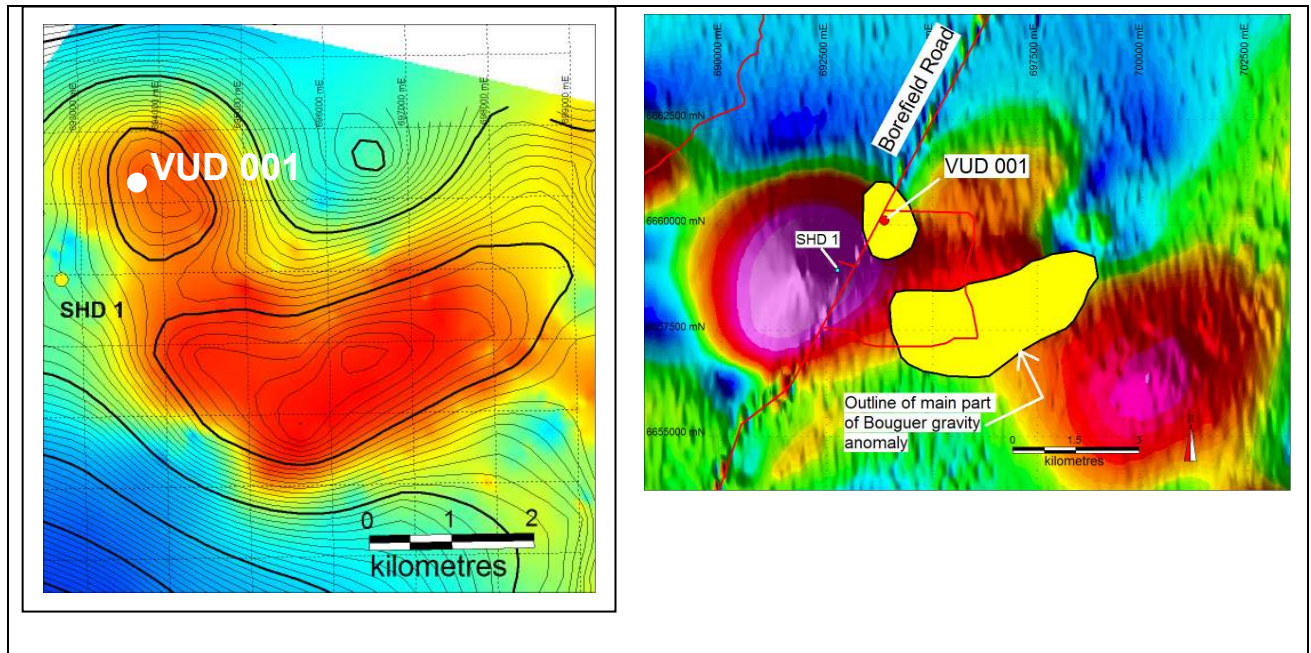


Figure 2: Vulcan Project: Bouguer gravity plan (left) and TMI magnetics-analytic signal (right). Heavy gravity contour lines are milligals and lighter contour lines 0.1 milligals. The location of VUD 001 shown on both plans. A simplified outline of the main part of the gravity anomaly (shown yellow) has been superimposed on the TMI magnetics.

Assay results have been received for the whole drill hole, and average assays for the key IOCGU associated elements in the more strongly mineralised (upper) portion of drill hole VUD 001 are listed below:

From (m)	To (m)	Thickness (m)	Copper (%)	Gold (g/t)	U <sub>3</sub> O <sub>8</sub> (kg/t)	Silver (g/t)	Iron (%)	Sulphur (%)
907	960	53	0.10	0.04	0.021	0.4	11.6	1.7
including 928	929	1	0.38	0.18	0.018	0.4	15.9	2.4
and 936	946	10	0.20	0.05	0.047	0.5	9.4	3.4

A review of all available assays in the hole shows that there is a strong correlation between these specific IOCGU elements, confirming the original IOCGU mineralising processes. In addition, anomalous levels of other elements such as arsenic, barium, fluorine and molybdenum are present at Vulcan.

### Interpretation

Based on available geophysical data and comparison with systems such as Olympic Dam, VUD 001 appears, as alluded to in the Announcement on 10<sup>th</sup> November, to have “clipped” the northwestern corner of a potentially much larger system. Tasman has prepared a schematic plan and cross-section illustrating this (see Figures 3 and 4).

The mineralogy, grade and style of the mineralisation in VUD 001 is believed to be more characteristic of the deeper and more lateral portions or zones of an Olympic Dam-type system.

At Olympic Dam, higher-grade copper-uranium mineralisation (dominated by a copper sulphide mineralogy relatively rich in bornite and/or chalcocite) and the highest-grade gold zones are spatially located towards the central and upper parts of the deposit.

Lower grade mineralisation at Olympic Dam is characterised by a sulphide mineralogy dominated by pyrite and chalcopyrite (and a lack of the sulphides bornite and chalcocite) and relatively high levels of carbonate minerals such as siderite. This mineralisation is located towards the deeper and more peripheral parts of Olympic Dam.

In VUD 001 at Vulcan, the sulphide mineralogy is essentially pyrite with lesser chalcopyrite, and carbonate (mostly siderite), implying that, by analogy with Olympic Dam, further drilling at Vulcan should focus on the central parts of the system or gravity anomaly, as shown schematically in Figures 3 and 4.

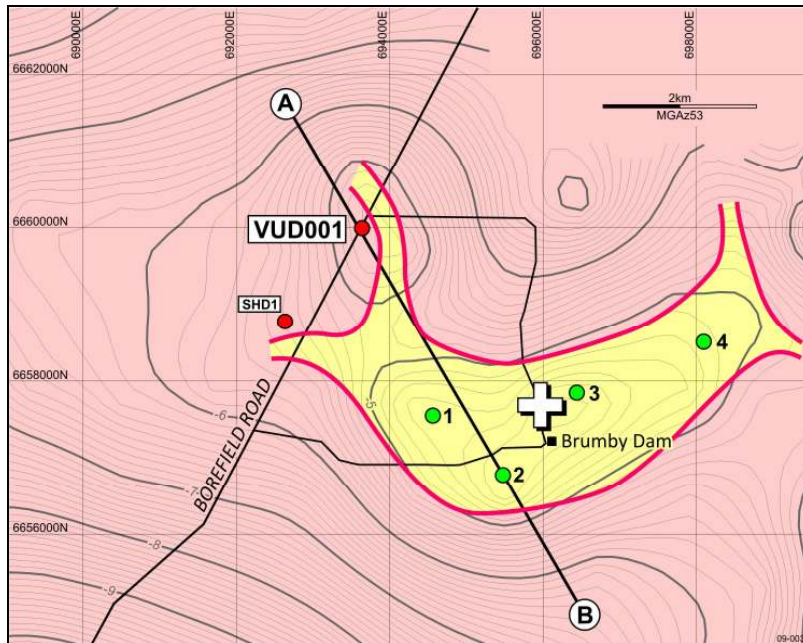


Figure 3: Schematic geological plan of Vulcan prospect, superimposed on bouguer gravity contours, based on the results of hole VUD 001 and available geophysical data. The outer host rocks are shown pink, and the potential Vulcan IOCGU system is yellow. The location of the cross section A – B (see Figure 4) and drill holes VUD 001 and SHD 1 are shown. Possible follow up holes are shown in green. Bouguer gravity contours are in milligals and 0.1milligals.

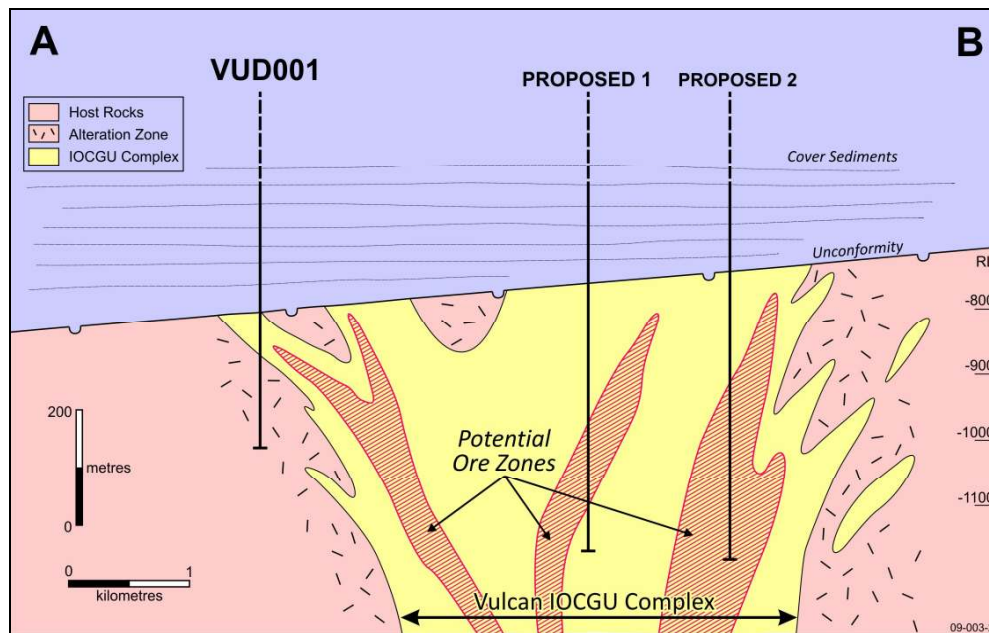


Figure 4: Interpretative (model) geological cross section of the potential IOCGU system or complex along line A – B as shown in Figure 3. Note the location of drill hole VUD 001 on the outer margin of the interpreted IOCGU system, two of the proposed drill holes within the main part of the system and the interpreted ore zones.

### **Future Strategy and Program**

Tasman's future strategy is as follows:

- Conduct detailed geophysical modelling and further gravity data acquisition – currently underway.
- Conduct further geological work on VUD 001 drill core (eg. petrology, HyLogger™ scanning) – currently underway.
- Define targets for drilling within the main gravity anomaly, based on geophysical work, geological interpretations and IOCGU ore deposit models – early in 2010. Notional sites for follow up holes are shown in Figures 3 and 4.
- Resolve heritage issues with a view to resumption of drilling in early- to mid- 2010. This process is already underway, running concurrently with the steps mentioned above.

### **GOLD EXPLORATION: SOUTH AUSTRALIA**

#### **Parkinson Dam Epithermal Gold-Silver (Lead-Zinc) Project (Tasman 100%)**

Tasman discovered new, outcropping epithermal-style gold and silver mineralisation in 2005, and later hit very encouraging, high grade gold and silver mineralisation in vertical hole **PD 63 (21m at 21g/t Au and 83g/t Ag, including 9m down hole at 31g/t Au and 152g/t Ag)**. Follow up drilling close to PD 63 (within about 40m) confirmed the continuity and orientation of the main high grade structure targeted, but the intersections obtained were narrower and lower grade (e.g. 1.7g/t Au and 3.2g/t Ag over 1m down hole in PD 71).

During the last six months a further 10 RC percussion drill holes were completed. These holes were designed to test the possible westerly extension to the main structure (over about 1.6km) hosting the high grades in PD 63. The targeted structure was intersected in a number of these holes, but unfortunately, grades were disappointing.

Further drilling, designed to follow up encouraging thick zones of associated lead-zinc mineralisation hit in previous drilling is being considered. At least one deep hole may be drilled down dip of holes PD 70 (50m @0.9% Zn, 0.4% Pb) and PD 71 (55m @0.6% Pb and 0.4% Zn).

### **GOLD - BASE METAL EXPLORATION: QUEENSLAND**

#### **Mirrica Project (Tasman 100%)**

The Mirrica project is located on the eastern edge of the Simpson Desert approximately 350 km south-southwest of Mt Isa. Tasman's principal exploration target is Mesoproterozoic gold and/or base metal mineralisation under relatively thin cover rocks of the Eromanga Basin and Simpson Desert sands. Tasman has previously conducted a RAB drilling programme, but no field exploration was conducted during the last six months.

Krucible Metals Ltd. have reported very encouraging results from exploration an adjacent tenement to the north of Tasman's Mirrica tenements. Krucible reported results from its initial drilling programme at Champ Prospect, which included an intersection of 27m at 0.40% Cu from 9m (including 3m at 2.3% Cu from 12m). The mineralisation appears to be related to fault(s), which are interpreted to continue within Tasman's tenements.

Tasman is considering a program of geochemical exploration across the interpreted strike extensions of the structures into Tasman's adjoining tenements.

Queensland Mines and Energy have accepted Tasman's application for an additional EPM in the area.



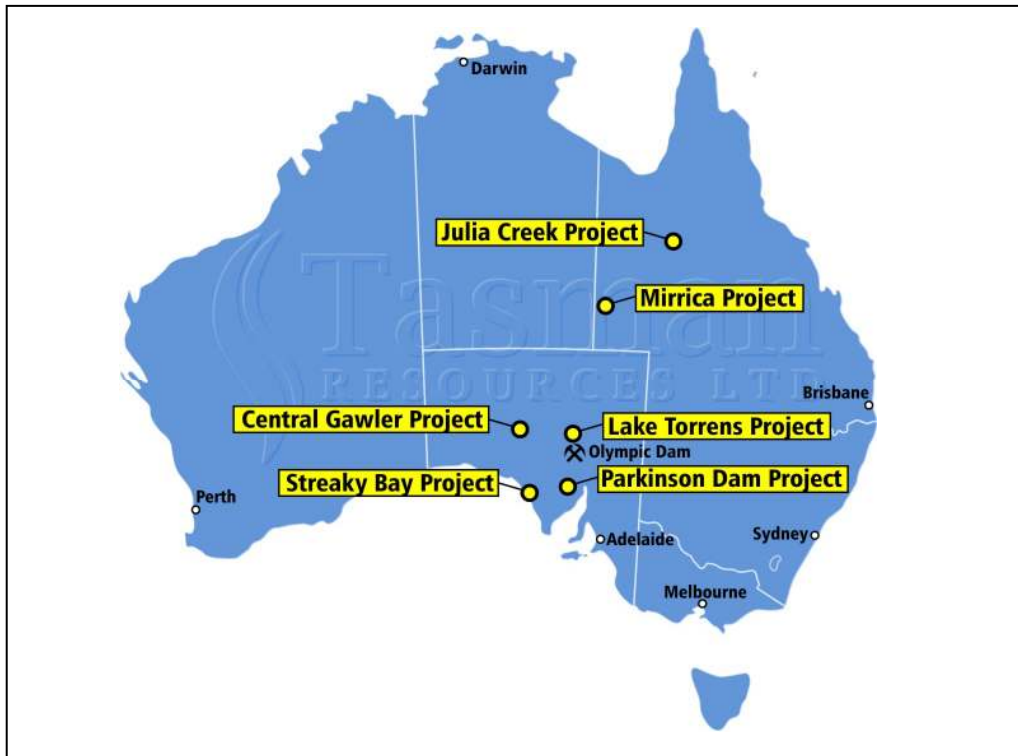


Figure 5: Location of Tasman Project Areas in South Australia and Queensland

**Outside interests in Tasman's 100%-owned mineral tenements:**

Fission Energy Ltd has the right to explore for uranium in all Tasman's South Australian tenements except for (a) basement-hosted mineralisation within the Lake Torrens Project and (b) part of the Parkinson Dam Project, where Fission farmed out its uranium exploration rights to Mega Hindmarsh Ltd.

Flinders Mining Ltd has a joint venture agreement with Tasman to explore for diamonds within all Tasman's South Australian granted tenements except for the Parkinson Dam Project.

**CORPORATE**

**Investment in Eden Energy Ltd**

Tasman has a 17.8% interest in alternative energy company Eden Energy Ltd (ASX: EDE), on a fully diluted basis as at 31<sup>st</sup> December 2009.

India

Eden completed the first three sales of its Optiblend® dual fuel system in Assam in north-eastern India, where low cost natural gas is readily available. Installation of these three systems has been completed and they are now operational.

Preliminary approvals were received for a 50 bus Hythane® demonstration project in Mumbai.

Indian authorities have adopted 18% hydrogen / 82% natural gas (by volume) as the national standard for Hythane® (HCNG).

A joint venture is under negotiation for up-scaling new pyrolysis technology to separate methane into hydrogen and solid carbon.

United States

The San Francisco Airport Hythane® Project is progressing, with the hydrogen and Hythane station on target to become operational by mid-late 2010.

The Hempstead Hythane® station near New York is now operational.

Initial US marketing has attracted strong interest from dealers of a major engine manufacturer in Hythane Company's OptiBlend Dual Fuel Kit and the first US installation was completed.

UK & Australia

A farm-out Agreement was concluded with Origin Energy Ltd to farm into Eden's Cooper Basin Geothermal Licence GEL 185 in SA.

Negotiations have commenced with potential joint venture partners for Eden's coal bed methane, natural gas and geothermal energy projects.

The UK Coal Bed Methane joint venture completed the initial review, and plans are being considered to develop several pilot production wells over the next three years.

**Investment in Fission Energy Ltd**

Tasman has a 28.1% interest in uranium explorer and potential nickel-cobalt producer Fission Energy Ltd (ASX: FIS), on a fully diluted basis as at 31<sup>st</sup> December 2009.

Mt Thirsty Nickel-Cobalt Project (refer Fission Energy Ltd Quarterly Report for full details)

Fission Energy owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR).

Mt Thirsty Oxide Deposit

Mt Thirsty has a current JORC Indicated Resource of 14.8 million tonnes at 0.14% Co, 0.59% Ni and 0.99% Mn and a JORC Inferred Resource of 14.2 million tonnes at 0.11% Co, 0.52% Ni and 0.77% Mn over an apparent strike of 1.3 kilometres and a width of around 800 metres.

Consultants from Independent Metallurgical Operations Pty Ltd (IMO) are conducting further detailed metallurgical test work and evaluation, and a program to facilitate timely preparation of a feasibility study.

Mt Thirsty – Nickel Sulphide Exploration

Exploration for nickel sulphides continued, and diamond drill holes were drilled to test the contact between the main ultramafic units and the interpreted footwall contact to the west of the Mt Thirsty oxide deposit.

Early next quarter it is planned to deepen an earlier diamond drill hole (MTDD008) which was drilled in 2009, and hit narrow intervals containing nickel sulphides, but did not reach the footwall target zone due to the limitations of the drill rig.

At Woodcutters prospect, a second diamond drill hole (WCDD002), designed to test a strong off-hole conductor in the earlier hole WCDD001 was drilled. The hole intersected a thick ultramafic sequence and minor pegmatite. No sulphide mineralisation was intersected, but a 2m thick black shale, believed to be the source of the conductor was intersected at the footwall contact at 241.9m. No significant assays were returned.

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

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

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

## **DIRECTORS' REPORT**

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2008.

### **Directors**

The names of directors who held office during or since the end of the half-year:

Mr Gregory H Solomon

Mr Douglas H Solomon

Mr Guy T Le Page

### **Review of Operations**

The net loss after income tax for the half year was \$1,194,164 (2008: \$332,732).

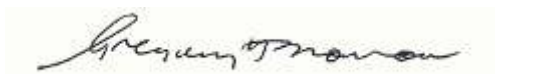
A review of the operations of the Group during the half-year ended 31 December 2009 is set out in the Review of Operations on Page 5.

### **Auditor's Declaration**

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 12 for the half-year ended 31 December 2009.

This report is signed in accordance with a resolution of the Board of Directors.

Director

A handwritten signature in black ink, appearing to read 'Gregory H Solomon', is written over a horizontal line.

Gregory H Solomon

Dated this 15<sup>th</sup> day of March 2010

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**Auditor's Independence Declaration  
To The Directors of Tasman Resources Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Tasman Resources Limited for the half-year ended 31 December 2009, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD



M J Hillgrove  
Director - Audit & Assurance Services

Perth, 15 March 2010

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	Note	Consolidated Group	
		31 Dec 2009	31 Dec 2008
		\$	\$
Other Income		71,248	89,775
Accounting and audit expense		(9,842)	(3,250)
Depreciation and amortisation expense		(1,698)	(1,952)
Employee benefits expense		(365,796)	(220,954)
Exploration expenditure written off		(18,597)	(8,751)
Impairment Expense		(602,580)	-
Finance costs		-	(5,390)
Legal and other consultants expense		(3,200)	(7,320)
Management Fees		(113,085)	(113,085)
Other expenses		(51,362)	(62,805)
Realised loss sale of available-for-sale assets		(99,252)	-
Loss before income tax		(1,194,164)	(333,732)
Income tax expense		-	-
Loss for the period		(1,194,164)	(333,732)
<b>Other Comprehensive Income</b>			
Financial Asset Reserve		423,334	(10,443,128)
Income tax relating to comprehensive income		-	-
Other comprehensive income, after tax		423,334	(10,443,128)
<b>Total Comprehensive Income / (Loss) attributable to members of the parent</b>		<b>(770,830)</b>	<b>(10,890,766)</b>
Basic earnings per share (cents per share)		(0.6329)	(0.2489)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2009**

	Note	Consolidated Group	
		31 Dec 2009	30 Jun 2009
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,229,158	516,166
Trade and other receivables		32,315	-
<b>TOTAL CURRENT ASSETS</b>		<b>1,261,473</b>	<b>516,166</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets		2,458,539	2,201,298
Property, plant and equipment		12,708	14,406
Exploration and Evaluation expenditure		8,955,672	9,111,335
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11,426,919</b>	<b>11,327,039</b>
<b>TOTAL ASSETS</b>		<b>12,688,392</b>	<b>11,843,205</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		123,472	127,162
<b>TOTAL CURRENT LIABILITIES</b>		<b>123,472</b>	<b>127,162</b>
<b>TOTAL LIABILITIES</b>		<b>123,472</b>	<b>127,162</b>
<b>NET ASSETS</b>		<b>12,564,920</b>	<b>11,716,043</b>
<b>EQUITY</b>			
Issued capital		17,625,135	16,193,088
Reserves		3,030,712	2,419,718
Accumulated losses		(8,090,927)	(6,896,763)
<b>TOTAL EQUITY</b>		<b>12,564,920</b>	<b>11,716,043</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	<b>Share Capital</b>		<b>Financial Asset Reserve</b>	<b>Accumulated Losses</b>	<b>Total</b>
	<b>Ordinary</b>	<b>Option Reserve</b>			
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2008</b>	15,511,377	650,035	13,167,974	(6,436,793)	22,892,593
Shares issued during the period	295,945	-	-	-	295,945
Total other comprehensive income	-	-	(10,443,128)	(333,732)	(10,776,860)
Options issued during the period	-	1,540	-	-	1,540
Subtotal	15,807,322	651,575	2,724,846	(6,770,525)	12,413,218
Dividends paid or provided for	-	-	-	-	-
Balance at 31 December 2008	15,807,322	651,575	2,724,846	(6,770,525)	12,413,218
<b>Balance at 1 July 2009</b>	16,193,088	671,575	1,748,143	(6,896,763)	11,716,043
Shares issued during the period	1,432,047	-	-	-	1,432,047
Total other comprehensive income	-	-	423,334	(1,194,164)	(770,830)
Options issued during the period	-	187,660	-	-	178,640
Subtotal	17,625,135	859,235	2,171,477	(8,090,927)	12,693,009
Dividends paid or provided for	-	-	-	-	-
Balance at 31 December 2009	17,625,135	859,235	2,171,477	(8,090,927)	12,693,009

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	<b>Consolidated Group</b>	
	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	34,574	152,928
Payments to suppliers and employees	(366,870)	(333,301)
Interest received	11,913	12,388
Net cash provided by (used in) operating activities	<u>(320,383)</u>	<u>(167,985)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Exploration expenditure	(465,514)	(447,156)
Equity Investments	66,842	(118,358)
Loans to associates	-	(276,449)
Net cash provided by (used in) investing activities	<u>(398,672)</u>	<u>(841,963)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	1,432,047	295,945
Proceeds from loans	-	168,191
Net cash provided by (used in) financing activities	<u>1,432,047</u>	<u>464,136</u>
Net increase/(decrease) in cash held	712,992	(545,812)
Cash at beginning of period	<u>516,166</u>	<u>725,119</u>
Cash at end of period	<u><u>1,229,158</u></u>	<u><u>179,307</u></u>

The accompanying notes form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

**NOTE 1: BASIS OF PREPARATION**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by Tasman Resources Ltd and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*. The half-year report does not include full disclosures of the type normally included in an annual financial report.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2009 financial report except for the adoption of the following new and revised Accounting Standards.

*Accounting Standards not Previously Applied*

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply in the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis they represent a significant change in information from that previously made available.

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this report include:

- The replacement of the Income Statement with the Statement of Comprehensive Income. Items of income and expense not recognised in profit and loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- The adoption of the separate income statement approach to the presentation of the Statement of Comprehensive Income;
- Other financial statements are renamed in accordance with the standard.

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker, which is the Board of Directors. In this regard, such information provided may use different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position.

2009	2008
\$	\$

**NOTE 2: LOSS FOR THE PERIOD**

The following revenue and expense items are relevant in explaining the financial performance for the interim period

Impairment of capitalised exploration expenditure	602,580	-
Write-off of capitalised exploration expenditure on areas of interest abandoned	18,597	8,751
	621,177	8,751

**NOTE 3: SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group is managed on the basis it is a mineral exploration company operating in the geographical region of Australia. The mineral assets held via outright ownership or joint venture are considered one business segment and the minerals currently being targeted include copper, gold, silver and uranium in South Australia and Queensland.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

**NOTE 4: RELATED PARTY TRANSACTIONS**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
<b>a. Key Management Personnel</b>		
Management fees and administration fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest.	113,085	57,843
Legal and professional fees paid to Solomon Brothers, a firm of which Mr GH Solomon and Mr DH Solomon are partners.	13,213	-
Loan from March Bells Pty Ltd, a company in which Mr DH Solomon has an interest, to the Company, repayable on demand with interest charged at National Australia Bank secured overdraft rates.	-	175,000
Loan from Arkenstone Pty Ltd, a company in which Mr GH Solomon has an interest, to the Company, repayable on demand with interest charged at National Australia Bank secured overdraft rates.	-	175,000
Options issued to Mr GH Solomon, Mr DH Solomon and Mr GT LePage pursuant to the AGM.	121,800	-
<b>b. Associated Companies</b>		
Reimbursement to the Company from Fission Energy Ltd and its associates, (which the Company has a 28.1% fully diluted interest) for employee costs on an hourly basis.	56,986	129,772
Reimbursement to the Company from Eden Energy Ltd, (which the Company has a 17.8% fully diluted interest) for employee costs on an hourly basis.	2,349	129,772
Loans to Eden Energy Ltd, (which the Company has a 17.8% fully diluted interest) repayable on demand with interest charged at National Australia Bank secured overdraft rates. These loans were repaid in full on 27 February 2009.	-	273,000

**NOTE 5: ISSUED CAPITAL**

177,561,423 (2008: 140,056,008) fully paid ordinary shares	17,625,135	15,807,322
	<u>17,625,135</u>	<u>15,807,322</u>
<b>a. Ordinary shares</b>		
At the beginning of reporting period	160,627,981	132,656,953
Shares issued – prior year	-	7,399,055
Shares issued during the year		
— 21 July 2009	80,212	-
— 23 October 2009	16,833,333	-
— Options exercised at various dates	19,897	-
At reporting date	<u>177,561,423</u>	<u>140,056,008</u>
On 23 October 2009 the company issued 16,833,333 ordinary shares at \$0.09 per share to raise working capital.		

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

**NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The directors are not aware of any contingent liabilities or contingent assets as at 31 December 2009.

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

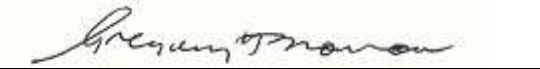
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 13 to19:
  - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
  - b. give a true and fair view of the economic entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director



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Gregory H Solomon

Dated this 15<sup>th</sup> day of March 2009

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**Independent Auditor's Review Report  
To the Members of Tasman Resources Limited**

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We have reviewed the accompanying half-year financial report of Tasman Resources Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

**Directors' responsibility for the half-year financial report**

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report. A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become

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aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tasman Resources Limited is not in accordance with the Corporations Act 2001, including:

- 1 giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- 2 complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD



M J Hillgrove  
Director – Audit and Assurance Services

Perth, 15 March 2010