



## ASX QUARTERLY REPORT

for the Period Ended 30 September 2013

### HIGHLIGHTS

#### VULCAN IOCGU<sup>#</sup> PROJECT EL 4322, SA

<sup>#</sup>Iron oxide-copper-gold-uranium

- Hole VUD 16, the 8<sup>th</sup> hole drilled under the Tasman- Rio Tinto agreement commenced in September to test the south west portion of Vulcan IOCGU target and is still in progress.

- Assay results received for the two previous holes:

VUD 15 intersected over 470m (down hole) of IOCGU-style alteration, with over 200m (down hole) of hematite breccias, and a number of zones of IOCGU-style copper and uranium mineralisation intersected throughout the hole. including (as down hole intervals):

- 145m from 1191m at 0.49% Cu, 0.26g/t Au, 1.21g/t Ag and 0.06kg/t U<sub>3</sub>O<sub>8</sub>, including:
- 52m from 1284m at 0.87% Cu, 0.46g/t Au, 1.13g/t Ag and 0.07kg/t U<sub>3</sub>O<sub>8</sub>, including:
- 21m from 1310m at 1.69% Cu, 1.05g/t Au, 1.90g/t Ag and 0.09kg/t U<sub>3</sub>O<sub>8</sub>

VUD 14 did not intersect significant IOCGU-style alteration or mineralisation and no significant assay results were received.

- Two holes including VUD 16 now remain to be drilled under the current programme which should be completed in November.

### CORPORATE

#### Eden Energy Ltd (ASX Code: EDE)

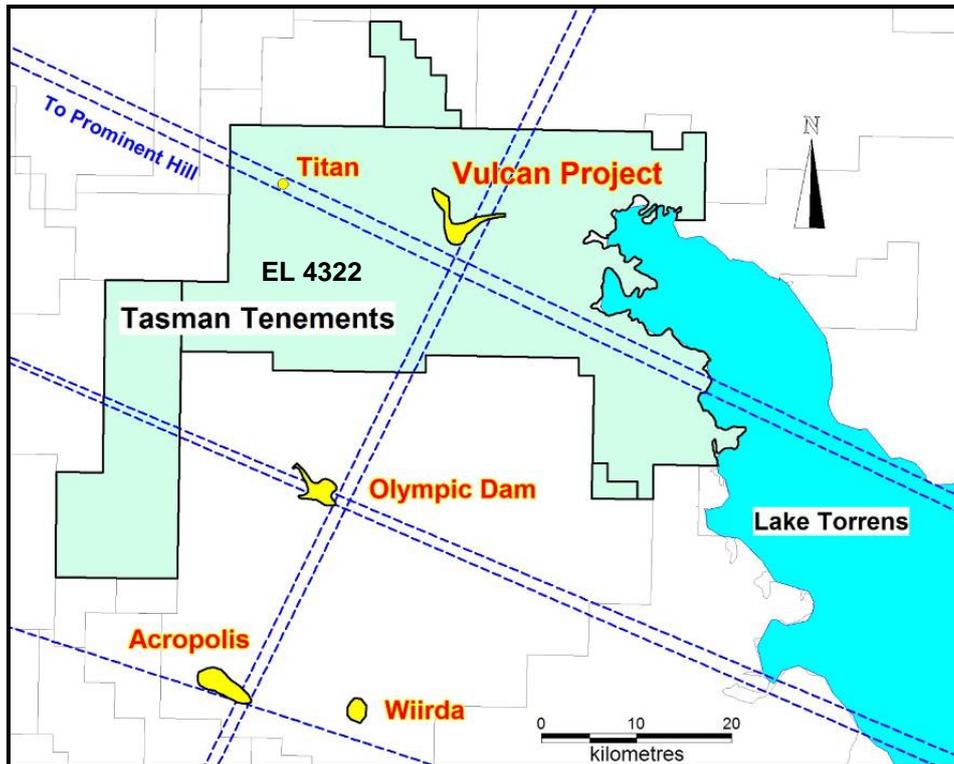
Tasman has a 46% interest in Eden Energy Ltd

- During the quarter, Eden received orders in USA for nineteen Optiblend™ systems, having an aggregate value of US\$498,000 and for two Optiblend™ systems in India for a total value of approximately A\$60,000.
- Eden executed a conditional reinstatement agreement with Shale Energy Plc for the sale of its UK coal seam methane and shale gas portfolio for £11.467million (approximately A\$19.3million), an increased price compared to the previous conditional agreement signed in May 2013 and terminated in August 2013.
- Eden completed a \$1.04m non-renounceable pro-rata rights offer and settled its claims against Engenco Ltd arising out of the sale in 2008 of certain hydrogen assets of Eden in USA and Eden received the sum of \$800,000 in settlement.

## DETAILS

### VULCAN IOCGU PROJECT, South Australia (100% Tasman)

Following a break in exploration to resolve site access limitations, hole VUD 16, the eighth hole to be drilled under the Tasman- Rio Tinto Exploration (RTX) Farm in and Joint Venture Agreement over EL 4322 commenced towards the end of the Quarter and is still in progress. VUD 16 was collared at 6657112N, 695059E (GDA 94; MGA Zone 53, Az. 180°, Incl. -60°) and is designed to test the south-west portion of the Vulcan IOCG target.



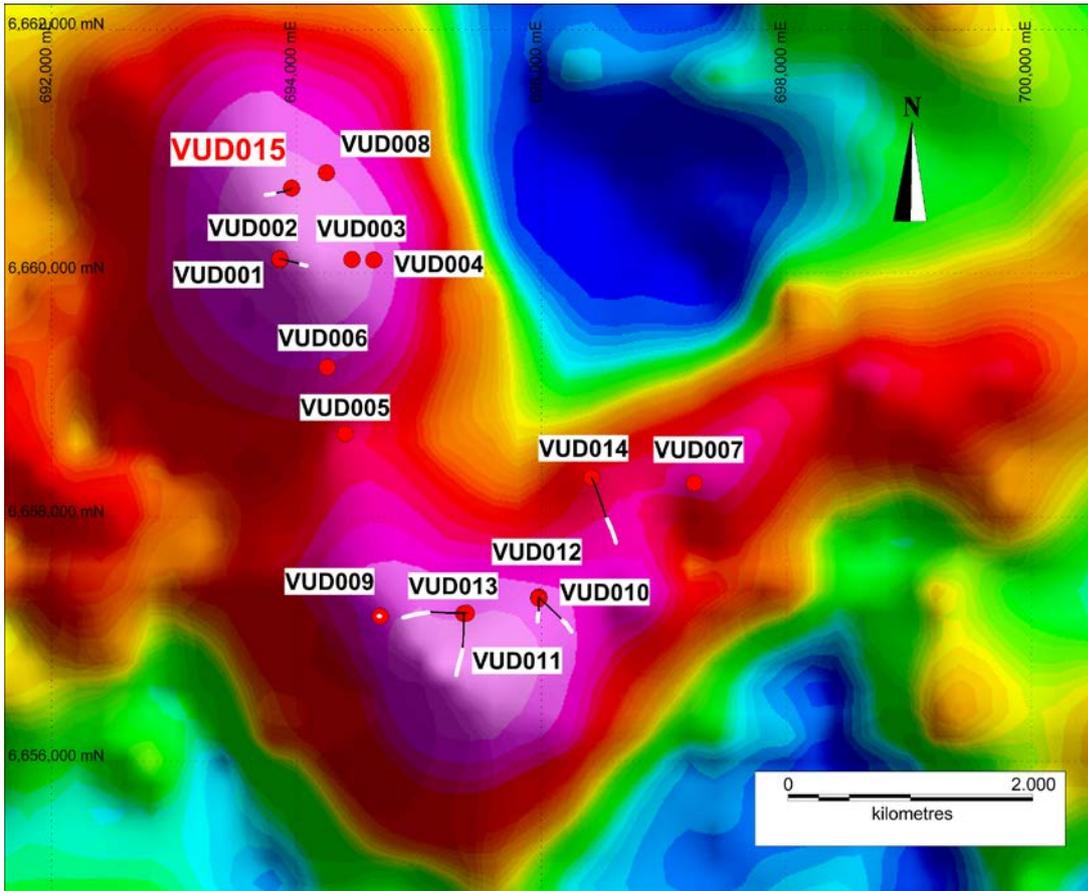
**Figure 1: Tasman Lake Torrens Tenements showing regional lineaments and location of Vulcan Project within EL 4322. Blue lines are historic tectonic lineaments used in the original targeting of Olympic Dam by WMC.**

During the current quarter assay results were received from holes VUD 14 and 15 which had been completed in the previous quarter.

### VUD 15

VUD 15 was the seventh drill hole to be completed under the Tasman – RTX Joint Venture/Farm In Agreement. The hole was designed to test for high grade IOCGU mineralisation associated with the very large, northern part of the Vulcan target zone, following up mineralisation intersected in drill holes VUD 3 and VUD 8. VUD 15 was collared at 693,961mE and 6,660,700mN (GDA 94; MGA Zone 53), and inclined at -80 degrees towards the south west (see Figure 2). The hole was finished at 1378m.

VUD 15 intersected the basement rocks of interest at 905m down hole, and then a very thick sequence of strongly IOCGU-style altered and variably mineralised basement rocks over more than 400m down hole, including several intersections of essentially pure hematite breccias, including one over 200m thick down hole. Photos of some of the mineralised drill core are shown in Figures 3 to 5.



**Figure 2: Vulcan Project: residual gravity image showing all drill holes completed to date (GDA 94; MGA Zone 53). The most recent hole VUD 15 is labelled in red. Surface projections of basement intersections in the inclined holes are shown in white. These projections show how relatively little of the Vulcan target has been tested.**

Most of this mineralisation occurs in a series of separate, weak- to moderate-strength intersections, and the highest are summarised in Table 1 below. The majority of the mineralisation occurs within the very thick sequence of IOCGU-style altered rocks and hematite dominated breccias (Figures 3& 4). The average copper grade over 435m down hole from 905m is 0.26% Cu.

**Table 1: Summary of Assay Results for VUD 15.**

From (m)	Thickness (m)	Cu (%)	Au (ppm)	Ag (ppm)	U <sub>3</sub> O <sub>8</sub> (kg/t)	La (ppm)	Ce (ppm)
1191	145	0.49	0.26	1.21	0.06	390	610
Including:							
1284	52	0.87	0.46	1.13	0.07	970	1420
Including:							
1310	21	1.69	1.05	1.90	0.09	2450	3520

*Notes to Table 1:*

*Assays are for down hole intersections, and at this stage the true width of the mineralisation intersected is not known. Assay results are based on analysis of one metre half core diamond saw split samples of NQ diamond drill core. Average assays for the intervals stated above were calculated by weighting by sample length and sample density.*

*Samples were crushed and pulverised, and analysed as follows: Au by fire assay using the Genalysis fire assay scheme FA25/MS with a 1 ppb detection limit. Cu and Fe was analysed using Genalysis scheme 4A/OE (1ppm and 0.01% detection limit), involving a multi acid digest with an inductively coupled plasma optical emission spectrometry finish. Ag and U<sub>3</sub>O<sub>8</sub> were analysed using Genalysis scheme 4A/MS (0.05ppm and 0.01ppm respectively), involving a multi acid digest with an inductively coupled plasma mass spectrometry finish. High Fe assays (mostly >50%) were reanalysed using Genalysis scheme FB6/OE (0.01%) involving a lithium metaborate fusion with an inductively coupled plasma optical emission spectrometry finish.*

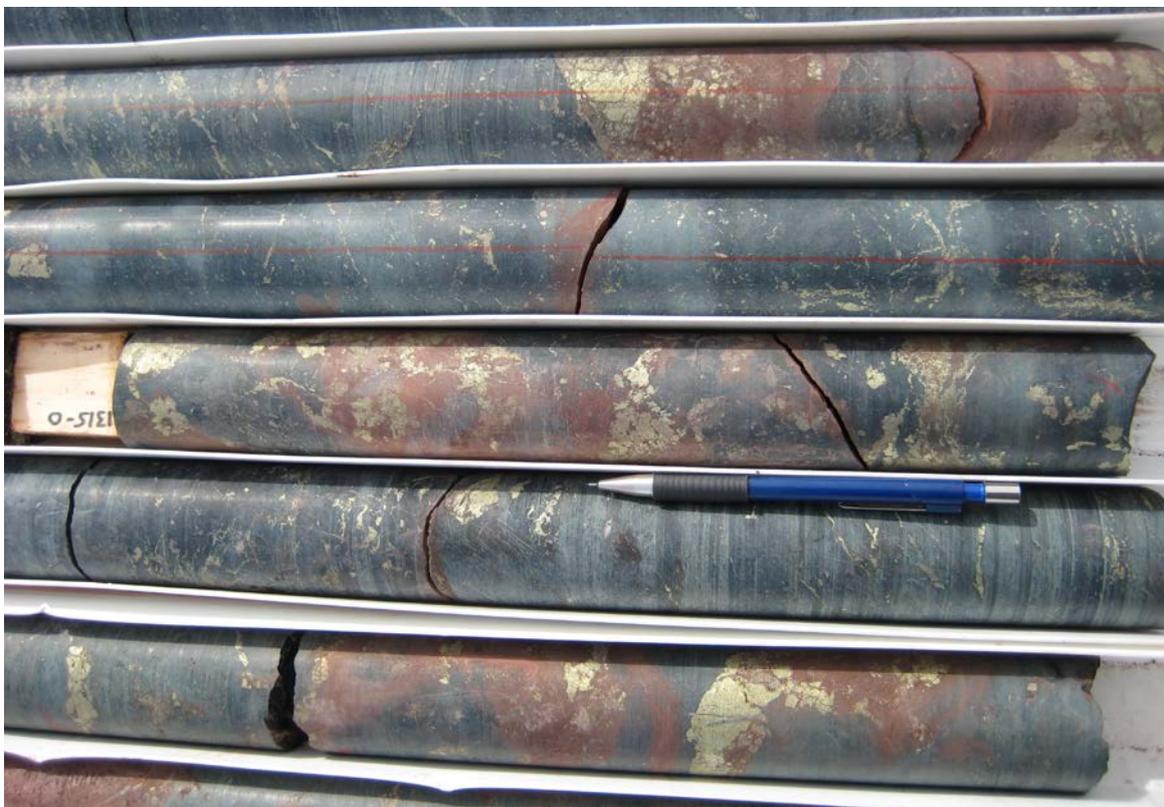
The highest grade copper mineralisation however, is probably remobilised and occurs within the upper portion of a mafic dyke (Figure 5) which was intersected from 1310 to 1343m. Several one metre assays over 4% Cu are included in this interval. Note that the intersections stated are down hole widths only, and at this stage the true widths are not known.



**Figure 3: NQ diamond drill core from VUD 15, showing pyrite-chalcopyrite mineralised hematite breccias. The grey/black mineral is hematite (iron oxide), and the main, lighter (pale yellow) mineral is pyrite (iron sulphide) with chalcopyrite (copper-iron sulphide).**



**Figure 4: Detailed photo of mineralised hematite breccias within VUD 15. The grey/black mineral is hematite (iron oxide), the main, lighter (pale yellow) mineral is pyrite (iron sulphide) with chalcopyrite (copper-iron sulphide) and the red material at the base of the photo is a fragmented dyke.**

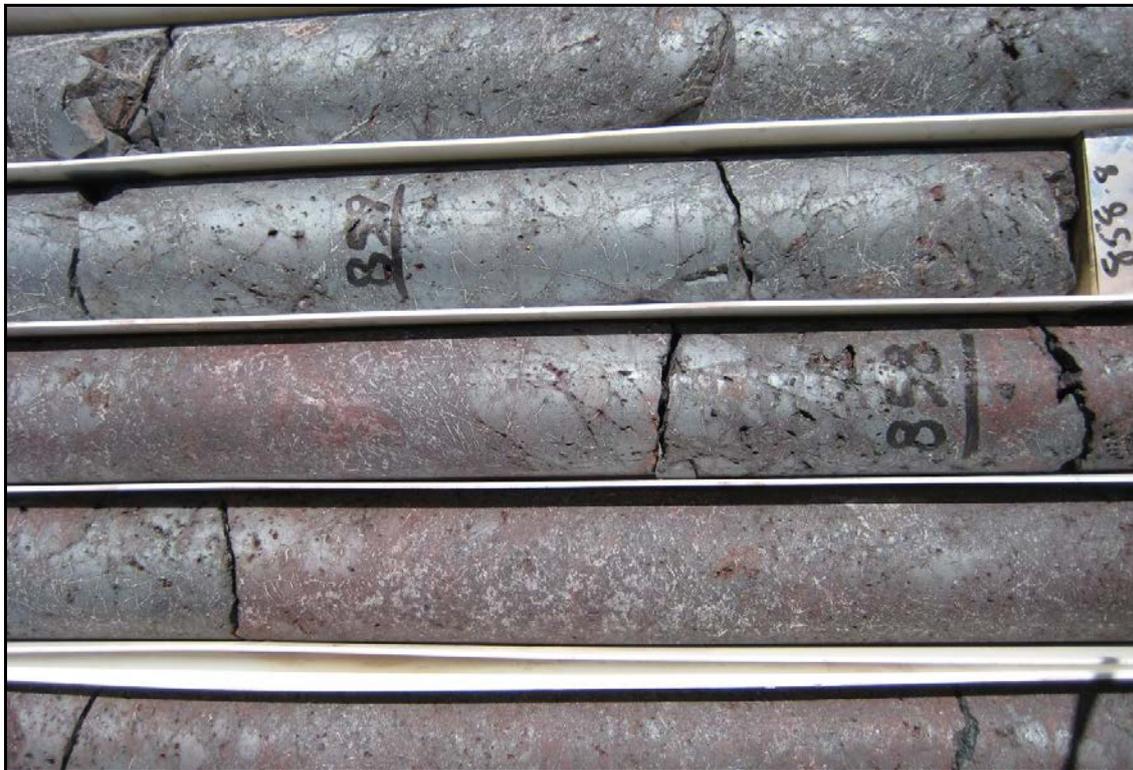


**Figure 5: Detailed photo showing probably remobilised chalcopyrite-pyrite mineralisation within the intrusive dyke (referred to above) in drill hole VUD 15.**

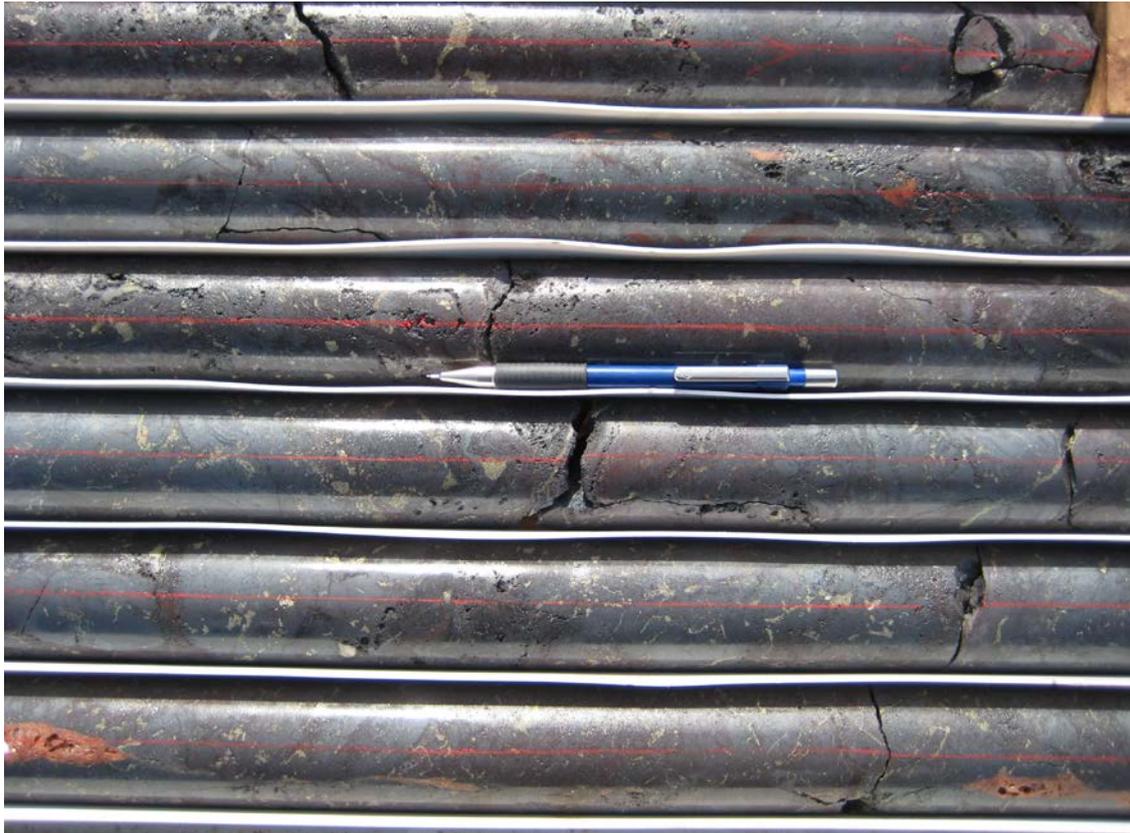
Preliminary iron assays indicated that many of the individual one metre assays for these samples are above 50% Fe, and due to these very high levels assaying for iron was repeated by a more suitable analytical method for very high iron contents to ensure accuracy. New averaged assays received include 180m down hole at 60% Fe from 1,123m in VUD 15, and 240m down hole at 61% Fe from 840m in VUD 9. Iron in both holes is present dominantly as hematite (see Figures 6 &7).

If the Vulcan system was much closer to the surface these very iron-rich intersections would have been of economic interest in their own right. As some of the copper mineralisation intersected in VUD15 is associated with massive hematite there is potential for the high iron content to add further value to any future economic copper intersections at Vulcan.

The intersection of mineralised, highly favourable host rocks in VUD 15, coupled with the encouraging results in the nearby drill holes, in particular VUD 3 and 8 has substantially enhanced the prospectivity of this northern section of the Vulcan gravity target.



**Figure 6: Detailed photo of hematite breccias intersected in VUD 9 (NQ 2 drill core).**



**Figure 7: Photo of hematite (grey) breccias intersected in VUD 15 (NQ 2 drill core). The pale yellow minerals are pyrite and chalcopyrite, and the orange mineral is strontianite (strontium carbonate).**

## VUD 14

VUD 14 was collared at 696,410mE; 6,658,325mN (GDA 94; MGA Zone 53) and inclined at -80 degrees towards the south west (see Figure 1). The hole was completed at 1488m, and intersected 573m of variably altered and weakly mineralised basement rocks, but failed to intersect the zone of interest or any significant mineralisation. Assay results have confirmed the lack of significant mineralisation in this drill hole.

## FURTHER WORK

Further drilling under the Tasman/RTX Joint Venture/Farm In Agreement had been temporarily suspended from late June until site access limitations could be resolved. Drilling resumed in mid September.

In order to accommodate this delay, Tasman and RTX have agreed to extend the latest completion date for the initial 12,000 metre drilling programme currently being undertaken pursuant to the Joint Venture/ Farm In Agreement, until 31 January 2014.

After completion of VUD 16 only one hole remains to be drilled to complete this programme.

**Background to the Vulcan Project**

Tasman identified Vulcan as a prime IOCGU target in 2009, based on the presence of a very large gravity anomaly, supporting magnetic and seismic anomalies and Vulcan’s location close to key tectonic (structural) lineaments, which had previously been used in the original targeting of Olympic Dam by WMC in the mid-1970s. Tasman’s initial discovery drill hole, VUD 001, intersected the Vulcan IOCGU system late in 2009.

Eight diamond drill holes had been completed by Tasman at Vulcan between 2009 and early 2011. All exhibit IOCGU-style alteration and/or mineralisation, including copper, gold, uranium, silver, molybdenum and rare earth elements. Age dating of the mineralisation at about 1,590 million years confirms that Vulcan belongs to the same “family” of deposits as Olympic Dam, Prominent Hill and Carrapateena.

Tasman has entered a Farm In/ Joint Venture with Rio Tinto Exploration (RTX) covering the whole of EL 4322, including the Vulcan discovery. Under the joint venture, RTX has paid to Tasman \$10 million and Tasman is accordingly managing an exploration programme consisting of 12,000m of drilling.

**OTHER PROJECTS**

Tasman has gold and base metal projects at Parkinson Dam and the Central Gawler Craton in South Australia (Figure 8). No activity occurred on these during the quarter.



Figure 8: Location of Tasman Project Areas in South Australia

## CORPORATE

### Investment in Eden Energy Ltd (EDE)

Tasman has a 46% interest in Eden Energy Ltd as at 30 September 2013.

#### *Optiblend™ Dual Fuel Project*

- During the quarter, orders were received in the USA for a total of nineteen Optiblend™ systems, having an aggregate value of US\$498,000, continuing the increasing sales trend.
- During the quarter, orders for two Optiblend™ systems with a total value of approximately A\$60,000 were received in India, including a maiden order to supply an Optiblend™ system in Bangladesh.

#### *UK Gas Assets*

- Eden executed a conditional reinstatement agreement with Shale Energy Plc (“Shale Energy”) for the sale of its entire UK coal seam methane and shale gas portfolio for £11.467million (approximately A\$19.3million) being an increased price compared to the previous conditional agreement signed in May 2013 and terminated in August 2013.
- Eden completed a share placement to Shale Energy raising approximately \$410,000.

#### *Pyrolysis Project - Carbon Nanotubes/ Carbon Nanofibres/ Hydrogen*

- The previously announced collaboration project between Eden and the University of Queensland (“UQ”), which was awarded a \$255,000 grant by the Australian Research Council (“ARC”) to fund research into methods for production of super high strength, low weight carbon nanotube (“CNT”) reinforced polymer composites (for potential automotive and aerospace applications) has been delayed due to the principal researcher taking a position at an overseas university. A new principal researcher has been secured and approval for this change from the ARC is currently awaited.

#### *Corporate*

- Eden completed a \$1.04m non-renounceable pro-rata rights offer to shareholders
- During the quarter Eden settled all its claims against Engenco Ltd (“Engenco”) (formerly named “Coote Industrial Ltd”) and its subsidiary Drivetrain USA Inc and also the counterclaim by Engenco against Eden for the sum of \$800,000 (which has since been received from Engenco) arising out of the sale in 2008 of certain hydrogen assets of Eden in USA.

### Investment in Conico Ltd (CNJ, formerly Fission Energy Ltd)

Tasman has a 19% interest in potential nickel-cobalt producer Conico Ltd as at 30 September 2013.

#### *Mt Thirsty Nickel-Cobalt Project*

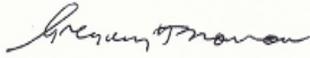
Refer to Conico Ltd Quarterly Report for further details.

#### *Background*

*Conico Ltd owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR). Mt Thirsty is located 20 kilometres north-northwest of Norseman, Western Australia. Mt Thirsty has a current JORC (2004)*

## Report for September Quarter 2013

*compliant Indicated Resource of 16.6 million tonnes at 0.14% Co, 0.60% Ni and 0.98% Mn and a JORC (2004) compliant Inferred Resource of 15.3 million tonnes at 0.11% Co, 0.51% Ni and 0.73% Mn over an apparent strike of 1.3 kilometres and a width of around 800 metres.*



Greg Solomon  
Executive Chairman

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

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