

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

17 May 2013

VULCAN PROJECT:

Exploration Update – VUD 014 Completed

VUD 014, the sixth drill hole to be completed under the Tasman – Rio Tinto Exploration (RTX) Joint Venture/Farm In Agreement has been completed at Tasman's 100% owned Vulcan IOCGU* prospect.

The hole was designed to test for high grade IOCGU mineralisation along the well-defined east north-eastern limb of the Vulcan target. VUD 007, drilled 700m further to the north-east along this feature previously intersected 163m of low grade IOCGU mineralisation hosted by IOCGU-style hematite-rich breccias. VUD 014 was designed to test the feature, in a potentially higher grade location (see Figure 1).

VUD 014 was collared approximately 400m to the northwest of the zone of interest, (696,410mE; 6,658,325mN; GDA 94, MGA Zone 53) and inclined at -65 degrees to the south-east due to current site access limitations. The hole was completed at 1,488m, and intersected 573m of variably altered and weakly mineralised basement rocks, but failed to intersect the zone of interest or any significant mineralisation or hematite-rich rocks likely to be closely related to the targeted zone. Photos of some of these basement rocks are provided in Figures 2 and 3.

Due to the width of the target in this area it was not possible to thoroughly test it with one inclined hole, and at this stage it is believed that the hole may have gone over the top of the zone of interest. It is now thought that a steeper or vertical hole collared a distance to the southeast may have been more successful.

A plan showing the location of VUD 014 and the previously completed drill holes superimposed on a residual gravity image of Vulcan is provided in Figure 1.

The previous drill hole, VUD 013 was completed in April 2013, and an initial report was contained in Tasman's Quarterly Report to 31 March 2013. Assay results are currently awaited for this hole.

The next hole, VUD 015 commenced on 15th May, and is being drilled on the northern section of the Vulcan target.

**IOCGU: Iron-oxide copper-gold-uranium*

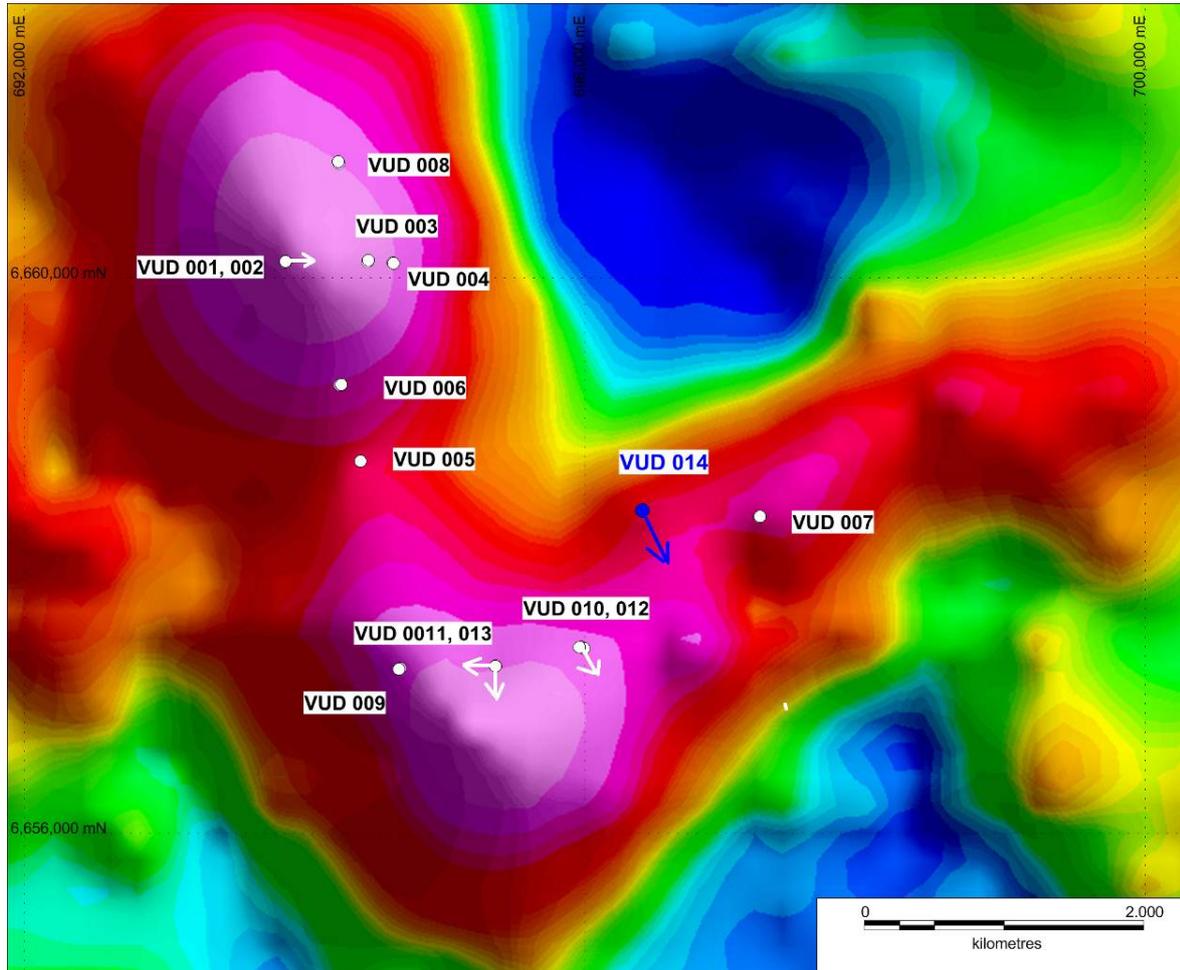


Figure 1: Vulcan Project: Residual gravity image showing completed drill holes (labelled small white dots). VUD 014, is labelled in blue, and the direction of drilling of inclined holes are shown as arrows (GDA 94; MGA Zone 53).

Background

In September, 2012 drilling resumed at Tasman's 100% owned Vulcan Iron-Oxide Copper Gold Uranium (or IOCGU) project located approximately 30km north of Olympic Dam.

Tasman has entered a Farm In and Joint Venture Agreement (Agreement) over the project with Rio Tinto Exploration (RTX). Following payment of \$10 million from RTX to Tasman to fund the initial exploration program, Tasman is managing the initial exploration program, which is to be completed within 12 months of the date of the Agreement.

Greg Solomon
Executive Chairman



Figure 2: Altered basement rocks in NQ size drill core from VUD 014 at about 980m depth. The red/orange mineral is feldspar, and grey/greenish minerals are sericite, carbonate and quartz.

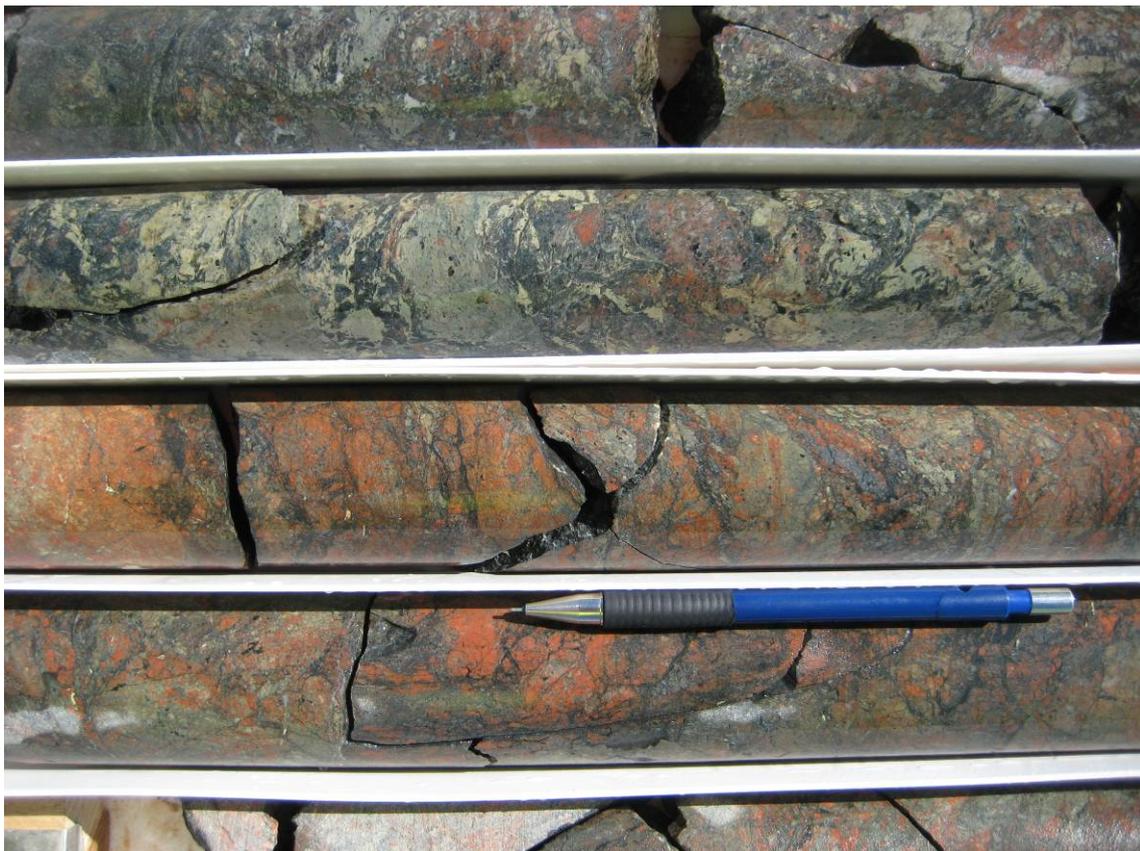


Figure 3: Altered basement rocks in NQ size drill core from VUD 014 at 946m depth. The red/orange mineral is feldspar, and grey/greenish minerals are sericite, carbonate and quartz.

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.