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AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

EXPLORATION UPDATE: 18th JULY 2005

SOUTH AUSTRALIAN EPITHERMAL GOLD - SILVER PROSPECT

Summary

- Outcropping epithermal mineralisation.
- Highly anomalous gold-silver-lead-antimony geochemistry in rock samples.
- Hydrothermal clay alteration in wallrocks.
- No prior epithermal gold-silver deposits known in South Australia.

Details

Tasman Resources wishes to report the discovery of outcropping low-grade gold–silver mineralisation on its 100% owned Wartaka Exploration Licence 3307, located approximately 60km west of Port Augusta in South Australia. Outcropping, subcropping and widely distributed float of epithermal textured banded quartz veining was located during follow-up of gold-in-calcrete anomalies from prior exploration. Reconnaissance rock samples from this material identified gold-silver mineralisation.

The mineralisation is interpreted to be epithermal in character due to:

- the presence of “classic” banded quartz veins showing crustiform, colloform, cockade and comb textures, together with complex overprinting relationships (see photographs below);
- a distinctive gold-silver-lead-antimony metal association, typical of epithermal deposits (analyses in Table 1); and,
- evidence of hydrothermal clay alteration in wallrocks at surface.

Table 1: Analytical Data for initial surface rock samples collected on EL 3307

Sample No	Au (ppb)	Ag (ppm)	Pb (ppm)	Sb (ppm)	Sample Type (see Notes below)
67398	105	6	285	10	Rock float composite
67400	80	25	135	18	Composite rock chip
67455	105	45	630	19	Composite rock chip
Detection Limits	1	0.1	2	0.05	
67470	17	38	190	19	Outcrop Grab sample
67471	48	6	360	13	Float Grab sample
67472	83	7	330	18	Outcrop Grab sample
Detection Limits	5	0.02	0.5	0.05	

Notes:

- Sample 67398 is a composite surface float sample (i.e. not outcropping) collected over an area of about 100m², 230m down slope to the southeast from samples 67455 and 67400. The float consists of multiple crustiform banded quartz veins, but is clearly strongly weathered. Figure 3 (Sample 67471) is of a cut and polished piece of this float.
- Sample 67400 is a composite chip sample from a separate outcrop, approximately 25m from Sample 67455, consisting of a colloform-crustiform-textured quartz vein striking approximately northwest-southeast, and about one metre in apparent outcrop width. The true width and dip of the vein is not known.
- Sample 67455 is a composite surface rock chip sample collected across a partly outcropping zone containing banded, crustiform-colloform-textured quartz veins estimated to be approximately 3metres in outcrop width. The strike of the vein is approximately northeast-southwest, but dip and true width are not known. Figure 2 (sample 67470) below is of material from the same outcrop.
- Samples 67398, 67400 & 67455 analysed using an aqua regia digest with AAS finish for Au and ICP-MS for Ag, Sb, Pb
- Samples 67470-72 analysed using fire assay/AAS for Au and mixed acid/ICP-MS for Ag, Sb, Pb.

Epithermal deposits are quartz vein and stockwork style mineralisation that generally form at shallow depths (<1km) when hot hydrothermal fluids associated with volcanic activity boil or encounter different chemical conditions. Epithermal deposits can vary considerably in size, grade and metal association. Examples include Pajingo and Wirralie (North Queensland, Australia), Ladolam-Lihir (PNG), Hishikari (Japan) and Chatree (Thailand). Epithermal deposits have not previously been identified in South Australia.

At this stage, the main area of interest at Wartaka is defined by anomalous gold-in-calcrete assays (up to 69ppb Au) over an area of about 700m by 500m, although other calcrete anomalies occur outside this area and require follow up. Follow-up prospecting work currently underway at Wartaka, has located more areas with outcropping banded quartz as well as locations with banded quartz float.

It is stressed that only very limited sampling has been conducted so far and considerably more work is required to fully assess the size and significance of the mineralisation and quartz veining. The samples listed in Table 1 are reconnaissance surface rock chip and float samples only, and may bear little or no relationship to the typical or average grade of potential mineralisation in the area.

To secure its ground position, Tasman has applied for an additional exploration licence to the north and contracted to purchase the adjoining exploration licence EL3102 to the east (see Figure 1). The total area of these tenements is 492km².

Tasman intends to advance exploration by conducting further geochemical sampling, mapping, prospecting and geophysical surveys with the objective of defining drill targets.

Greg Solomon

Executive Chairman
Tasman Resources NL

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 Graham M. Jeffress and Robert N. Smith, 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 Jeffress and Mr Smith are full-time employees of the company. Mr Jeffress and Mr Smith 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 Jeffress and Mr Smith 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.

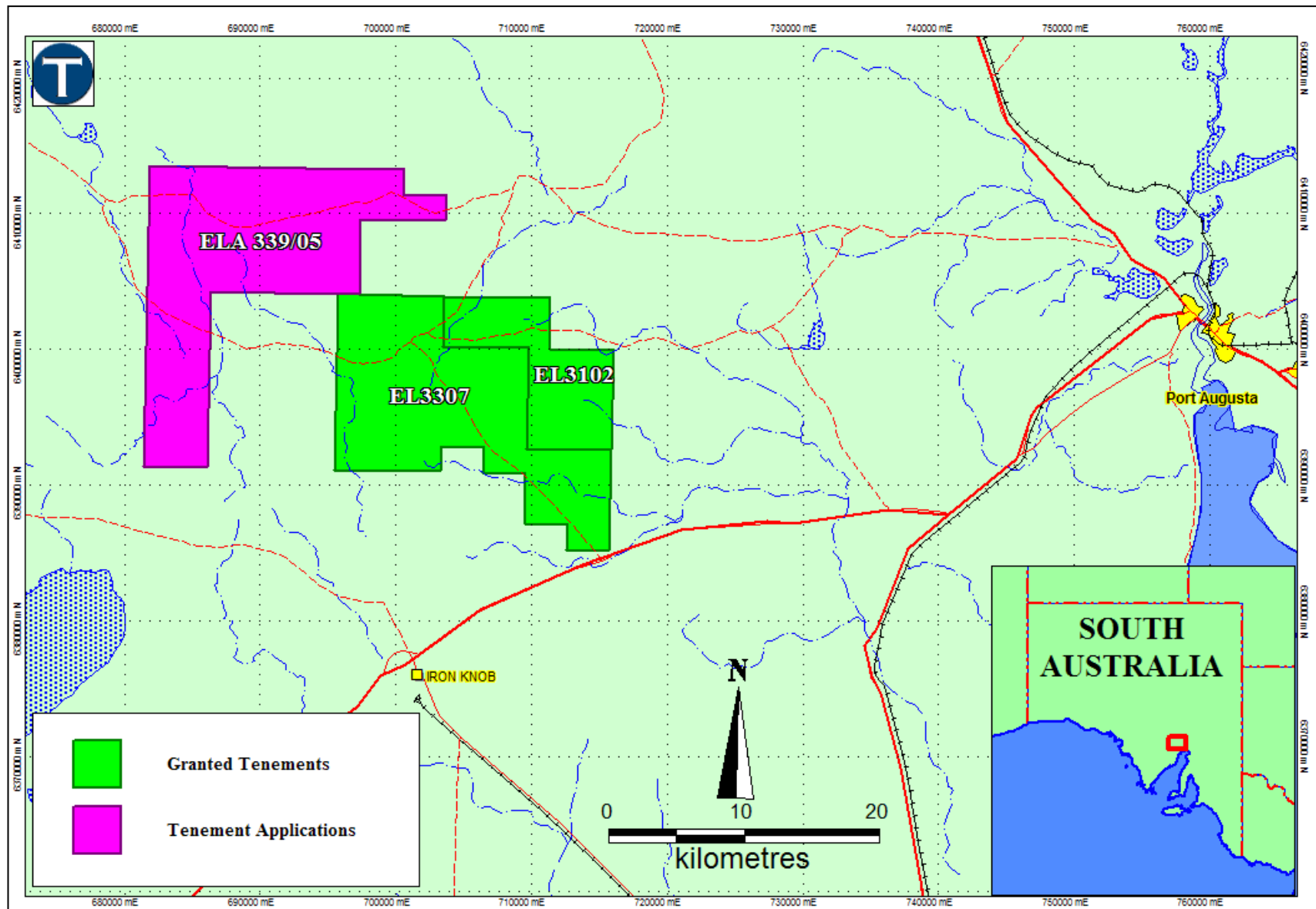


Figure 1: Location of Tasman Resources Wartaka Project area

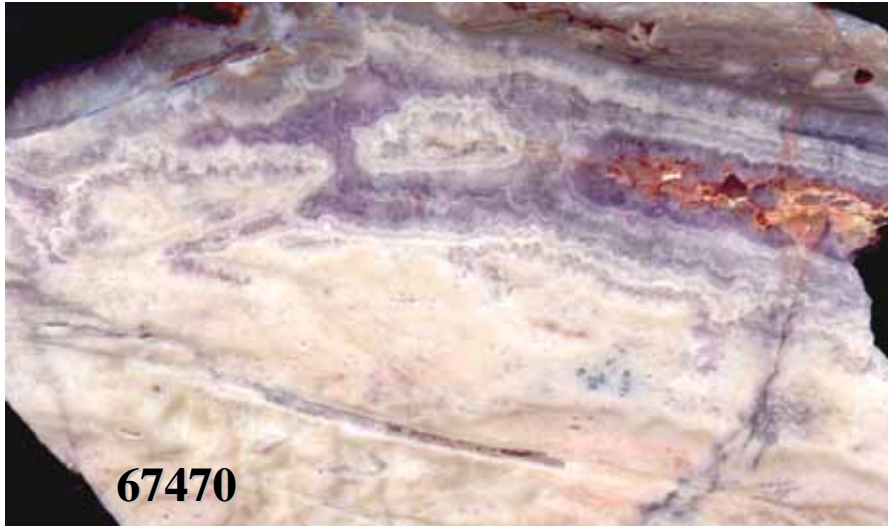


Figure 2: Sample 67470 - Complex crustiform colloform veining within quartz-amethyst vein outcrop material.



Figure 3: Sample 67471 – Float specimen showing multiple cross-cutting and overprinting crustiform banded quartz veins

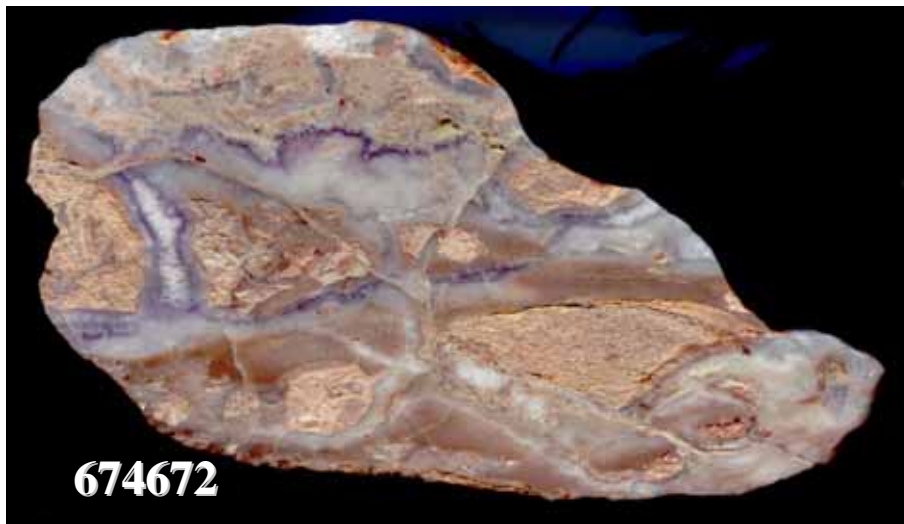


Figure 4: Sample 67472 – Grab sample of outcropping quartz vein showing banded colloform quartz-amethyst veining in brecciated clay-altered host rock.