



TASMAN RESOURCES NL

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ASX QUARTERLY EXPLORATION REPORT FOR PERIOD ENDED 31ST MARCH 2006

HIGHLIGHTS

Minerals

- Extended drilling programme completed at Parkinson Dam – very encouraging results including 3.4g/t Au and 80g/t Ag over 3m down-hole; 0.2% Pb over 96m down-hole; 0.4% Zn over 27m down-hole. Follow-up drilling planned for June/July 2006.
- Two strong SDP geochemical anomalies defined at Torrens Hinge Prospects, north of Olympic Dam, characteristic of limestone hosted zinc silver mineralisation.
- Over 120km of palaeochannel prospective for Uranium held 100% by Tasman; unconformity and IOCG targets also identified.

Energy – Eden Energy Ltd (Tasman 41.03%)

- The prospectus for the initial public offering of Eden Energy Ltd was completed.
- Advanced negotiations for demonstration Hythane® projects in China, India, Europe, California and the Middle East are progressing well. Eden hopes to confirm significant agreements in the near future.

MINERAL EXPLORATION ACTIVITIES

Tasman Resources NL holds a 100% interest in the following exploration projects:

- The “Lake Torrens Project” comprising Exploration Licences 2989, 2832, 3109, 3123, 3140, 3174, 3175, 3177, 3209, 3254, 3261, 3441, 3449, and ELAs 685/05, 777/04 and 131/06.
- The “Parkinson Dam Epithermal Gold-Silver Project” (ELs 3102, 3307 and 3453).
- The “Central Gawler Gold-Uranium-Nickel Project” (ELs 3306, 3339, 3340, 3341, 3342, 3343, 3344, 3345, 3423, 3532 and ELA 189/06).

Parkinson Dam Epithermal Gold-Silver Project (Tasman 100%)

Tasman’s 100% owned Parkinson Dam Project is located approximately 60km west of Port Augusta. The project resulted from the follow-up of calcrete sampling data collected by a previous explorer in an area Tasman had earlier identified as prospective for gold mineralisation, and comprises an extensive area with outcropping epithermal gold-silver mineralised quartz veins and float.

The first drilling programme, totalling 3360m, ever undertaken at the prospect has confirmed the epithermal interpretation of the mineralisation and intersected strongly anomalous gold, silver and base metal mineralised zones. Highly anomalous pathfinder element zones were also encountered. There is widespread mineralisation with 0.1-0.4g/t Au and 7-110g/t Ag in 3m composited downhole intervals,

with the best gold result being 3.4g/t and 80g/t Ag over 3m downhole. Full details of the drilling results have been announced to the ASX during the quarter and are available from Tasman's website.

The mineralisation is open to north, east, west and at depth, and it is characterised by an enclosing envelope of extensive alteration and wide zones of disseminated mineralisation. Recent mapping has discovered additional outcropping mineralisation that requires drill testing.

Further Work

Additional calcrete sampling, together with ongoing mapping, prospecting and rock chip sampling is planned for the next quarter. Airborne magnetics and radiometrics will be flown in May 2006, to assist in understanding structural controls on mineralisation and direct detection of alteration and/or uranium anomalies associated with the Proterozoic Corunna unconformity.

The next round of drilling at Parkinson Dam is scheduled for late June/July 2006. This programme will be targeting high-grade portions of the system and will comprise step-out and extension drilling around the existing holes as well as tests of new areas identified from mapping, calcrete geochemistry and the data from the airborne survey.

Lake Torrens Project – IOCG Targets (Tasman 100%)

Working with experts from Monash University and PIRSA, Tasman Resources has recognised a new technique to assist with targeting uraniferous iron oxide copper gold mineralisation. The technique is heat flow mapping and it has been demonstrated to work over the Olympic Dam orebody.

In prospects with adequate numbers of drill holes, measurements of downhole temperatures and thermal conductivities enable estimates of heat flow to be made. Areas with anomalous uranium will generate higher heat flows due to the heat released by the radiogenic decay from the uranium-bearing minerals. Plotting the results from all the drill holes at a prospect will provide a vector to areas with higher heatflows related to higher uranium contents that are associated with better mineralisation.

Both Tasman's Titan and Marathon South prospects have adequate drill holes to attempt this new exploration technique for IOCG deposits. This technique is to supplement studies and ongoing exploration to date. Tests to confirm for open holes and depths are planned for late April, with temperature and conductivity measurements scheduled for May 2006.

Lake Torrens Project – Torrens Hinge MVT Prospects (Tasman 100%)

Robust and coherent SDP geochemical anomalies were defined over two targets, Chudys and 50 Mile, with a range of lesser anomalies defined, in an area approximately 40km north of Olympic Dam (see Figure 1). Tasman plans to drill test the targets later in 2006 as soon as a suitable rig can be located and access issues solved.

The anomalies were defined using soil desorption pyrolysis (or SDP) soil gas geochemistry. The areas and magnitudes of the anomalies are comparable with the responses seen over economic mineralisation in other MVT districts.

MVT (Mississippi Valley Type) deposits are limestone-hosted zinc, silver, lead ± copper deposits such as those in WA on the Lennard Shelf, Navan in Ireland or the famous US deposits of the Tri-state area.

SDP is a relatively new geochemical technique that involves "fingerprinting" of mineral deposits using gaseous compounds from mineralisation adsorbed on clay particles in the soil.

The prospect area was identified from major structures revealed by a recent Geoscience Australia seismic survey that could subsequently be recognised on the detailed magnetic images held by Tasman over the area.

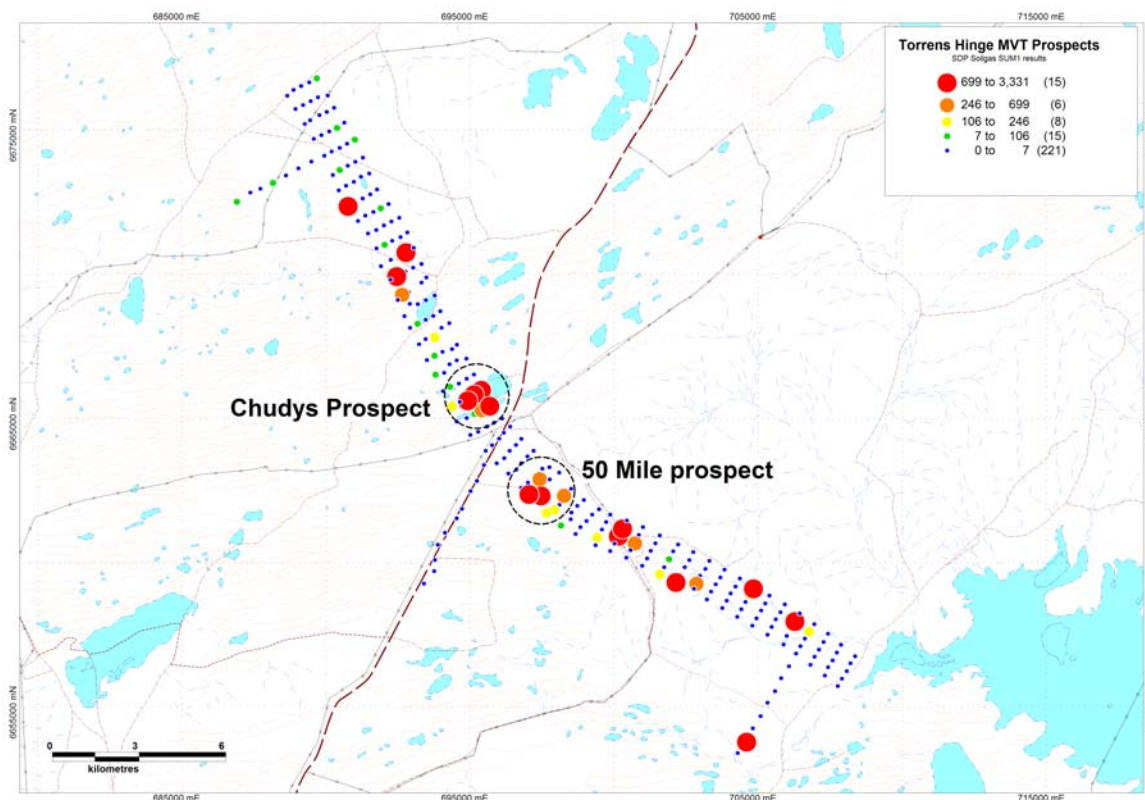


Figure 1: Torrens Hinge MVT SDP prospects

Central Gawler Projects (Tasman 100%)

Tasman has a significant tenement holding in the central Gawler Craton in South Australia. The area is currently a focus for Tertiary palaeochannel-hosted (roll front-type or redox-related) uranium exploration, and also hosts the Challenger and Tarcoola gold deposits and other advanced gold prospects such as Tunkillia.

Tasman has acquired a portfolio of selected tenements within the central Gawler Craton, which are prospective for uranium, gold, nickel and diamonds. The portfolio was developed by:

- the application of Tasman’s conceptual models for these types of deposits;
- recognition of significant anomalies or mineralisation; and,
- assessment of the comprehensive geological database provided by SA Government’s Primary Industry and Resources Department (PIRSA) which was largely compiled from the results of previous exploration.

Wynbring North Uranium Prospect (Tasman 100%)

Interpretation of a new HoistEM (helicopter Electromagnetics) survey over Tasman’s 100% owned Wynbring uranium prospect in far west South Australia has confirmed the continuation of the Wynbring palaeochannel northwards from Hindmarsh Resources Ltd’s uranium prospective EL 3348 into Tasman’s EL 3306. Full details of the results were reported in February 2006 and the release is available on Tasman’s website.

Hindmarsh has recently been the subject of a takeover by Canadian listed company Mega Uranium Limited which values it at nearly \$20 million and their Wynbring project is a key part of their exploration portfolio.

Results from the latest survey suggest that the palaeochannel continues for at least another 13km within Tasman’s EL and has several E-W trending tributaries possibly covering a further 30km within Tasman’s EL (Figures 2 and 3 summarise these results).

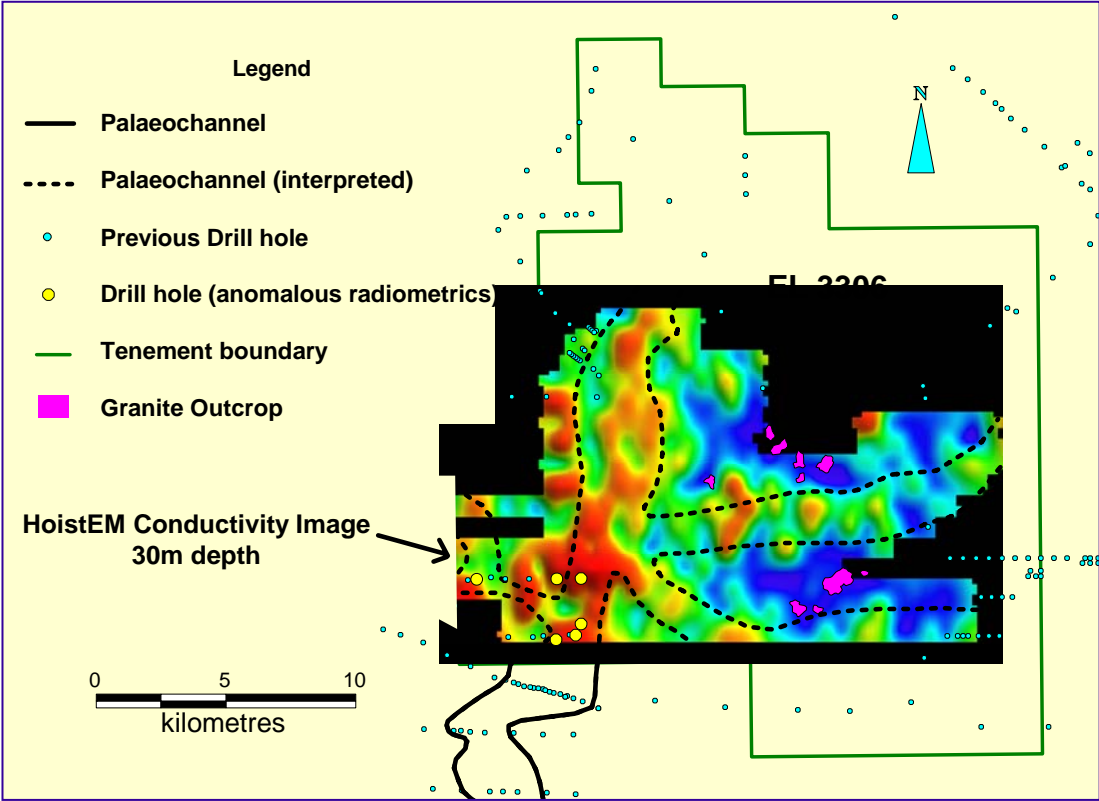


Figure 2: Wynbring North HoistEM CDI image

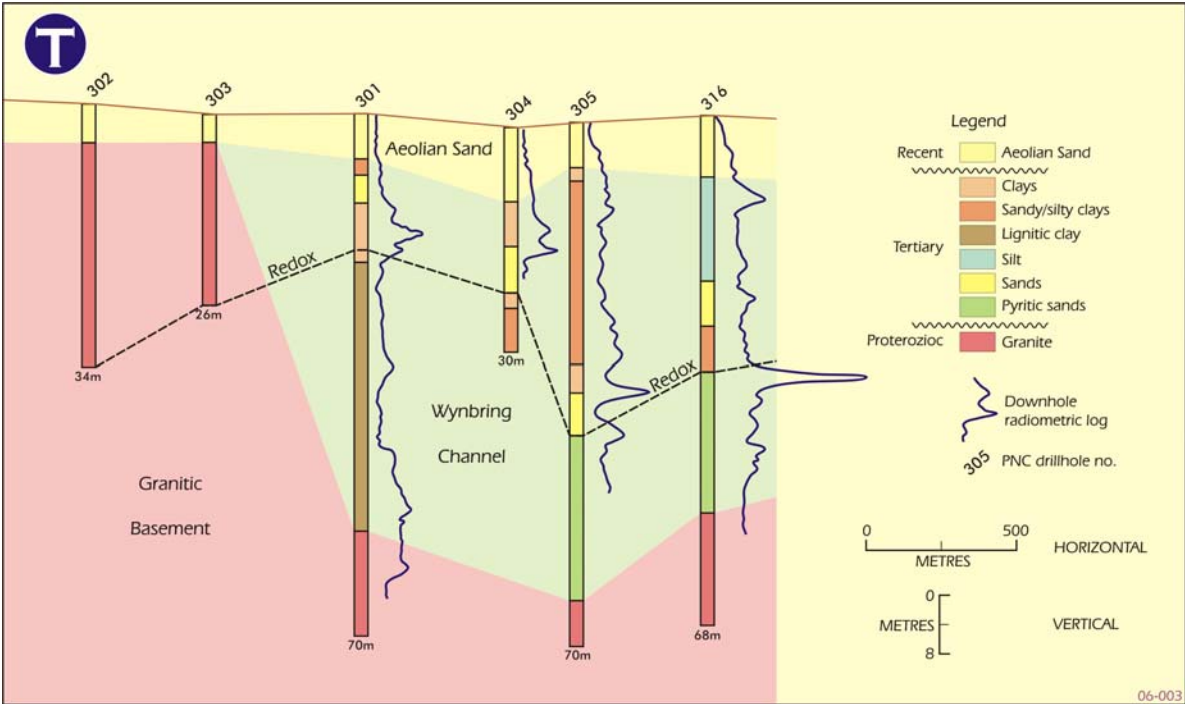


Figure 3: Wynbring North PNC Drill Hole Cross Section (section line is southernmost line in Figure 2)

The project area is within the Gawler Craton and is located approx. 75km northwest of Tarcoola in South Australia near the Trans Australia Railway.

Palaeochannel Uranium Deposits in South Australia

Uranium mineralisation also associated with lignite horizons and redox fronts occurs at the Warrior Deposit within a neighbouring palaeochannel approx. 15km to the southeast. Granitic rocks that outcrop in the region are believed to be the source for uranium in both the Warrior and Wynbring palaeochannels.

Economic palaeochannel hosted uranium mineralisation within South Australia is best known at Heathgate Resources Beverley Deposit (21,000t contained U₃O₈, PIRSA, 2005) in the north of the state, currently Australia's third uranium mine. Uranium mineralisation here is associated with pyritic and carbonaceous palaeochannel sands and is being recovered by in-situ leaching.

Tasman's 2006 Uranium Exploration Program

The known palaeochannel extent within Tasman's EL 3306 at Wynbring (perhaps up to 40km) represents a sizable uranium exploration target. In addition to Wynbring, Tasman has exposure to over 80km of the potentially uranium bearing Garford palaeochannel on some of its other 100% owned tenements in the Gawler Craton further to the north.

Tasman is currently assessing available geological and geophysical data relating to Wynbring and Garford and known palaeochannel hosted uranium deposits elsewhere with a view to formulating cost effective drilling programs.

In the light of the positive outlook for uranium, the presence of known uranium mineralisation in the Wynbring channel and its extensive 100% owned uranium tenement portfolio (including a large area approximately 20km north of BHP Billiton's Olympic Dam deposit), Tasman is planning a strong uranium exploration focus in 2006 and considering various corporate options for accelerating this work and endeavouring to maximize the significant value to the company and shareholders of these uranium targets.

ENERGY ACTIVITIES

Eden Energy Ltd (Tasman 41.03% of shares, 49.33% of options)

A prospectus has been finalised for Eden Energy Ltd, and it was lodged with the Australian Securities and Investments Commission 29th March 2006. Tasman shareholders on the 7th April 2006 are entitled to a priority allocation of Eden Energy Ltd shares.

Following a fully subscribed listing of Eden, Tasman will hold 25.3% of Eden's shares and 35.8% of Eden's options.

Also during the quarter, Eden Energy moved to 100% ownership of Brehon Energy plc, following completion of the merger of these two companies. This gives Eden 100% ownership of the global Hythane® business, and of the cryogenic storage business.

Hydrogen and Hythane® (Eden 100%)

Hythane®

Significant progress was made in the continued marketing of Hythane®, with significant progress achieved in the US and India in particular.

1. USA

In the US, Brehon is now involved in advanced discussions with several cities in California in relation to establishing Hythane® demonstration projects for bus fleets, with a view to then rolling out Hythane® as a low emission vehicle fuel in California.

California introduces very strict emission standards in 2007, and there is a rapidly growing ground swell in that State for conversion to low emission fuels.

Brehon is hopeful that it will conclude at least one or more of these agreements during the next 1-2 months. The aggregate value of demonstration projects currently under consideration is approximately US \$6 million.

2. India

Significant progress was made in the marketing of Hythane® in India and Brehon is now in serious negotiation with several major companies for participation in a range of Hythane® projects and engine conversions in India as a prelude to the progressive marketing of Hythane® in that country.

The Indian government has established a fund equivalent to USD \$25 million to fund hydrogen and alternate fuel research, and Indian Oil Corporation, which is administering that fund, has already established a Hythane® refuelling station at its research and development centre near Delhi.

3. China

Further discussions have taken place in relation to returning the Chinese Yuchai Natural Gas engine that has been converted to operate on Hythane®, from Denver to China for Chinese governmental certification and demonstration. This has been delayed whilst Brehon negotiates commercial arrangements for its ongoing participation in the Hythane® roll-out in China, which rollout is anticipated to occur over the next two years.

4. Europe

Brehon has commenced negotiations for participation in Hythane® demonstration projects in both Italy and France.

Cryogenics

During the quarter, Brehon established an operating cryogenic division and secured its first orders for supplying cryogenic valves and pipes to major US customers.

This cryogenic division is projected to be cashflow positive within the next six months, and will provide a strong platform from which the cryogenic research being conducted by Brehon can be undertaken.

Technology

During the quarter, Brehon made application for several further strategic patents in its technology portfolio related to its hydrogen activities.

South Wales – Coalbed Methane/Coalmine Methane/Natural Gas (Eden earning 50%)

Permitting for ten potential test well sites is now complete or substantially complete.

The drilling contractor Eden has been in discussions with to drill three test wells in South Wales has now indicated a potential inability to undertake the job. In the event that the preferred contractor is unable to complete the drilling, Eden has identified another drilling contractor capable of completing the job. Commencement for this alternative rig would be in August 2006.

Testing of abandoned mine methane targets requires a smaller rig than that necessary for the CBM test wells and a rig suitable for this work is available from Eden's South Wales partner. Drilling of these holes is expected to begin in the next quarter.

South Australian Gas Project (Eden 100%)

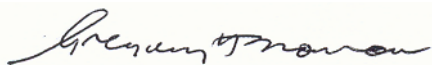
Following discussions with PIRSA, Eden is accelerating the Right to Negotiate process necessary for the grant of Petroleum Exploration Licence application 183. Eden plans to seek the grant of the licence as soon as possible to enable an early slimline drill test of the primary gas target identified in the Arthur Hill anticline of the Mulgaria sub-basin.

Geothermal Exploration (Eden 100%)

Eden holds eight geothermal exploration licences in South Australia: GELs 166, 167, 168, 169, 175, 176, 177 and 185.

To obtain heatflow data and assess the potential geothermal prospectivity of the West Well geophysical anomaly, Eden is planning to undertake a hole re-entry at the Witchelina Project (GELs 166, 167, 168) in May or June 2006, depending on rig availability, or if the re-entry fails then to drill a new hole at the West Well geophysical anomaly.

Eden has also begun planning a programme of shallow drilling at the Renmark Project (GELs 175 and 176) designed to produce an initial heatflow map for the region to aid further geothermal prospecting. A drill rig has been tentatively scheduled for September 2006.



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 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

TASMAN RESOURCES NL

ABN

85 009 253 187

Quarter ended ("current quarter")

31 March 2006

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	0	0
1.2	Payments for		
	(a) exploration and evaluation	(263)	(1,052)
	(b) development		
	(c) production		
	(d) administration	(217)	(819)
1.3	Dividends received	0	0
1.4	Interest and other items of a similar nature received	17	91
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes paid – GST Paid	(31)	(132)
	Income Taxes – GST Refunds Received	52	103
1.7	Other (provide details if material)- Pace Grants	42	42
Net Operating Cash Flows		(400)	(1,767)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	0	0
	(b)equity investments	(532)	(2,912)
	(c)other fixed assets	(6)	(7)
1.9	Proceeds from sale of:		
	(a) prospects	0	0
	(b)equity investments	0	0
	(c) other fixed assets	0	0
1.10	Loans to other entities	0	0
1.11	Loans repaid by other entities	0	0
1.12	Other (provide details if material)	0	0
Net investing cash flows		(538)	(2,919)
1.13	Total operating and investing cash flows (carried forward)	(938)	(4,686)

1.13	Total operating and investing cash flows (brought forward)	(938)	(4,686)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	325	2,325
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (provide details if material) Share Issue Costs	(14)	(244)
Net financing cash flows		311	2,081
Net increase (decrease) in cash held		(627)	(2,605)
1.20	Cash at beginning of quarter/year to date	1,777	3,755
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	Cash at end of quarter	1,150	1,150

**Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	136
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.
Bona-fide reimbursement of expenses for the period to 31 March 2006
Directors Fees and Superannuation paid during the period.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	
Total	300

Subsequent to end of quarter additional capital has been raised to fund part of this expenditure.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	200	447
5.2 Deposits at call	900	1,280
5.3 Bank overdraft	0	0
5.4 Other (provide details)	50	50
Total: cash at end of quarter (item 1.22)	1,150	1,777

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities (description)	NOT APPLICABLE			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	102,967,510	102,967,510		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	*Convertible debt securities (description)	NOT APPLICABLE			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options	NIL	NIL	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 28 Feb 2006
7.8	Issued during quarter	NIL	NIL		
7.9	Exercised during quarter	NIL	NIL		
7.10	Expired during quarter	43,795,417	43,795,417		
7.11	Debentures (totals only)	NOT APPLICABLE			
7.12	Unsecured notes (totals only)	NOT APPLICABLE			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

RAYMOND FRANCIS BUSCALL – COMPANY SECRETARY

Date: 28 April 2006

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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