

TASMAN RESOURCES NL

ACN 009 253 187

Level 40, Exchange Plaza

2 The Esplanade, Perth, Western Australia 6000

Telephone: (08) 9282 5889 Facsimile: (08) 9282 5955

Email: rbuscall@tasmanresources.com.au

Website: www.tasmanresources.com.au

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT 17 JULY 2006

NOTICE OF EXTRAORDINARY GENERAL MEETING

Attached is a copy of the following documents being mailed to shareholders on 17 July 2006;

Notice of Extraordinary General Meeting
Proxy Form for Extraordinary General Meeting
Explanatory Statement
Independent Expert's Report

Raymond F Buscall
Company Secretary

TASMAN RESOURCES NL

ACN 009 253 187

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of the members of Tasman Resources NL ACN 009 253 187 ("the Company") will be held at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia on Friday, the 18th day of August 2006 at 11.30am.

SPECIAL BUSINESS

The business of the meeting is to consider and (if thought fit) to pass, with or without modification, the following ordinary resolution:

1. Assignment of Option Agreements to Noble Energy Pty Ltd

"That, for the purposes of Chapter 2E of the Corporations Act 2001, ASX Listing Rule 10.1 and for all other purposes, approval is given for Noble Energy Pty Ltd A.C.N. 115 057 586, a wholly owned subsidiary of the Company, to take an assignment from each of March Bells Pty Ltd A.C.N. 009 126 881 ("March Bells") and Arkenstone Pty Ltd A.C.N. 009 112 878 ("Arkenstone"), each a related party of the Company, of all of their right title and interest in and to:

1.1.1 the option agreements dated 6 June 2006 ("the Option Agreements") made between each of March Bells and Arkenstone and Top Energy Pty Ltd A.C.N. 111 741 989 ("Top Energy"), pursuant to which Top Energy granted to each of March Bells and Arkenstone an option to purchase 10,698,577 fully paid ordinary shares together with 4,938,384 20 cent, 30 September 2009 options ("the Securities") in Eden Energy Ltd A.C.N. 109 200 900 ("Eden") on the terms and conditions set out in the Option Agreements; and

1.1.2 the Securities."

2. Exercise of Option Agreements by Noble Energy Pty Ltd

"That, for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval is given for Noble to exercise each of the Option Agreements and to take a transfer from Top Energy of up to 21,397,154 fully paid ordinary shares together with 9,876,768 20 cent, 30 September 2009 options in Eden."

3. Issue of shares to Ganesha Nominees Pty Ltd ACN 092 111 192

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Directors are authorised to issue to Ganesha Nominees Pty Ltd ACN 092 111 192 as trustee for the Ganesha Family Trust 20,833,333 fully paid ordinary shares in the Company at an issue price of:

(a) 12 cents per share; or

(b) not less than eighty percent (80%) of the average market price of the shares of the Company calculated over the last 5 days on which sales in the shares were recorded before the day on which the issue is to be made,

whichever is less.”

Note: The shares will be issued no later than three months from the date of the meeting.


4. Issue of shares to Sophisticated and Professional Investors

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Directors are authorised to issue up to 29,166,667 fully paid ordinary shares in the Company to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s.708(8) or s.708(11) of the Act), at an issue price of not less than eighty percent (80%) of the average market price of the shares of the Company calculated over the last 5 days on which sales in the shares were recorded before the day on which the issue is to be made, by way of placements, and otherwise on the terms and conditions set out in the explanatory statement attached hereto.”

Note: The shares will be issued no later than three months from the date of the meeting.

Dated this 13th day of ~~JULY~~ 2006.

By order of the Board


.....
RF Buscall
Company Secretary

NOTES RELATING TO PROXIES:

A shareholder entitled to attend and vote at the Extraordinary General Meeting of the Company may appoint not more than two proxy's to attend and vote in his/her place. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights, a proxy may be, but need not be a member of the Company.

Proxy forms (and the Power of Attorney or other authority, if any under which the proxy form is signed) must be deposited at the registered office of the Company at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia, 6000 not less than 48 hours before the time for holding the Extraordinary General Meeting.

EDEN ENERGY LTD
(ACN 109 200 900)

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

I/We

being a member/members of Eden Energy Ltd entitled to attend and vote at the meeting, hereby

Appoint

Name of proxy

or failing the person so named or, if no person is named, the Chairman of the meeting or the Chairman's nominee, to vote in respect of ___% of my/our voting rights in accordance with the following directions, or if no directions have been given, as the proxy sees fit at the Extraordinary General Meeting of the company, to be held on Friday, 18 August 2006 and at any adjournment thereof. If no directions are given, the Chairman will vote in favour of all of the resolutions.

Ordinary Resolutions:

FOR

AGAINST

ABSTAIN

1. To the assignment to, and exercise by, Noble Energy Pty Ltd of the Option Agreements

2. To the exercise by Noble Energy Pty Ltd of Options in the Company

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not intended to be counted in computing the required majority on a poll.

Signed this day of 2006.

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Company Secretary

Signature

Sole Director and Sole Company Secretary

The Chairman intends to vote in favour of both resolutions in respect of all undirected proxies.

If you do not wish to direct your proxy how to vote please place a mark in the box.

By marking this box you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Notes:

1. To be effective, this proxy and the power of attorney (if any) under which it is signed must be received at the Registered Office of the company, Level 40, Exchange Plaza, 2 The Esplanade, Perth, WA 6000 not less than 48 hours before the time for holding the meeting, or any adjournment thereof.
2. If the member is a corporation, the form of proxy should be signed under seal if appropriate.

EXPLANATORY STATEMENT

This Explanatory Statement is an important document and you should read this statement carefully. If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact the Company or your professional advisor.

Resolution 1 - Assignment of Option Agreements to Noble Energy Pty Ltd

Resolution 1 seeks shareholders' approval, for the purposes of Chapter 2E of the Corporations Act 2001, ASX Listing Rule 10.1 and for all other purposes, for Noble Energy Pty Ltd A.C.N. 115 057 586 (a wholly owned subsidiary of the Company) to take an assignment from each of March Bells Pty Ltd A.C.N. 009 126 881 ("March Bells") and Arkenstone Pty Ltd A.C.N. 009 112 878 ("Arkenstone"), each a related party of the Company, of all of their right title and interest in and to:

1. the option agreements dated 6 June 2006 ("the Option Agreements") made between each of March Bells and Arkenstone and Top Energy Pty Ltd A.C.N. 111 741 989 ("Top Energy"), pursuant to which Top Energy granted to each of March Bells and Arkenstone an option to purchase 10,698,577 fully paid ordinary shares together with 4,938,384 20 cent, 30 September 2009 options ("the Securities") in Eden Energy Ltd A.C.N. 109 200 900 ("Eden") on the terms and conditions set out in the Option Agreements; and
2. the Securities.

A. Background

By the Option Agreements, Top Energy has granted to each of March Bells and Arkenstone ("the optionholders") an option to purchase 10,698,577 fully paid ordinary shares ("Eden Shares") together with 4,938,384 20 cent, 30 September 2009 options ("Eden Options") in Eden free from encumbrances or claims on the terms and conditions therein set out.

Under each of the Option Agreements:

1. the price payable for the Securities is \$1,778,247.90, being a price of 16.62135 cents for each Eden Share and 0.4615926 Eden Options ("the Purchase Price");
2. the option is exercisable in whole or in part at any time or times up to and including midnight on 31 August 2006;
3. the option may be exercised for all or part of the Securities by personal delivery of a written notice or notices ("the exercise notice") signed by or on behalf of the optionholder and/or its nominee or nominees as the case may be to Top Energy;
4. if the optionholder nominates another party to exercise the option, it will provide a copy of the nomination to Top Energy at the time of exercise by the nominee;
5. exercise of the option in whole or part on each occasion shall create a separate binding legal contract pursuant to which the grantee named in the exercise notice ("the Grantee") shall purchase and Top Energy shall sell the number of Securities specified in the exercise notice free from encumbrances for the Purchase Price (or portion thereof, if the option is exercised in part for a portion of the Securities only);
6. settlement of the sale or sales as the case may be pursuant to the exercise of the option shall take place on each occasion 21 days after service of the exercise notice;

7. at settlement, Top Energy and the Grantee shall deliver to the other the following:
 - 7.1 Top Energy shall deliver a properly executed transfers for both the Eden Shares and Eden Options which comprise the portion of the Securities the subject of the exercise notice in favour of the Grantee; and
 - 7.2 Top Energy shall deliver a copy of the uncertificated holding statement of Top Energy in respect of its shareholding and optionholding in Eden; and
 - 7.3 the Grantee shall deliver to Top Energy a bank cheque in favour of Top Energy for the purchase price for the Securities (or portion of the Securities, as the case may be) the subject of the exercise notice;
8. Top Energy warranted and undertook that it owned all the Securities free from encumbrances and is legally and beneficially entitled to sell the same free from any encumbrances or any legal or equitable claim whatsoever of any third party whatsoever and that such warranty was true as at the date of granting of the option and will remain true up to and including the expiry of the option period;
9. the Option Agreement and each contract created by the exercise of the option shall be a binding legal agreement and if either party shall default in the due and punctual performance of all or any of its obligations under the Option Agreement or any of those contracts, the other party may upon expiration of 14 days written notice, without prejudice to any other legal rights, either terminate the contract in question and institute proceedings for damages, or sue for specific performance as the case may be.

By Deeds of Assignment dated 20 June 2006 ("the Deeds") each of March Bells and Arkenstone have agreed absolutely to assign to Noble all of their right title and interest in and to the Option Agreements and the Securities.

The Deeds are subject to and conditional upon the Company obtaining approval of its members pursuant to Chapter 2E of the Corporations Act 2001 ("the Act"), Chapter 10 of the ASX Listing Rules and for all other required purposes, on or before 14 August 2006 or such later date as the parties may agree in writing (clause 1 of the Deeds). The parties have agreed to extend this date to 25 August 2006. The Deeds are also conditional upon Eden obtaining the approval of its members pursuant to item 7 of s.611 of the Act and for all other required purposes.

Under the Deeds, each of March Bells and Arkenstone are assigning all of their interest under the Option Agreements and the Securities to Noble in consideration of Noble paying to March Bells and Arkenstone 48.25% of the market value of the Option Agreements, as determined by an independent expert appointed by Noble or the Company ("Assignment Purchase Price") (which amount is to be paid in full within 3 business days of satisfaction of all of the conditions precedent in clause 1 of the Deeds. The Company will fund the Assignment Purchase Price from its current working capital.

Under the Deeds, March Bells and Arkenstone may terminate the Deeds, immediately by written notice to Noble at any time up to and including 28 August 2006 (being 3 working days after the expiry of the extended time agreed to by the parties pursuant to clause 1 of the Deeds for satisfaction of the conditions precedent to the Deeds), in the following circumstances:-

10. March Bells and Arkenstone are not satisfied, in their sole and absolute discretion, by 14 July 2006 that March Bells and Arkenstone, in their own right and in their capacity as trustees of the GH Solomon Family Investment Trust and the D H Solomon Family Trust respectively, and/or the beneficiaries of the said trusts, will not suffer a taxation liability in

respect of the transaction effected by the Deeds greater than the Assignment Purchase Price;
or

11. the notices of extraordinary general meeting, and accompanying explanatory statements, for the meetings to be convened by Eden and the Company (including this Notice and explanatory statement) to obtain the approvals referred to above have not been dispatched to members of both Eden and the Company by 14 July 2006; or
12. at any time (in the sole and absolute discretion of March Bells and Arkenstone) prior to members of Eden, at the extraordinary general meeting required to be held to obtain the approvals referred to above, passing the resolution granting the said approvals; or
13. if Noble has not exercised the option contained in the Option Agreements after the Deeds become unconditional and before 27 August 2006 (being 2 working days after the expiry of the extended time agreed by the parties pursuant to clause 1 of the Deeds for satisfaction of the conditions precedent to the Deeds).

The Company has been informed by March Bells and Arkenstone that they do not propose to exercise the right of termination conferred on them by paragraph 11 above if the notices referred to therein are dispatched by 28 July 2006.

Without limiting the foregoing, the Deeds will automatically come to an end (without the need for notice by either party) if the extraordinary general meeting required to be held by Eden in accordance with clause 1 of the Deeds is not held within 60 days from the date of execution of the Deeds.

Further, March Bells and Arkenstone are free to dispose of their interest in the Option Agreements (and otherwise exercise all of their rights, title and interests under the Option Agreements) at any time before the approvals of the Company's and Eden's shareholders have been obtained.

Noble currently holds 32,979,888 Eden Shares, representing 26.9598% of Eden's current issued share capital, and 32,497,065 Eden Options, representing 37.4161% of Eden's current issued options. Noble is the largest shareholder and optionholder in Eden. Eden listed on the ASX on 6 June 2006.

Noble wishes to take an assignment of the Option Agreements as the Option Agreements will grant to Noble a right to acquire up to 21,397,154 Eden Shares together with a further 9,876,768 Eden Options. If Noble exercises the Option Agreements in full, Noble's shareholding in Eden will increase from 26.9598% to 44.4511% and its optionholding in Eden would increase from 37.4161% to 48.7879%.

B. Chapter 2E of the Act

Part 2E.1 of the Act regulates the provision of "financial benefits" by a public company and entities controlled by the public company to related parties of the public company and will thus apply to financial benefits given by the Company and Noble (a wholly owned subsidiary of the Company).

By s.208(1) of the Act, the Company or Noble can only give a "financial benefit" to a "related party" of the Company if the Company obtains the approval of its members in accordance with the procedures set out in Part 2E.1 of the Act.

For the purposes of the Act, a "related party" of the Company includes the directors of the Company, and any entity which they control. Gregory Howard Solomon and Douglas Howard Solomon are directors of the Company and, accordingly, are related parties of the Company.

Arkenstone and March Bells are controlled by Gregory Howard Solomon and Douglas Howard Solomon respectively, and these companies are therefore also related parties of the Company. Furthermore, by the Act the buying of an asset from a related party is deemed to constitute the giving of a “financial benefit” to the related party. The Company considers that taking an assignment of rights from a related party will constitute the giving of a financial benefit to a related party.

The assignment of the Option Agreements (pursuant to the Deeds) to Noble from Arkenstone and March Bells will therefore result in an entity the Company controls giving a financial benefit to Arkenstone and March Bells and the approval of the Company’s members in accordance with the procedures set out in Part 2E.1 of the Act is therefore required, unless an exception in Division 2 of Pt 2E of the Act applies.

Section 211 of the Act provides an exception to the need to obtain member approval where, inter alia, the financial benefit would be reasonable in the circumstances if the Company and the related party were dealing at arm’s length or are less favourable to the related party than such terms. The directors of the Company consider that the terms of the Deed would be reasonable if the parties were at arm’s length (Arkenstone and March Bells are only being paid 48.25% of the market value of the Option Agreements, which is (effectively) intended to cover the taxation liability which they will incur on the assignment of the Option Agreements to Noble). Nevertheless, the Company is seeking shareholder approval for the purposes of Part 2E.1 of the Act.

In accordance with the requirements of Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the shareholders of the Company sufficient information to determine whether they should approve this resolution 1:-

1. The proposed financial benefit is to be given to Arkenstone and March Bells (which are companies which are controlled by directors of the Company).
2. The nature of the financial benefit is the payment by Noble to Arkenstone and March Bells of 48.25% of the market value of the Option Agreements (as determined by an independent expert appointed by Noble or the Company). This amount is the consideration payable by Noble under the Deeds for the assignment to it of the Option Agreements. This amount has been calculated based upon the taxation liability (assuming the top marginal tax rate of 48.25% applies) which March Bells and Arkenstone will incur as a consequence of the assignment of the Option Agreements to Noble. The rationale behind the setting of this price was to address the tax liability of Arkenstone and March Bells (rather than for those entities to generate a profit). Based upon the independent expert report (“the Report”) which the Company has obtained (and which accompanies this Notice), the Company expects that the total consideration payable by Noble will be in the range of \$195,209.00 to \$392,024. Further information in relation to the calculation of the Assignment Purchase Price is contained in the Report.
3. Gregory Howard Solomon and Douglas Howard Solomon (who control the companies to whom the financial benefit will be given) do not wish to make a recommendation to shareholders about this resolution (as they have an interest in the passage of the resolution). All of the other directors of the Company, namely Guy Touzea Le Page and Graham Bedford, recommend that shareholders approve this resolution. This is on the basis that the assignment of the Option Agreements to Noble, a wholly owned subsidiary of the Company, will enable Noble, upon exercise of the Option Agreements, to increase its control of Eden, which the directors consider will be beneficial to the Company.
4. Gregory Howard Solomon and Douglas Howard Solomon (who control the companies to whom the financial benefit will be given) have an interest in this resolution.

5. The directors are not aware of any other information (other than as set out above) that would be reasonably required by shareholders to allow them to make a decision whether it is in the best interest of the Company to pass the resolution.

The Company will disregard any votes cast on this resolution 1 by Arkenstone and March Bells (being the related parties of the Company to whom the resolution would permit the financial benefit to be given) and their associates (who are all prohibited from voting).

C. Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity must ensure that neither it, nor any of its child entities, inter alia, acquires a substantial asset from:

1. a related party; or
2. a substantial holder (within the meaning of s.671B of the Act) if the persons and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting securities.

By taking an assignment of the Option Agreements, Noble (which is a child entity of the Company) will be acquiring an asset from Arkenstone and March Bells (namely, all of their right, title and interest in the Option Agreements and the Securities).

As set out above, the consideration payable by Noble to each of March Bells and Arkenstone is 48.25% of the market value of the Option Agreements, as determined by an independent expert appointed by Noble or the Company.

As it is possible that the value of the Option Agreements and/or the value of the consideration payable by Noble for the assignment to it of the Options Agreements, collectively, may exceed 5% or more of the equity interests of the Company as set out in the latest accounts given by the Company to ASX, the Option Agreements may be a "substantial asset", as that term is defined in Listing Rule 10.2.

In these circumstances, the Company seeks shareholder approval for the purposes of ASX Listing Rule 10.1 to the assignment to Noble of the Option Agreements.

The following information is provided in accordance with Listing Rule 10.10:

1. The Company will disregard any votes cast on Resolution 1 by March Bells and Arkenstone and any of their associates. However, the Company will not disregard the vote if:
 - 1.1 it is cast by March Bells and/or Arkenstone or any of their associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - 1.2 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.
2. A report from an independent expert is attached to this explanatory statement. The independent expert has determined that the assignment of the Option Agreements to Noble is fair and reasonable to the non-associated shareholders of the Company.

Resolution 2 - Exercise of Option Agreements by Noble Energy Pty Ltd

Resolution 2 seeks shareholders' approval, pursuant to ASX Listing Rule 10.1 and for all other

purposes, of the exercise by Noble of each of the Option Agreements in full or in part (in the sole and absolute discretion of the directors of the Company) and the transfer to Noble from Top Energy of up to 21,397,154 Eden Shares and 9,876,768 Eden Options.

A. Background

The Company seeks approval for its wholly owned subsidiary, Noble, to exercise the Option Agreements (which will be assigned to it if resolution 1 above is passed and all other conditions to the Deed are satisfied) in full or in part, and thus for Noble to take a transfer from Top Energy of up to 21,397,154 Eden Shares and 9,876,768 20 Eden Options upon payment to Top Energy of up to \$3,556,495.80.

The price payable under the Option Agreements is 16.62135 cents for every Eden Share and 0.4615926 Eden Options. As at 30 June 2006, the five day weighted average market price of the Eden Shares was 12.2 cents and of the Eden Options was 5.0 cents. It is not known what the market value of the Eden Shares and Eden Options will be as at the date of exercise of the Option Agreements (which can occur at any time on or before 31 August 2006).

The directors of the Company consider that it would be advantageous if the Company, through Noble, increases its control of Eden as this will give the Company greater control over the direction of Eden. The directors consider that the prospects of Eden are good and therefore that such increased control will be beneficial to the Company. Therefore the Company intends at the date of this Notice for Noble to exercise the Option Agreements in full, subject to the Company raising sufficient funds to enable it to do so.

If Noble exercises the Option Agreements in full, Noble's shareholding in Eden would increase from 26.9598% to 44.4511% and its optionholding will increase from 37.4161% to 48.7879%.

B. Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity must ensure that neither it, nor any of its child entities, inter alia, acquires a substantial asset from:

1. a related party; or
2. a substantial holder (within the meaning of s.671B of the Act) if the persons and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting securities.

If Noble exercises the Option Agreements in full, Noble (which is a child entity of the Company) will be acquiring from Top Energy 21,397,154 Eden Shares and 9,876,768 20 Eden Options by payment to Top Energy of \$3,556,495.80.

As at the date of this explanatory statement, Top Energy holds 16,806,722 shares in the Company (representing 16.3% of the issued share capital of the Company). As such, Top Energy will be a substantial holder for the purposes of paragraph 2 above.

The Company considers that both:

1. the value of the Securities (namely, 21,397,154 Eden Shares and 9,876,768 Eden Options); and
2. the value of the consideration payable by Noble for the Securities (namely, \$3,556,495.80),

is likely to constitute 5% or more of the equity interests of the Company as set out in the latest

accounts given by the Company to ASX and that the Securities will be a “substantial asset”, as that term is defined in Listing Rule 10.2.

As such, the Company will require shareholder approval to exercise the option contained in the Option Agreements and to acquire the Securities from Top Energy.

The following information is provided in accordance with Listing Rule 10.10:

3. The Company will disregard any votes cast on Resolution 2 by Top Energy or its associates. However, the Company will not disregard the vote if:
 - 3.1 it is cast by Top Energy or its associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - 3.2 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.
4. A report from an independent expert is attached to this explanatory statement. The independent expert has determined that the transaction is fair and reasonable to the non-associated shareholders of the Company.

Resolution 3 - Issue of shares to Ganesha Nominees Pty Ltd ACN 092 111 192

Resolution 3 seeks shareholders’ approval, for the purposes of ASX Listing Rule 7.1 and for all other purposes, to authorise the Directors to issue to Ganesha Nominees Pty Ltd ACN 092 111 192 as trustee for the Ganesha Family Trust (“Ganesha”) 20,833,333 fully paid ordinary shares in the Company (“Shares”) at an issue price of 12 cents per Share or not less than eighty percent (80%) of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made, whichever is less.

A. Background

The Company proposes to issue to Ganesha 20,833,333 Shares in the Company at an issue price of:

- (a) 12 cents per Share; or
- (b) not less than eighty percent (80%) of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made,

whichever is less.

If the Shares are issued at 12 cents per share the Company will raise a total of \$2.5million.

The Company needs to raise \$3,556,495.80 to enable its wholly owned subsidiary, Noble, to exercise the Option Agreements in full (and to have transferred to Noble from Top Energy up to 21,397,154 Eden Shares and 9,876,768 Eden Options). As set out above, this will result in Noble’s interest in Eden increasing from 26.9598% to 44.4511% of the Eden Shares and 37.4161% to 48.7879% of the Eden Options

The Company has determined to issue the Shares at a price which is the lesser of 12 cents per Share (which was the market price of the Company’s shares on the day that Ganesha agreed to accept the placement of Shares (subject to shareholder approval)) or at not less than eighty percent

(80%) of the average market price of the Shares over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made.

As at the date of this explanatory statement, the issued Share capital of the Company before and after the issue of the Shares to Ganesha will be as follows:

	Shares
Current issued Share Capital	102,967,510
Issue of Shares to Ganesha	20,833,333
Total new issued Share Capital	123,800,843

If the Shares are issued to Ganesha, it will therefore acquire a 16.828% interest in the Company's Shares.

B. Listing Rule 7.1

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Further, equity securities issued with approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

As set out above, the Company proposes to issue 20,833,333 Shares to Ganesha, which represents 20.233% of its current issued capital (of 102,967,510 Shares). The Company therefore seeks shareholder approval to issue the Shares pursuant to Listing Rule 7.1.

The following information is provided in accordance with Listing Rule 7.3:-

1. the (maximum) number of Shares the Company is to issue to Ganesha is 20,833,333 Shares.
2. the Shares will be issued within three months of the date of this extraordinary general meeting;
3. the issue price for the Shares will be 12 cents each or not less than eighty percent (80%) of the average market price of the Shares over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made;
4. the Shares will be issued to Ganesha Nominees Pty Ltd ACN 092 111 192 as trustee for the Ganesha Family Trust;
5. the Shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company and will be quoted on the Australian Stock Exchange;
6. the purpose of the proposed issue is to raise funds to enable the Company's wholly owned subsidiary, Noble, to exercise the Option Agreements (in part);
7. the Company anticipates allotting the Shares in one parcel.

The Company will disregard any votes cast on Resolution 3 by Ganesha or an of its associates. However, the Company will not disregard the vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Resolution 4 - Issue of shares to Sophisticated or Professional Investors

Resolution 4 seeks shareholders' approval, for the purposes of ASX Listing Rule 7.1 and for all other purposes, to authorise the Directors to issue up to 29,166,667 Shares in the Company to sophisticated and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s.708(8) or s.708(11) of the Act), at an issue price of not less than eighty percent (80%) of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made, by way of placements. For example, if the five day weighted average price of the Company's shares at the time at which the issue is to be made is 12 cents, the Shares would be issued at not less than 9.6 cents.

A. Background

As set out above, the Company needs to raise \$3,556,495.80 to enable its wholly owned subsidiary, Noble, to exercise the Option Agreements in full (and to have transferred to Noble from Top Energy 21,397,154 Eden Shares and 9,876,768 Eden Options).

The Company proposes to raise up to \$2.5 million by the issue of 20,833,333 Shares in the Company to Ganesha. Therefore, the Company will seek to raise, by placements, and assuming the full \$2.5 million is raised from Ganesha, a further \$1,056,495.80 to fund the balance of the purchase price payable under the Options Agreements. In addition, the Company seeks to raise further money for its general working capital requirements.

As at the date of this explanatory statement, the issued share capital of the Company (and assuming the issue of Shares to Ganesha pursuant to resolution 3) before and after the issue of the Shares the subject of this resolution 4 will be as follows:

	Shares
Current issued Share Capital	102,967,510
Issue of Shares to Ganesha	20,833,333
Issue of Shares to Sophisticated and Professional Investors	29,166,667
Total new issued Share Capital	152,967,510

B. Listing Rule 7.1

Listing Rule 7.1 prohibits a company from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

Further, equity securities issued with approval of holders of a company's ordinary securities in accordance with Listing Rule 7.1 are not then required to be included in the 15% limit imposed by Listing Rule 7.1.

As set out above, the Company proposes to issue 29,166,667 Shares to sophisticated and professional investors, which represents 28.326% of its current issued capital (of 102,967,510 Shares). When the Shares which the Company proposes to issue to sophisticated and professional investors are aggregated with those which it proposes to issue to Ganesha, the Company proposes to issue new Shares representing 48.559% of its current issued capital. The Company therefore

seeks shareholder approval to issue the shares to sophisticated and professional investors pursuant to Listing Rule 7.1.

The following information is provided in accordance with Listing Rule 7.3:-

1. the (maximum) number of Shares the Company is to issue to sophisticated and/or professional investors is 29,166,667 Shares;
2. the Shares will be issued within three months of the date of this extraordinary general meeting;
3. the issue price for the Shares will be not less than eighty percent (80%) of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the day on which the issue is to be made;
4. the names of the allottees of the Shares are not known at this time: the Shares will be issued to sophisticated and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s.708(8) or s.708(11) of the Act);
5. the Shares will be issued on the same terms as, and rank pari passu with, the existing issued Shares of the Company and will be quoted on the Australian Stock Exchange;
6. the purpose of the proposed placements is to raise funds to fund the balance of the purchase price payable under the Options Agreements. As set out earlier in this explanatory statement, up to \$2.5 million of the purchase price under the Options Agreement will be raised by the issue of shares to Ganesha (for which approval is being sought under resolution 3 above). The balance of funds raised from sophisticated and professional investors will be for the Company's general working capital requirements;
7. the Company anticipates allotting the Shares progressively throughout the three month period as and when sophisticated and/or professional investors desiring to invest funds in the Company are located.

The Company will disregard any votes cast on Resolution 4 by the participants in the proposed share issue under this resolution 4 (if the names of any allottees are known as at the date of the meeting, and they are shareholders of the Company) or an associate of any of these recipients. However, the Company will not disregard the vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

VALUATION ADVISORY SERVICES

GPO Box M939
Perth WA 6843

PART 1 - INDEPENDENT EXPERT'S REPORT

5 July 2006

The Independent Directors
Tasman Resources NL
Level 40 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Sirs

Assignment of Option Agreements and Acquisition of Shares and Options

1. Introduction

This report has been prepared by Ernst & Young Transaction Advisory Services Pty Ltd ("Ernst & Young Transaction Advisory Services") at your request and is to accompany the Notice of Meeting and Explanatory Statement for a general meeting of the shareholders of Tasman Resources NL ("Tasman" or "the Company") to be held on or about 20 August 2006 ("the Meeting").

Arkenstone Pty Ltd ("Arkenstone") and March Bells Pty Ltd ("March Bells") hold option agreements ("the Option Agreements") with Top Energy Pty Ltd ("Top Energy") in relation to the sale and purchase of certain shares and options held by Top Energy in Eden Energy Limited ("Eden"). Arkenstone and March Bells intend to assign ("the Assignment") the Option Agreements to Noble Energy Pty Ltd ("Noble"), a wholly owned subsidiary of Tasman.

Under the Option Agreements, Arkenstone and March Bells each have the right to purchase 10,698,577 fully paid shares together with 4,938,384 options in Eden from Top Energy, being a total of 21,397,154 shares and 9,876,768 options ("the Eden Shares and Options"). The options are exercisable at 20 cents each at any time up to 30 September 2009.

Arkenstone and March Bells are companies controlled by Greg Solomon and Doug Solomon, who are directors of Tasman. Top Energy has a 16.3% interest in Tasman's issued shares.

Under Australian Stock Exchange (“ASX”) Listing Rule 10.1, a listed entity must obtain shareholder approval before acquiring a substantial asset from either a related party or a substantial shareholder. Under the Listing Rules, a “substantial asset” is an asset worth more than 5% of the entity’s shareholder’s equity at the date of the entity’s last lodged accounts. A “related party” includes a director of the company or an entity controlled by a director and a “substantial shareholder” is a shareholder with a 10% or greater voting interest in the company.

For the purposes of ASX Listing Rule 10.1, the Option Agreements have been deemed by Tasman to possibly be a “substantial asset”. On this basis and given the Option Agreements are to be transferred from entities controlled by directors, being Arkenstone and March Bells, shareholder approval for the Assignment of the Option Agreements to Noble may be required pursuant to ASX Listing Rule 10.1.

If the Assignment does proceed, the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements by Noble will represent the acquisition of a “substantial asset”. Given that the Eden Shares and Options will be purchased from a “substantial shareholder” in Top Energy, shareholder approval for the purchase of the Eden Shares and Options by Noble is also required pursuant to ASX Listing Rule 10.1.

ASX Listing Rule 10.10 requires that a notice of meeting containing a resolution prepared for ASX Listing Rule 10.1 purposes must be accompanied by a report from an independent expert stating whether or not, in that person’s opinion, the proposed transaction is fair and reasonable to the shareholders.

Accordingly, pursuant to the requirements of ASX Listing Rule 10.10, the purpose of our report, as independent expert, is to provide separate opinions as to whether or not the Assignment of the Option Agreements and the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements are fair and reasonable to the non-associated shareholders of Tasman. The “Non-Associated Shareholders” of Tasman are those not associated with Arkenstone, March Bells, Greg Solomon, Doug Solomon and Top Energy.

In addition to this introduction, our report has been set out under the following sections and appendices:

2. Opinion
3. The Option Agreements and the Assignment
4. Background to Eden
5. Basis of Assessment
6. Valuation Considerations
7. Other Matters
8. Summary and Conclusion

Appendix A Valuation Methodologies

Appendix B Valuation of the Option Agreements

Appendix C Valuation of an Eden Share and an Eden Option

Appendix D Sources of Information and Declarations

2. Opinion

Based upon the discussion and analysis throughout this report, in our opinion, the Assignment of the Option Agreements and the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements by Noble are fair and reasonable to the Non-Associated Shareholders of Tasman.

Our summary and conclusion is contained in Section 8 of this report. This opinion should be read in conjunction with the whole of this report, including the sources of information and declarations contained in Appendix D and the Financial Services Guide included as Part 2.

3. The Option Agreements and the Assignment

3.1 The Option Agreements

Top Energy currently holds 25,750,000 Eden shares (21.0% of the shares on issue) and 12,875,000 Eden options (14.8% of the options on issue). Top Energy has made it known that it wishes to dispose of all of the shares and options that it holds in Eden that are not currently held in escrow as restricted securities, being the Eden Shares and Options (i.e. 21,397,154 shares and 9,876,768 options). With this being known, the purpose of the Option Agreements is to provide an effective mechanism whereby Top Energy can dispose of the Eden Shares and Options without the need to sell on-market. Given the size of Top Energy's shareholding in Eden, it is expected that the sale on-market would have an adverse effect on the market prices of Eden's shares and options on the ASX.

Under the Option Agreements, dated 6 June 2006, Top Energy granted to Arkenstone and March Bells, separate options ("the Options") to purchase 50% of the Eden Shares and Options for a cash consideration of 16.62135 cents for every one Eden share and 0.4615926 of an Eden option ("the Eden Consideration"). The Option Agreements were granted for a price of \$10.00 each. The main terms of the Option Agreements are as follows:

- the Options may be exercised in whole or part at any time up to and including the 31 August 2006 ("the Expiry Date");
- the Options may be exercised by written notice to Top Energy by Arkenstone and/or March Bells; and
- if Arkenstone and/or March Bells nominate another party to exercise the Options, a copy of the nomination is to be provided to Top Energy at the time of exercise by the nominee.

If the Option Agreements are not exercised prior to the Expiry Date, Top Energy will be free to deal with the Eden Shares and Options as it wishes.

3.2 The Assignment

Under the Option Agreements, collectively Arkenstone and March Bells have the option to purchase the Eden Shares and Options for the Eden Consideration. If the Options are exercised in full, the total Eden Consideration payable will be \$3,556,496. At present Arkenstone and March Bells do not have sufficient cash resources to be able to fully fund the Eden Consideration. In recognition of this, under the Assignment, Arkenstone and March Bells wish to transfer the Option Agreements to Noble.

The consideration to be paid by Noble to Arkenstone and March Bells for the Assignment is to equate to 48.25% of the market value of the Option Agreements (“the Assignment Purchase Price”), as determined by an expert appointed by Noble or Tasman.

At the date of this report, Noble holds 32,979,888 shares in Eden (27.0% of the shares on issue) and 32,497,065 options (37.4% of the options on issue). If the Assignment and the purchase of the Eden Shares and Options are approved, and the Options are exercised in full, Noble’s interest in Eden will increase to 54,377,042 shares (44.5% of the shares on issue) and 42,373,833 options (48.8% of the options on issue). On this basis, Noble will be required to fund the Eden Consideration of \$3,556,496.

The Assignment is subject to

- Tasman obtaining all the required approvals from its shareholders pursuant to Chapter 2E of the Corporations Act 2001 (“the Act”) and Chapter 10 of the ASX Listing Rules; and
- Eden obtaining the approvals required from its shareholders pursuant to item 7 of section 611 of the Act in relation to Noble acquiring the Eden Shares and Options and any further shares on the possible exercise of the options.

Shareholder approvals are required by 14 August 2006 or such later date as the parties may agree.

Arkenstone and March Bells may terminate the Assignment by written notice to Noble at any time up to and including 17 August 2006 or three working days after the expiry of any extension agreed to by the parties in any of the following circumstances:

- if Arkenstone and March Bells are not satisfied that by 14 July 2006, that they, in their own right and as trustee of the DH Solomon Family Trust and GH Solomon Family Trust (“the Family Trusts”) respectively, and/or the beneficiaries of the said Trusts, will not suffer a taxation liability in respect of the Assignment; or
- if the notices of extraordinary general meeting, and accompanying explanatory statements, for the meetings to be convened by Tasman and Eden to obtain the necessary shareholder approvals have not been dispatched by 14 July 2006; or
- any time prior to the shareholders of Eden granting the requisite approvals; or

- if Noble has not exercised the Options before 16 August 2006 or two working days after the expiry of any extension agreed to by the parties.

The Assignment will automatically lapse if the extraordinary general meeting required to be held by Eden is not held by 19 August 2006. Arkenstone and March Bells are free to dispose of their interest in the Option Agreements at any time before the necessary approvals have been obtained.

The essential features of the Assignment are to provide Tasman, through Noble, with the right:

- to acquire the Option Agreements for the Assignment Purchase Price; and
- to exercise the Option Agreements and acquire the Eden Shares and Options for the Eden Consideration.

In the event that Tasman shareholders do not approve the Assignment, Arkenstone and March Bells will retain their rights under the Option Agreements.

4. Background to Eden

4.1 History

Eden was incorporated in May 2004 as a wholly owned subsidiary of Tasman, with its main focus being to acquire and develop alternate energy related assets. In this regard Eden has acquired a portfolio of assets including:

- over time, acquisition of a 100% interest in Brehon Energy Plc (“Brehon”) and Brehon Far East Pte Ltd (“Brehon Far East”). Brehon and Brehon Far East are involved in the development of technology relating to the use and storage of hydrogen as an alternative energy source;
- entered into farm-in joint ventures with Coastal Oil and Gas Ltd and UK Methane Ltd in the United Kingdom in respect to coal bed and coal mine methane contained in certain petroleum and exploration and development licences (PEDL 100,148 and 149) located in southern Wales;
- applied for a petroleum exploration licence over a newly identified and largely untested anticline in South Australia; and
- hold eight geothermal licences in South Australia, with the potential to produce ‘green energy’.

Eden initially invested US\$1 million to acquire a 20% interest in Brehon and 49% interest in Brehon Far East during November 2004. Eden increased its interest in Brehon to 37.16% in June 2005 and then to 100% of Brehon and Brehon Far East in December 2005. The final acquisition was settled through issuing Eden shares to Brehon and Brehon Far East shareholders.

Tasman's original 100% interest in Eden was diluted through the issue of shares to Top Energy during November 2004 and June 2005. Funds raised from the issue of these shares were used to assist in the financing the acquisition of the shares in Brehon and Brehon Far East.

Through an initial public offering ("the Eden IPO") of \$8.4 million, Eden was 'spun-out' of Tasman and in June 2006 was separately listed on the ASX.

4.2 Capital Structure and Major Shareholders

At the date of this report Eden had the following securities on issue:

- 122,329,993 shares; and
- 86,853,165 options over unissued ordinary shares with an exercise price of 20 cents per share exercisable at any time up to 30 September 2008.

Of the shares on issue, only 67,177,606 (54.9%) are listed for trading on the ASX, with 4,257,049, 1,625,000 and 49,270,338 being subject to escrow restrictions until 5 January 2007, 16 March 2007 and 6 June 2008 respectively. The shares held in escrow are comprised of 31,479,888 shares held by Noble, 4,352,846 shares held by Top Energy, 7,635,003 shares held by Eden directors, 2,901,302 held by March Bells and 2,901,299 held by Arkenstone.

Of the options on issue, 32,751,300 (37.7%) are listed for trading on the ASX, with 3,668,309 and 50,433,556 being subject to escrow restrictions until 5 January 2007 and 6 June 2008 respectively. The options held in escrow are comprised of 31,747,065 options are held by Noble, 2,176,423 options held by Top Energy, 9,449,955 options held by Eden directors, 2,500,058 options held by March Bells and 2,500,055 options held by Arkenstone.

The top 10 shareholders of Eden as at 30 May 2006 accounted for approximately 65.4% of the total issued capital, with Noble holding a 27.0% interest.

Eden Major Shareholders at 30 May 2006	Number of Shares Held	% of Issued Shares
Noble	32,979,888	27.0%
Top Energy	25,750,000	21.0%
Mr Gregory Egan	7,635,005	6.2%
March Bells	2,901,302	2.4%
Arkenstone	2,901,299	2.4%
Taycol Nominees Pty Ltd	2,000,000	1.6%
Bond Street Custodians Ltd	2,000,000	1.6%
Harbour Views No 1 Pty Ltd	1,832,401	1.5%
Mr Roger Marmaro	1,234,901	1.0%
Mr Justin Fulton	823,267	0.7%
Top 10 Shareholders	80,058,063	65.4%
Other Shareholders	42,271,930	34.6%
	122,329,993	100.0%

Based on a closing price of 13 cents and the total number of shares on issue, Eden's implied market capitalisation at 30 June 2006 was approximately \$15.9 million.

4.3 Capital History

Eden has undertaken the following capital raisings during the 13 months from 1 June 2005 to 30 June 2006:

Date	Amount Raised (\$)	Eden Capital Raisings - Details
3/06/2005	2,280,000	Top Energy subscribes for 22.8 million shares at 10 cents per share together with 11.4 million options exercisable at 20 cents per option
19/12/2005	-	Share and Option conversion whereby the 94 million shares and 81 million options were converted to 51.5 million and 44.3 million shares and options respectively
13/01/2006	100,000	0.5 million shares issued at 20 cents each with 0.25 million free attaching options with an exercise price of 20 cents per share, issued to Tasman to raise working capital
1/02/2006	-	50,000 shares were issued to a consultant as part of an incentive scheme under an employment contract. There are to be nine further allotments of 50,000 each over the next 4.5 years.
3/02/2006	200,000	1 million shares issued at 20 cents each with 0.5 million free attaching options with an exercise price of 20 cents per share, issued to Tasman to raise working capital
16/03/2006	325,000	3.25 million shares issued at 10 cents per share to raise working capital
6/06/2006	8,400,000	Through the Eden IPO, approximately 42 million shares issued at 20 cents per share with 21 million free attaching options with an exercise price of 20 cents per share, issued to various investors.

The share issue price under the Eden IPO was 20 cents per share with one free option for every two shares subscribed for. The options are exercisable at 20 cents each at any time up to and including 30 September 2009.

4.4 Eden Share and Option Price Performance

The price performance and trading volume of Eden's shares between listing on the ASX on 6 June 2006 and 30 June 2006 is set out in the table below:

Eden - Shares Trading History	Cents per Share			Daily Volume
	High	Low	Close	
6/06/2006	18.0	16.0	17.5	1,365,420
7/06/2006	18.0	16.5	16.5	315,300
8/06/2006	19.0	17.0	18.5	1,248,383
9/06/2006	18.5	17.0	17.0	169,666
12/06/2006	18.5	17.0	17.0	169,666
13/06/2006	17.0	16.0	16.0	335,000
14/06/2006	16.0	13.5	16.0	378,739
15/06/2006	16.0	13.5	14.0	298,500
16/06/2006	16.0	14.0	16.0	196,500
19/06/2006	16.0	15.0	15.0	105,000
20/06/2006	15.0	14.0	14.0	140,000
21/06/2006	14.0	13.5	13.5	485,972
22/06/2006	13.5	13.5	13.5	10,000
23/06/2006	13.5	13.5	13.5	90,000
26/06/2006	14.0	13.5	13.5	528,138
27/06/2006	13.5	12.5	12.5	267,000
28/06/2006	12.5	11.0	11.5	697,000
29/06/2006	12.5	12.0	12.0	437,000
30/06/2006	13.0	12.0	13.0	175,000

As can be seen above, the price of an Eden share has traded in the range of 11.0 cents to 19.0 cents while the number of shares traded per day has ranged from 10,000 to 1,365,420. The closing price for an Eden share on 5 July 2006 was 13.0 cents.

The price performance and trading volume of Eden's options between listing on the ASX on 6 June 2006 and 30 June 2006 is set out in the table below:

Eden - Option Trading History	Cents per Option			Daily Volume
	High	Low	Close	
6/06/2006	5.4	4.2	4.6	727,500
7/06/2006	6.0	5.0	5.2	195,000
8/06/2006	6.5	6.0	6.5	47,500
9/06/2006	6.0	5.5	6.0	30,000
12/06/2006	6.0	5.5	6.0	30,000
13/06/2006	5.6	5.5	5.5	116,000
14/06/2006	5.2	4.2	5.1	203,000
15/06/2006	4.3	4.3	4.3	100,000
16/06/2006	5.9	5.0	5.9	135,370
19/06/2006	6.0	4.7	4.7	96,630
20/06/2006	5.8	5.0	5.8	56,630
21/06/2006	4.6	4.6	4.6	7,500
22/06/2006	5.0	5.0	5.0	12,500
23/06/2006	5.0	5.0	5.0	12,500
26/06/2006	5.0	5.0	5.0	12,500
27/06/2006	5.0	5.0	5.0	12,500
28/06/2006	5.0	5.0	5.0	260,000
29/06/2006	5.0	5.0	5.0	25,000
30/06/2006	5.0	5.0	5.0	25,000

As can be seen in the table, the price of an Eden option has traded in the range of 4.2 cents to 6.5 cents while the number of options traded per day ranged from 7,500 to 727,500. The closing price for an Eden share on 5 July 2006 was 5.2 cents.

5. Basis of Assessment

As referred to previously, the purpose of this report is to assess whether or not the Assignment of the Option Agreements and, separately, the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements are fair and reasonable to the Non-Associated Shareholders of the Company. ASX Listing Rule 10.1 does not define the term ‘fair and reasonable’. In forming our opinion, we have considered Australian Securities and Investment Commission (“ASIC”) Policy Statement 74: *Acquisitions Agreed to by Shareholders*, which when considering the term ‘fair and reasonable’, states that:

“what is fair and reasonable for non-associated shareholders should be judged in all the circumstances of the proposal. The report must compare the likely advantages and disadvantages for the non-associated shareholders if the proposal is agreed to, with the advantages and disadvantages to those shareholders if it is not. Comparing the value of the shares to be acquired under the proposal and the value of the consideration is only one element of this assessment.”

While only one element of the assessment, it is relevant to compare the fair value of what is being ‘acquired’ with the fair value of the consideration being paid. Fair value in this context is considered to be the amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer both acting at arm’s length.

In this regard, we have assessed the fair value of the Option Agreements and have compared that value with the fair value of the Assignment Purchase Price. Of interest in this regard is that the Assignment Purchase Price has been set at 48.25% of the market value of the Option Agreements. The term ‘market value’ is synonymous with ‘fair value’. On this basis, the fair value of the Assignment Purchase Price will always be less than the fair value of the Option Agreements.

In respect to the purchase of the Eden Shares and Options on the possible exercise of the Options, generally the appropriate time to compare the value of securities being acquired pursuant to the exercise of an option with the consideration being paid is at, or around, the date the option is exercised. By definition, the value of securities at any future date cannot be accurately assessed or predicted. This is especially so given the exercise date of the option is itself not known or cannot be predicted. However, given that the period to exercise the Option Agreements is relatively short with the Expiry Date being 31 August 2006, unless there is significant event or change in the circumstance relevant to Eden, the current value of an Eden share and an Eden option should not be significantly different to the value if and when the exercise of the Option Agreements occurs.

On this basis, in considering the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements, we have assessed the fair value of the Eden Shares and Options and have compared that value with the fair value of consideration to be paid by Noble. In assessing the fair value of an Eden share and an Eden option we have considered the Eden IPO price and the price at which Eden's shares and options have traded since listing on the ASX. In respect to the consideration being paid by Noble for the Eden Shares and Options, we have included the Assignment Purchase Price with the Eden Consideration.

Consistent with the approach considered by ASIC Policy Statement 74, in evaluating the Assignment and the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements, we have also considered the likely advantages and disadvantages, if any, which may accrue to the Non-Associated Shareholders if the Assignment and the purchase of the Eden Shares and Options are approved. In our assessment we have also considered the Assignment and the purchase of the Eden Shares and Options in their entirety, including such matters as:

- the fair value of the Option Agreements;
- the Assignment Purchase Price;
- the recent trading history of Eden's shares and options on the ASX;
- the fair value of an Eden share and an Eden option;
- the fair value of the Eden Consideration
- the rationale for the Assignment;
- the ability of Noble to fund the purchase of the Eden Shares and Options;
- alternatives to the Proposed Assignment;
- the potential change of control in and management of Eden arising out of the Assignment;
and
- other significant matters.

Our consideration of matters relevant to value is detailed in section 6. Other matters are considered in section 7.

6. Valuation Considerations

6.1 Valuation of the Option Agreements

In section 3 of Appendix A, we assessed the most appropriate method of valuing the Option Agreements to be the Binomial option pricing model (“the Binomial Model”). Determination of the Binomial Model as the appropriate valuation method reflects the fact that the Option Agreements provide for an American style exercise in that they can be exercised at any time up to and including the Expiry Date. Consistent with the terms of the Option Agreements, in section 1 of Appendix B we determined the fair value of the right to purchase one Eden share and 0.4615926 of an Eden option to be in the following range:

Valuation Date	Expiration Date	Fair Value Low cents	Fair Value High cents
30 June 2006	31 August 2006	1.9	3.8

By multiplying the above assessed fair value range by the number of ‘parcels’ of Eden Shares and Options we are able to compare the total fair value of the Option Agreements with the Assignment Purchase Price, as summarised in the in the table below:

Valuation of the Option Agreements	Low Value	High Value
Value of Option per one Eden share and 0.4615926 of an Eden option (cents)	1.9	3.8
Number of parcels of Eden Shares and Options	21,397,154	21,397,154
Fair value of the Option Agreements (\$)	404,578	812,485
The Assignment Purchase Price (48.25% of fair value) (\$)	195,209	392,024

On this basis, the assessed fair value of the Option Agreements is in the range of between \$404,578 and \$812,485, compared to the fair value of the Assignment Purchase Price of between \$195,209 and \$392,024.

6.2 Value of the Eden Shares and Eden Options

In considering the possible exercise of the Option Agreements and the subsequent purchase of the Eden Shares and Options by Noble, in section 1 of Appendix C we assessed the fair value of an Eden share to be in the range of between 14.8 cents and 17.4 cents. This assessment has been based on the trading price Eden’s shares since listing and the Eden IPO price. In section 2 of Appendix C we assessed the value of an Eden option to be 5.2 cents. This is primarily based on the trading price Eden’s options since listing.

The maximum Eden Shares and Options to be purchased under the Option Agreements consist of 21,397,154 fully paid shares together with 9,876,768 options. Based on our assessed values, the fair value of a single parcel of one Eden share and 0.4615926 of an Eden option is as summarised in the following table:

Value of a Single Parcel of an Eden Share and Option		Low cents	High cents
Value of an Eden share	A	14.8	17.4
Value of an Eden option		5.2	5.2
Value of 0.4615926 of an Eden option	B	2.4	2.4
Value of a single parcel of an Eden Share and Option	A + B	17.2	19.8

Accordingly for the purposes of this report we have assessed the value of a single parcel of Eden Shares and Options to be in the range of between 17.2 cents and 19.8 cents.

The total value of the Eden Shares and Options together with a comparison of the total consideration to be paid by Noble is summarised in the following table. The consideration to be paid by Noble is comprised of the Eden Consideration plus the valuation range assessed in section 6.1 for the Assignment Purchase Price.

Valuation of the Eden Shares and Options	Low	High
Value of the Eden Shares and Options		
Value of a single parcel of Eden Share and Options (cents)	17.2	19.8
Number of parcels of Eden Shares and Options	21,397,154	21,397,154
Value of the Eden Shares and Options (\$'s)	3,680,371	4,236,697
Value of the Consideration being Paid by Noble		
Value of the Eden Consideration	3,556,496	3,556,496
The Assignment Purchase Price	195,209	392,024
	3,751,705	3,948,520

On this basis, the fair value of the Eden Shares and Options is assessed to be in the range of between \$3,680,371 and \$4,236,697 compared to the value of the consideration to be paid by Noble of between \$3,752,705 and \$3,948,520. Accordingly, the low end of what is being acquired is at a 1.9% discount to the amount being paid, while the high end of what is being acquired is at a 6.8% premium to the amount being paid. The receipt of a premium is to the benefit of Tasman.

7. Other Matters

7.1 Rationale for the Assignment

As detailed in section 3, Top Energy wishes to dispose of the majority of its interest in Eden. The rationale for entering into the Option Agreements was to provide a mechanism whereby Top Energy could dispose of its interest in Eden, without having a potential adverse effect on the market prices of Eden shares and options on the ASX. With Arkenstone and March Bells not presently having the financial capacity to fund the exercise of the Option Agreements, the basis of the Assignment to Noble is to allow the original purpose of the Option Agreements to be maintained.

Given the level of liquidity of Eden's shares since listing, it is likely that if Top Energy acted to dispose of its shares and options on market, Eden's share and option price would be adversely impacted. While the exact impact cannot be readily determined, based on the average number of daily share trades since listing on 6 June 2006 and 30 June 2006 of 390,120, the 21,397,154 shares Top Energy is looking to dispose represents approximately 55 trading days. Accordingly, if the Assignment (and the acquisition of the Eden Shares and Options) is not approved, the overhang created by Top Energy's intention to sell its interest in Eden is likely to have negative effect on the price of an Eden share and option over a substantial period.

Eden was historically a wholly owned subsidiary of Tasman and, via Noble, currently holds 32,979,888 shares (27.0% of the shares on issue) in the company. In addition, Tasman continues to have significant representation on Eden's board, with four of the five directors. Tasman's investment in Eden represents a significant asset of the Company. Accordingly, any negative impact on the market price of an Eden share due to the on-market disposal of Top Energy's interest would more than likely have an adverse impact on the market price of a Tasman share. Any fall in the price of a Tasman share would be to the disadvantage of the Non-Associated Shareholders.

7.2 The Assignment Purchase Price

Under the Option Agreements, Top Energy granted to Arkenstone and March Bells the Options for a price of \$10.00 each. Because the market value of the Option Agreements exceeds the price paid, on the Assignments of the Options Agreements, Arkenstone and March Bells will incur a tax liability. The Assignment Purchase Price of 48.25% of the market value of the Option Agreements represents the maximum effective tax rate relevant to Arkenstone, March Bells and the beneficiaries of the Family Trusts for the 2006 financial year. Accordingly, the basis for the setting of the Assignment Purchase Price at that rate was to address the tax liability exposure of those entities rather than for those entities to profit from the Assignment.

7.3 Ability to Fund the Purchase of the Eden Shares and Options

Tasman will require between \$195,209 and \$392,024 to fund the Assignment Purchase Price and \$3,556,495 to purchase the Eden Shares and Options. To assist in funding these payments, Tasman intends to issue up to 20,833,333 fully paid ordinary shares in the Company at an issue price of 12 cents per share or not less than 80% of the average market price of the shares calculated over the last five days before the issue is made ("the Proposed Capital Raising"). In addition Tasman will seek to issue a further 29,166,667 shares to sophisticated investors at an issue price of not less than 80% of the average market price of the shares calculated over the last five days before the issue is made ("the Proposed Placement"). At 31 May 2006 Tasman had cash resources of approximately \$780,000. On this basis, subject to the completion of the Proposed Capital Raising and the Proposed Placement, Tasman should have sufficient funds to purchase the Eden Shares and Options.

7.4 Top Energy's Acquisition Price

Top Energy's initial investment in Eden was made in November 2004 at 10 cents per share for 20 million shares and 10 million free attaching options. At the same time Tasman transferred 4.2 million shares and 2.1 million free attaching options to Top Energy. In June 2005, Top Energy subscribed for a further 22.8 million shares at 10 cents per share together with 11.4 million free attaching options bringing Top Energy's total investment in Eden to \$4.28 million through holding 47 million shares. This equated to an average acquisition price of 9.1064 cents per share and 0.5 of an option ("the Top Energy Acquisition Price").

In December 2005, the 94 million shares and 84 million options Eden had on issue were converted to 51.5 million shares and 44.3 million options, representing a consolidation of 1.83:1 for the shares. Adjusting the Top Energy Acquisition Price by this ratio implies an acquisition price of 16.62135 cents for one Eden share and 0.4615926 of an Eden option. This price equates to the price being paid under the Eden Consideration. The number of options per share has been reduced from 0.5 (i.e. one option for every two shares) to 0.4615926 to reflect the number of options held in escrow. Under the Option Agreements, Top Energy is disposing its interest in the Eden Shares and Options at an amount equal to its effective acquisition price paid.

7.5 Tasman's Intentions Regarding Eden

If the Assignment is approved and the purchase of the Eden Shares and Options proceeds, Tasman could increase its interest in Eden to 44.5% of the shares on issue and 48.8% of the options on issue. Although Tasman's ability to control the company at this level of shareholding would be greater than under its current position (27.0 % of the issued shares and 37.4% of the issued options), to control a company in a general meeting, a shareholder would generally need to hold greater than 50% of the shares voted in an ordinary resolution or greater than 75% of the shares voted in a special resolution. Accordingly, Tasman's ability to control Eden in a general meeting will increase through the purchase of the Eden Shares and Options.

On the basis that four of the five Eden directors are currently directors of Tasman, even with a 27.0% interest in Eden, Tasman already has significant influence on the day-to-day management of the company. This will not change as a result of the purchase of the Eden Shares and Options.

On a full diluted basis, post the acquisition of the Eden Shares and Options by Noble, if all of the options are exercised, Tasman's interest in Eden would increase to 46.3%.

Given the history and the relationship between Tasman and Eden, Tasman has advised they have no present intentions with regard to:

- changing Eden's business;
- Tasman injecting further capital;
- changing the future employment of the present employees;
- the disposal of major assets of Eden; and
- changing the financial policies of Eden.

7.6 Alternatives to the Proposed Assignment

In considering the Assignment, we have had regard to the alternatives available to the Non-Associated Shareholders. While the possibility of an alternative proposal to the Assignment becoming available at this time is unknown, it is of note that:

- the Assignment provides Tasman with an opportunity to increase its interest in Eden, with the fair value of the Eden Shares and Options being at a 1.9% discount to low end of our assessed fair value of what is being paid and a 6.8% premium to high end of our assessed fair value of what is being paid;
- Top Energy is disposing of the Eden Shares and Options for an amount equating to the effective price that it paid; and
- in the event that Top Energy was to dispose of its interest in Eden on-market, it is likely to have an adverse effect on the price of an Eden share and option.

8. Summary and Conclusion

8.1 Summary

In forming our opinion as to whether or not the Assignment of the Option Agreements and, separately, the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements are fair and reasonable to the Non-Associated Shareholders of Tasman, we have considered the following matters:

- with the Assignment Purchase Price being set at 48.25% of the fair value of the Option Agreements, the Assignment Purchase Price will always be at a discount to the assessed fair value of the Option Agreements;
- the fair value of an Eden Shares and Options compared to the fair value of the total consideration being paid by Noble is at a 1.9% discount at the low end of our valuation range and a 6.8% premium at the high end;
- Top Energy intends to dispose of its shares in Eden. Given Top Energy holds 21.0% of the shares and 14.8% of the options on issue, the Assignment provides a mechanism by which Top Energy can dispose of the majority of its shares without having a potentially adverse effect on the trading price of an Eden share and option on the ASX;
- with Arkenstone and March Bells not presently having the financial capacity to fund the exercise of the Options Agreements, the basis of the Assignment to Noble is to allow the original purpose of the Option Agreements to be maintained;
- Tasman's investment in Eden represents a significant asset of the Company. Any negative impact on the market price of an Eden share due to the on-market disposal of Top Energy's interest would more than likely have an adverse impact on the market price of a Tasman share;

- the basis for the setting of the Assignment Purchase Price at the maximum tax rate relevant to Arkenstone, March Bells and the beneficiaries of the Family Trusts for the 2006 financial year was to address the tax liability exposure of those entities rather than for those entities to profit from the Assignment;
- Tasman will require between \$195,209 and \$392,024 to fund the Assignment Purchase Price and \$3,556,495 to purchase the Eden Shares and Options. To assist in funding the proposed transactions, Tasman intends to issue up to 50 million shares under the Proposed Capital Raising and the Proposed Placement;
- Top Energy is disposing its interest in the Eden Shares and Options at an amount equal to its effective acquisition price paid;
- should the Assignment and purchase of the Eden Shares and Options proceed, Tasman's interest in Eden will increase from 27.0% of the shares and 37.4% of the options to 44.5% of the Eden shares and 48.8% of the Eden options on issue. Accordingly, Tasman's ability to control Eden in a general meeting will increase through the purchase of the Eden Shares and Options;
- on the basis that four of the five Eden directors are currently directors of Tasman, even with its current 27.0% interest in Eden, Tasman already has significant influence on the day-to-day management of the company. This will not change as a result of the purchase of the Eden Shares and Options;
- should the Assignment and purchase of the Eden Shares and Options not proceed Top Energy may decide to dispose of its interest in Eden on market, which, as previously stated may have an adverse impact on the trading prices of Eden's and Tasman's securities on the ASX.

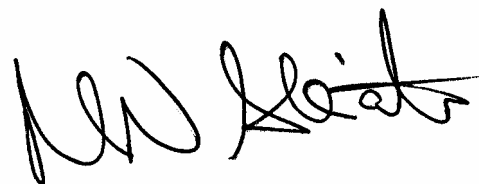
8.2 Conclusion

Based on the matters summarised in Section 8.1 above and the detailed discussion and analysis throughout this report, in our opinion, the Assignment of the Option Agreements and the purchase of the Eden Shares and Options on the possible exercise of the Option Agreements are fair and reasonable to the Non-Associated Shareholders of Tasman.

Yours faithfully



Ken Pendergast
Director and Representative



Martin Alciatiuri
Director and Representative

APPENDIX A

Valuation Methodologies

1. Valuation Methodologies – Valuation of Eden Shares

In considering the fair value of an Eden share for the purpose of this report, there are a number of methodologies used to value a project, business and/or shares in a company. The principal methodologies are as follows:

- capitalisation of earnings;
- discounted cash flow (“DCF”);
- net realisable value of assets; and
- market based assessments.

Each of these methodologies is appropriate in certain circumstances. The decision as to the appropriate methodology to utilise generally depends on the nature of the asset being valued and the availability of appropriate information.

Capitalisation of Earnings

The capitalisation of earnings methodology involves capitalising the earnings of a project, a business or a company at an appropriate multiple, which reflects the risks underlying the earnings together with growth prospects. This methodology requires consideration of the following factors:

- Estimation of future maintainable earnings having regard to historical and forecast operating results, abnormal or non-recurring items of income and expenditure and other factors including key industry risk factors, growth prospects and the general economic outlook.
- Determination of an appropriate earnings multiple reflecting the risks inherent in the business, growth prospects and alternative investment opportunities. Earnings multiples are generally applied to net profit after tax (“NPAT”), earnings before interest and tax (“EBIT”), or earnings before interest, tax, depreciation and amortisation (“EBITDA”).
- Earnings multiples applied to NPAT are known as price earnings multiples and are commonly used in relation to listed public companies. Application of earnings multiples to NPAT derives the equity value of a business. Earnings multiples applied to EBIT or EBITDA are known, respectively, as EBIT and EBITDA multiples, and are commonly used in respect of companies comprising a number of businesses where debt cannot be precisely allocated or in acquisition scenarios where the purchaser is likely to control gearing. The capitalisation of EBIT or EBITDA by an EBIT or EBITDA multiple, as appropriate calculates the enterprise value of an entity, being the gross value of an entity before net interest bearing debt.

- Earnings multiples can also be applied to other measures of earnings, including operating cash flow and tax and earnings before depreciation, amortisation, interest and tax. These alternatives are not likely to lead to a valuation conclusion which is materially different to that derived from using NPAT, EBIT or EBITDA.
- An assessment of any surplus assets and liabilities, being those which are not essential to the generation of the future maintainable earnings.

This methodology is appropriate where a company or business has demonstrated a stable record of earnings that is expected to continue indefinitely.

Discounted Cash Flow

The DCF methodology is based on the determination of net present value of forecast cash flows that are expected to be derived from future activities. The forecast cash flows are discounted by a discount rate that reflects the time value of money and the risks inherent in the cash flows and the asset being valued. The discount rate represents a measure of the rate of return expected by the parties funding of the asset.

Discounting of projected cash flows has a strong theoretical basis. Considerable judgement is required in estimating future cash flows and the valuer generally places great reliance on the medium to long term projections prepared by management. A DCF valuation should not give a materially different result to the capitalisation of earnings methodology.

This methodology is appropriate in valuing projects or businesses that are in a start up phase, businesses that have volatility in earnings, as well as businesses with a finite life (such as mining operations, mineral processing and metals production).

Net Realisable Value of Assets

The net realisable value of assets methodology involves the determination of the net realisable value of the assets of a business or company, assuming an orderly realisation of those assets. This value includes a discount to allow for the time value of money and for reasonable costs of undertaking the realisation. It is not a valuation on the basis of a forced sale, where assets may be sold at values materially different to their fair market value.

This methodology is appropriate where a business or company is not making an adequate return on its assets, where there are surplus non-operating assets or where the company does not have operating activities.

Market Based Assessments

Market based assessments relate to the valuation of companies, the shares of which are traded on a stock exchange. While the relevant share price would, prima facie, constitute the market value of the shares, such market prices usually reflect the prices paid for small parcels of shares and as such may not include a control premium relevant to a significant parcel of shares.

2. Method Adopted to Value an Eden Share

Given the nature of Eden's assets and the relative early stage nature of development of its hydrogen technology, there is insufficient reliable information available to estimate future maintainable earnings or to develop meaningful cash flow forecasts. Accordingly, in determining the fair value of an Eden share we have applied the market based assessment method as being the most appropriate. In using this method, we have considered the price at which the Eden IPO was completed and the prices at which Eden shares have traded on the ASX since listing on 6 June 2006.

3. Valuation Methodologies – Value of the Option Agreements

The Binomial Model

The Binomial Model is commonly used to assess the value of freely traded call/put options on a dividend paying stock which may be exercised at any time up until expiry. The assumptions underlying the binomial option theory are as follows:

- no transaction costs and taxes;
- dividends are paid;
- the risk free interest rate is constant over time;
- the volatility of the underlying asset is constant and is defined as the standard deviation of the continuously compounded rates of return on the stock over a specified period;
- asset trades are continuous over time;
- lognormal returns; and
- assets can be short sold.

The option pricing model values the option at the present value of the final payoff multiplied by the risk neutral probability of the outcome.

The main advantage of the Binomial Model is that it can be used to accurately price American options. This is because with the Binomial Model it is possible to check at every point in an option's life for the possibility of early exercise. Where an early exercise point is found it is assumed that the option holder would elect to exercise, and the option calculator highlights those points in a tree structure where early exercise would have caused an American price to differ from a European price.

Binomial models allow for the use of multiple inputs over time. For example, different volatility or interest rate, or different dividend yields might be used during the term of the option.

The Black-Scholes option pricing methodology (“The Black-Scholes Model”)

The Black-Scholes Model is commonly used for assessing the value of a freely traded call/put option on a non-dividend paying stock. The assumptions underlying the Black-Scholes formula are as follows:

- the option can only be exercised on the expiration date (the option is a European option);
- there are no taxes or transaction costs and no margin requirements;
- the volatility of the underlying asset is constant and is defined as the standard deviation of the continuously compounded rates of return on the stock over a specified period;
- the risk free interest rate is constant over time;
- short selling is permitted;
- there are no riskless arbitrage opportunities;
- lognormal returns;
- security trading is continuous; and
- no dividends are paid during the life of the option.

The Black-Scholes Model traditionally values options where dividends are not paid on the underlying stock. However, it can be modified to include a dividend variable and therefore may be used to value dividend paying European options.

The main limitation of the Black-Scholes Model is that it cannot be used to accurately price options with an American style exercise (i.e., may be exercised at any time up until expiry) as it only calculates the option price at one point in time – at expiration. It does not consider the steps along the way where there could be a possibility of early exercise of an American option.

In considering the fair value of the Option Agreements we have applied the Binomial Model as being the most appropriate method.

Our valuation assessment of the Options Agreements is detailed in section 1 of Appendix B.

4. Method Adopted to Value an Eden Option

In determining the fair value of an Eden option we have considered the prices at which Eden options have traded on the ASX since listing on 6 June 2006. As a cross-check we have considered the value of an Eden option using the Binomial Model. Our valuation of an Eden option is detailed in section 2 of Appendix C.

APPENDIX B

Valuation of the Option Agreements

1. Valuation of the Option Agreements

We have utilised the Binomial Model to value the Option Agreements. The value of an option calculated by the Binomial Model is a function of a number of variables including:

- the option exercise price;
- the underlying share price;
- the risk-free interest rate;
- the expected volatility of the underlying share price;
- the expected dividends; and
- the estimated life of the option.

We have assessed the value of the Option Agreements on a basis consistent with their terms, in that the holder has the right to acquire one Eden share and 0.4615926 of an Eden option. Accordingly, we have used the following inputs in determining the value of the right to acquire one Eden share and 0.4615926 of an Eden option:

Valuation Date	Expiration Date	Eden Shares and Options Low cents	Eden Shares and Options High cents	Exercise Price	Dividend Yield	Risk Free Rate	Volatility
30 June 2006	31 August 2006	17.2	19.8	16.6	0.0%	5.8%	54.0%

Notes:

1. The value of an Eden share and 0.4615926 of an Option has been determined in Appendix C and summarised in Section 6.2 of this report.
2. The Exercise Price refers to the Eden Consideration of 16.62135 cents for every one Eden share and 0.4615926 of an Eden option.
3. The dividend yield is the annualised gross percentage yield continuously compounded and sourced from Bloomberg. The dividend yield is assumed to be nil.
4. The risk free rate is the implied yield on zero-coupon Australian government bonds, at the issue date, continuously compounded, corresponding to the expected life per the Option Agreements.

5. The volatility factor is based on the historical volatility observed for broadly comparable companies listed on the ASX, as per Bloomberg, as summarised below.

In considering the volatility to apply, as Eden has only recently listed on the ASX, we have considered the volatility of the following broadly comparable companies:

Volatility	
Australian Renewable Fuels Ltd	48%
Ceramic Fuel Cells Ltd	56%
Geodynamics Ltd	45%
Solco Ltd	65%
Average	54%
Median	52%

Based on the above we have adopted a 54% volatility factor in valuing the Option Agreements.

Utilising the inputs identified above the fair value of the right to acquire one Eden share and 0.4615926 of an Eden option is summarised in the following table.

Valuation Date	Expiration Date	Fair Value Low cents	Fair Value High cents
30 June 2006	31 August 2006	1.9	3.8

On this basis, multiplying the above assessed fair value range by the number of parcels of Eden Shares and Options we have assessed the fair value of the Option Agreements to be in the range of between \$404,578 and \$812,485.

Valuation of the Option Agreements	Low Value	High Value
Value of Option per one Eden share and 0.4615926 of an Eden option (cents)	1.9	3.8
Number of parcels of Eden Shares and Options	21,397,154	21,397,154
Fair value of the Option Agreements (\$)	404,578	812,485

APPENDIX C

Valuation of an Eden Share and an Eden Option

1. Valuation of an Eden Share

In section 2 of Appendix A we determined that the most appropriate method to assess the fair value of an Eden share is on a market based assessment method. In using this method, we have considered the prices at which Eden shares have traded on the ASX since listing on 6 June 2006 together with the price at which the Eden IPO was completed.

The following table summarises the weekly high price, low price and volume weighted average price for an Eden share since listing on the ASX on 6 June 2006:

Eden - Share Trading History	Cents per Share		
	High	Low	VWAP*
Weekly Summary			
9/06/2006	19.0	16.0	18.0
16/06/2006	17.0	13.5	14.9
23/06/2006	16.0	13.5	13.5
30/06/2006	14.0	11.0	12.2

* Volume weighted average price

The weekly volume weighted average price of an Eden share has been in the range of 12.2 cents and 18 cents since listing on the ASX. The volume weighted average price that Eden shares traded at for the period since listing to 30 June 2006 was 14.8 cents.

In considering the Eden IPO issue price of 20 cents per share plus a free attaching option on a one option for two shares basis, to determine the value of an Eden share we have stripped out half the fair value of an Eden option, as summarised below:

Implied Value of an Eden Share	Cents
Eden IPO issue price for 1 share plus 50% of an option (cents)	20.0
Assessed fair value of an Eden option (refer section 2 Appendix C) (cents)	5.2
Fair value of 50% of an Eden option (cents)	(2.6)
Implied Fair Value of an Eden Share (cents)	17.4

Accordingly, for the purposes of this report we have assessed the value of an Eden share to be in the range of between 14.8 cents and 17.4 cents.

2. Valuation of an Eden Option

As referred to in section 4 of Appendix A, in determining the fair value of an Eden option we have considered the prices at which Eden shares have traded on the ASX since listing on 6 June 2006 together with a cross-check using the Binomial Model. The following table summarises the weekly high price, low price and volume weighted average price for an Eden option since listing on the ASX on 6 June 2006:

Eden - Option Trading History	Cents per Option		
	High	Low	VWAP
Weekly Summary			
9/06/2006	6.5	4.2	5.9
16/06/2006	5.9	4.2	5.6
23/06/2006	6.0	4.6	5.0
30/06/2006	5.0	5.0	5.0

* Volume weighted average price

As can be seen from the table above, the weekly volume weighted average price of an Eden option has traded in the range of 5.0 cents and 5.9 cents. The volume weighted average price that Eden shares traded at for the period since listing to 30 June 2006 was 5.2 cents. For the purpose of this report, in considering a reasonable price to base our fair value assessment of an Eden option we have focused on the weekly volume weighted average price since listing. Based on the above information we consider the volume weighted average price since listing on the ASX of 5.2 cents to represent the fair value of an Eden option.

In applying the Binomial Model as a cross-check to the volume weighted average price of an Eden option, we have used the following inputs:

Valuation Date	Expiration Date	VWAP ¹ cents	Exercise Price ² cents	Dividend Yield ³	Risk Free Rate ⁴	Volatility ⁵
30 June 2006	30 September 2009	14.8	20.0	0.00%	5.79%	54%

Notes:

1. The Value of an Eden Share and Option has been determined in Section 6.2 of this report.
2. The Exercise Price refers to the 20 cents per Eden share.
3. The dividend yield is the annualised gross percentage yield continuously compounded and sourced from Bloomberg. The dividend yield is assumed to be nil.
4. The risk free rate is the implied yield on zero-coupon Australian government bonds, at the issue date, continuously compounded, corresponding to the contracted life of an Eden option.
5. The volatility factor is based on the historical volatility observed for broadly comparable companies listed on the ASX, as per Bloomberg, as summarised above.

Utilising the inputs identified above the value of an Eden option determined using the Binomial Model is 5.0 cents. This is not inconsistent with the 5.2 cents volume weighted average price. For the purpose of this report we have assessed the fair value of an Eden option to be 5.2 cents each.

APPENDIX D

Sources of Information and Declarations

1. Sources of Information

In preparing this report we have relied upon the following principal sources of information:

- the Option Agreements;
- the Deed of Assignment between Arkenstone, March Bells and Noble;
- the Notice of Meeting and Explanatory Statement in respect to the Meeting;
- Eden share and option price data (Source: Bloomberg);
- discussions with Tasman management; and
- other publicly available information.

2. Declarations

This report has been prepared at the request of the independent directors of Tasman specifically for the Non-Associated Shareholders. It is not intended that this report be used for any purpose other than to accompany the Notice of Meeting and Explanatory Statement for the Meeting. In particular it is not intended that this report should be used for any purpose other than as an expression of our opinion on whether or not the Assignment and the purchase of the Eden Shares and Options on the possible exercise of the Options Agreements is “fair and reasonable” to the Non-Associated Shareholders.

Neither Ernst & Young Transaction Advisory Services, nor Ernst & Young, nor any member or employee thereof, accepts responsibility to any person, other than the non-associated Tasman shareholders, in respect of this report, including any errors or omissions howsoever caused. Ernst & Young Transaction Advisory Services holds a Dealers Licence issued pursuant to the Corporations Act and is authorised to provide the opinion presented within this report.

Mr Ken Pendergast and Mr Martin Alciaturi have assumed overall responsibility for this report. Mr Alciaturi and Mr Pendergast are directors and authorised representatives of Ernst & Young Transaction Advisory Services and are partners of Ernst & Young. Both have the necessary experience and professional qualifications appropriate to the advice being offered. Other Ernst & Young Transaction Advisory Services staff have been consulted in the preparation of this report where appropriate.

We have held discussions with the directors of Tasman regarding the factual accuracy of the information contained in this report. We did not change the methodology used in our assessment as a result of these discussions and our independence has not been impinged in any way.

In the preparation of this report we have considered the information and explanations given to us. We emphasise that we have not carried out an independent confirmation of the information nor have we conducted anything in the nature of an audit. We do not imply, nor should it be construed that our assessment has revealed all the matters which an audit or more detailed examination might disclose. We have however evaluated information provided to us by Tasman, as well as other parties through enquiry, analysis and review and nothing has come to our attention to indicate that the information provided was materially misstated or did not afford reasonable grounds upon which to base our opinion. We have no reason to believe that any information relied on by us is incorrect.

The statements contained in this report are given in good faith and have been derived from information believed to be reliable and accurate. We have no reason to believe that any information has been withheld from us.

Ernst & Young Transaction Advisory Services will receive a professional fee based on the time spent in the preparation of this report. Ernst & Young Transaction Advisory Services or Ernst & Young will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the making of this report.

THIS FINANCIAL SERVICES GUIDE FORMS PART OF THE INDEPENDENT EXPERT'S REPORT
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PART 2 – FINANCIAL SERVICES GUIDE

5 July 2006

1. Ernst & Young Transaction Advisory Services

Ernst & Young Transaction Advisory Services Limited (“Ernst & Young Transaction Advisory Services” or “we,” or “us” or “our”) has been engaged to provide general financial product advice in the form of an Independent Expert’s Report (“Report”) in connection with a financial product of another person. The Report is set out in Part 1.

2. Financial Services Guide

This Financial Services Guide (“FSG”) provides important information to help retail clients make a decision as to their use of the general financial product advice in the Report, information about us, the financial services we offer, our dispute resolution process and how we are remunerated.

3. Financial services we offer

We hold an Australian Financial Services Licence which authorises us to provide the following services:

- financial product advice in relation to securities, derivatives, general insurance, life insurance, managed investments, superannuation, and government debentures, stocks and bonds; and
- arranging and dealing in securities.

4. General financial product advice

In our Report we provide general financial product advice. The advice in the Report does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the Report having regard to your own objectives, financial situation and needs before you act on the advice in the Report. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain an offer document relating to the financial product and consider that document before making any decision about whether to acquire the financial product.

We have been engaged to issue the Report in connection with a financial product of another person. Our Report will include a description of the circumstances of our engagement and identify the person who has engaged us. Although you have not engaged us directly, a copy of the Report will be provided to you as a retail client because of your connection to the matters on which we have been engaged to report.

5. Remuneration for our services

We charge fees for providing the Report. These fees have been agreed with, and will be paid by, the person who engaged us to provide the Report. Our fees for the Report are based on a time cost or fixed fee basis. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Ernst & Young Transaction Advisory Services is ultimately owned by Ernst & Young, which is a professional advisory and accounting practice. Ernst & Young may provide professional services, including audit, tax and financial advisory services, to the person who engaged us and receive fees for those services.

Except for the fees and benefits referred to above, neither Ernst & Young Transaction Advisory Services, nor any of its directors, employees or associated entities receives any fees or other benefits, directly or indirectly, for or in connection with the provision of the Report.

6. Associations with product issuers

Ernst & Young Transaction Advisory Services and any of its associated entities may at any time provide professional services to financial product issuers in the ordinary course of business.

7. Responsibility

The liability of Ernst & Young Transaction Advisory Services is limited to the contents of this Financial Services Guide and the Report.

8. Complaints process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. All complaints must be in writing and addressed to the Compliance and Legal Manager and sent to the address below. We will make every effort to resolve a complaint within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Industry Complaints Service or the Insurance Brokers Disputes Limited for general insurance product advice.

Contacting Ernst & Young Transaction Advisory Services	Contacting the Independent Dispute Resolution Schemes:
Compliance and Legal Manager Ernst & Young 680 George Street Sydney NSW 2000 Telephone: (02) 9248 5555	Financial Industry Complaints Service Limited PO Box 579 – Collins Street West Melbourne VIC 8007 Telephone: 1800 335 405 Insurance Brokers Disputes Limited Level 10 99 William Street Melbourne VIC 3000 Telephone: 1800 064 169

This Financial Services Guide has been issued in accordance with ASIC Class Order CO 04/1572