AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

29th May 2008

NOTICE OF EXTRAORDINARY GENERAL MEETING

Attached is a copy of the Notice of Meeting, Proxy Form, Explanatory Statement and Independent Experts Report being mailed to shareholders for the Extraordinary General Meeting to be held on 1 July 2008.

Raymond F Buscall
Company Secretary
TASMAN RESOURCES NL
(ACN 009 253 187)
(the Company)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that an Extraordinary General Meeting of the members of the Company will be held at Level 40, Exchange Plaza, 2 The Esplanade, Perth, Western Australia on Tuesday, 1 July 2008 at 10:00am.

SPECIAL BUSINESS

The business of the Extraordinary General Meeting is to consider and (if thought fit) to pass, with or without modification, the following ordinary resolutions:

1. Purchase of Meteore Metals Limited shares by Fission Energy Limited from Standard Nickel Pty Ltd

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 (the Act) and Chapter 10 of the ASX Listing Rules (the Rules), and for all other purposes, approval is given for Fission Energy Limited (ACN 119 057 457) (Fission) to purchase from Standard Nickel Pty Ltd (ACN 126 914 421) (Standard Nickel) all of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore Metals Limited (ACN 097 759 325) (Meteore) pursuant to a share sale agreement made on or about 18 April 2008 as amended by deeds made on or around 13 May 2008 and 22 May 2008, at a price of $0.20 per share (being a total price of $1,904,000.00) to be satisfied by the issue of 9,520,000 ordinary fully paid shares in Fission (Shares), and subject to, among other things:

- members of Fission approving the purchase of Standard Nickel’s Meteore shares; and
- satisfaction or (if the directors of Fission in their absolute discretion consider it desirable or necessary) waiver by Fission of each of the conditions precedent to the agreement, as set out in the explanatory statement attached to this notice,

and to enter into any agreement and do all other acts necessary or desirable for that purpose, and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

Note: The Shares will be issued no later than 1 month after the date of the extraordinary general meeting of Fission’s members (to be held after this Extraordinary General Meeting of the Company) which will also seek the approval of Fission’s members to the acquisition of the Meteore shares and the issue of the Shares.

2. Issue of shares by Fission to G T Le Page & Associates Pty Ltd

"That, for the purposes of Part 2E.1 of the Act and Chapter 10 of the Rules and for all other purposes, approval is given for Fission to issue to G T Le Page & Associates Pty Ltd (A.C.N. 082 913 175) (GTLP) 10,000,000 Shares in Fission in consideration of GTLP introducing Fission to its proposed purchase of ordinary fully paid shares in Meteore, subject to, among other things, the successful acquisition by Fission of not less than 50.1% of Meteore’s total issued ordinary fully paid share capital, and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

Note: The Shares will be issued no later than 1 month after the date of the extraordinary general meeting of Fission’s members (to be held after this Extraordinary General Meeting of the Company) which will also seek the approval of Fission’s members to the issue of the Shares.

Dated this 22nd day of May 2008

By order of the Board

[Signature]
G H Solomon
Chairman
NOTES RELATING TO PROXIES:

A member entitled to attend and vote at the Extraordinary General Meeting of the Company may appoint not more than two proxies to attend and vote in his or her place. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member'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.
I/We being a member/members of the Company 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 Chairperson of the meeting or the Chairperson’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 Tuesday, 1 July 2008 and at any adjournment thereof. If no directions are given, the Chairperson will vote in favour of all of the resolutions.

<table>
<thead>
<tr>
<th>Ordinary Resolutions</th>
<th>FOR</th>
<th>AGAINST</th>
<th>ABSTAIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Purchase of Meteore Metals Limited shares by Fission</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy Limited from Standard Nickel Pty Ltd</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Issue of shares by Fission Energy Limited to G T</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Le Page &amp; Associates Pty Ltd</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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 2008

<table>
<thead>
<tr>
<th>Individuals and joint holders</th>
<th>Companies (affix common seal if appropriate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature</td>
<td>Director</td>
</tr>
<tr>
<td>Signature</td>
<td>Director/Company Secretary</td>
</tr>
<tr>
<td>Signature</td>
<td>Sole Director and Sole Company Secretary</td>
</tr>
</tbody>
</table>

The Chairperson intends to vote in favour of all 2 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 Chairperson may exercise your proxy even if he or she has an interest in the outcome of the resolution and votes cast by him or her other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolutions.

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 Extraordinary General Meeting, or any adjournment thereof.

2. If the member is a corporation, the form of proxy should be signed under seal if appropriate.
Resolutions 1 – Purchase of Meteore Metals Limited shares by Fission Energy Limited from Standard Nickel Pty Ltd

Background

Resolution 1 seeks member approval for the purposes of Part 2E.1 of the Corporations Act 2001 (the Act) and Chapter 10 of the ASX Listing Rules (the Rules), and for all other purposes, for Fission Energy Limited (ACN 119 057 457) (Fission) to purchase from Standard Nickel Pty Ltd A.C.N. 126 914 421 (Standard Nickel) all of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore Metals Limited (ACN 097 759 325) (Meteore) pursuant to a share sale agreement made on or about 18 April 2008 as amended by deeds made on or around 13 May 2008 and 22 May 2008, at a price of $0.20 per share (being a total price of $1,904,000.00) to be satisfied by the issue of 9,250,000 ordinary fully paid shares in Fission (Shares) and subject to, among other things:

1. members of Fission approving the purchase of Standard Nickel’s Meteore shares; and

2. satisfaction or (if the directors of Fission in their absolute discretion consider it desirable or necessary) waiver by Fission of each of the conditions precedent to the agreement, as set out in this Explanatory Statement,

and to enter into any agreement and do all other acts necessary or desirable for that purpose, and otherwise on the terms and conditions set out in this Explanatory Statement.

Fission has, as at the date of this Explanatory Statement, executed share sale agreements (the Agreements) to acquire 100% of the issued ordinary fully paid share capital of Meteore, at a price of $0.20 per share, subject to, among other things, the conditions referred to below. Meteore currently has 40,000,000 ordinary fully paid shares on issue. Accordingly, the maximum total consideration for Fission’s acquisition of all of Meteore’s ordinary fully paid shares is $8,000,000.00. The total consideration is payable, in the case of all of the Meteore ordinary shareholders other than Standard Nickel, by the payment of cash in instalments. In the case of Standard Nickel, the consideration is payable by the issue of 9,520,000 Shares in Fission at the settlement of the Agreement with Standard Nickel (as Rule 10.7 prohibits Fission from paying cash to Standard Nickel as the consideration for the acquisition of its shares in Meteore (see Resolution 2 below for further information)).

The closing market price of the Shares on 21 May 2008 (being the day prior to the date of this Explanatory Statement) was $0.20 per Share (which is the issue price which has been utilised to determine the number of Shares to be issued to Standard Nickel under their Agreement). The issue price is greater than $0.16 per Share, which is the price at which Fission prior to the date of this Extraordinary General Meeting issued 8,000,000 Shares by way of placements to sophisticated and/or professional investors and at which Fission will, if it receives shareholder approval, issue Shares of not less than $3,392,000.00 and up to $6,720,000.00 in value by way of placements to sophisticated and/or professional investors.

The highest and lowest prices at which Shares in Fission have traded on the ASX in the period from 16 June 2007, the first day Fission’s shares were quoted on the ASX, to 20 May 2008 are as follows:

- lowest price: 8.7 cents on 8 February 2008; and
- highest price: 29.5 cents on 18 June 2007.
The capital structure of Fission as it will stand if the Shares are issued to Standard Nickel and assuming the issue of Shares to GTLP pursuant to Resolution 2 is set out below:

<table>
<thead>
<tr>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current issued Share capital as at the date of this Extraordinary General Meeting</td>
</tr>
<tr>
<td>Issue of Shares to Standard Nickel pursuant to this Resolution 1</td>
</tr>
<tr>
<td>Issue of Shares to GTLP pursuant to Resolution 2</td>
</tr>
<tr>
<td>Total new issued Share capital</td>
</tr>
</tbody>
</table>

* Note: In addition, Fission is seeking member approval to issue between 21,200,000 and 42,000,000 Shares to sophisticated and/or professional investors in satisfaction of the Conditions referred to above and to issue 10,000,000 Shares to Tadea (see Resolution 2 below).

Guy Touzeau Le Page and his associates currently hold 989,212 Shares in Fission, or approximately 1.5% of Fission’s total Share capital. Following the issue of the 9,520,000 Shares to Standard Nickel pursuant to this Resolution 1 (and taking into account the issue by Fission of a minimum of 21,200,000 Shares and a maximum of 42,000,000 Shares to sophisticated and/or professional investors and the issue of 20,000,000 Shares in aggregate to GTLP and Tadea (see Resolution 2 below), Guy Touzeau Le Page and his associates will hold between approximately 15% and 17.7% of Fission’s total Share capital.

Standard Nickel currently holds 9,520,000 ordinary fully paid shares in Meteore (being approximately 23.8% of Meteore’s total issued ordinary fully paid share capital).

Meteore is the manager of a 50:50 joint venture with Barra Resources Limited (ACN 093 396 859) (ASX:BAR) on the Mount Thirsty Nickel-Cobalt Project (the **Mount Thirsty Project**).

Mount Thirsty is situated approximately 20 kilometres north-northwest of Norseman in Western Australia. Information regarding the Mount Thirsty Project was contained in the ASX announcements by the Company and Fission on 21 April 2008.

Fission will, through its shareholding in Meteore, have an interest in the Mount Thirsty Project, which is focused on nickel-cobalt mining exploration. Exploration by Fission for minerals other than uranium has always been possible, as Fission’s Western Australian tenements (covering an area of approximately 1,300 square kilometres) cover all minerals, including uranium, nickel and cobalt. Fission considers that the activities of Meteore and its interest in the Mount Thirsty Project complement Fission’s existing uranium exploration activities in South Australia and Western Australia.

Following Fission’s acquisition of Meteore, Fission will continue with its uranium exploration activities. As announced to the market on 14 April 2008, Fission has commenced its uranium drilling programme at Garford, and upon completion of that project will resume drilling at Wynbring. Fission also intends to pursue its other objectives as set out in its IPO Prospectus dated 11 April 2007.

Each Agreement (including the Agreement with Standard Nickel) is subject to and conditional upon, among other things, each of the following conditions (the **Conditions**) being met:

1. Fission must be satisfied, in its sole and absolute discretion, with its own due diligence of Meteore and Meteore’s affairs and the transactions contemplated by the Agreement on or before 5.00pm WST, 29 April 2008.

2. Shareholders of Meteore holding at least 50.1% of the ordinary fully paid shares of Meteore, when aggregated with the shares the subject of each Agreement, also entering into an agreement for the sale of all of their ordinary fully paid shares in Meteore by 5.00pm WST, 18 April 2008.

3. The total liabilities of Meteore, as at the date of execution of each Agreement, not exceeding $393,000.00.

4. Fission obtaining member approval by 4 July 2008 to:
4.1 the purchase by Fission of the ordinary fully paid Meteore shares the subject of the Agreement, and any other ordinary fully paid Meteore shares the subject of any further share sale agreements executed by Fission, upon and in accordance with the terms and conditions of the Agreement to the extent required by, and in accordance with, the Act and the Rules (including, without limitation, Rule 11);

4.2 the issue of Shares in Fission, to raise a minimum of $3,392,000.00 by way of placements to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) or 708(11) of the Act); and

4.3 the issue of Shares to the party who introduced Fission to the transaction contemplated by the Agreement,

and otherwise complying with all of the requirements of the Act, the Rules and any requirements of the ASX.

5. Fission raising not less than $3,392,000.00 by way of Share placements to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) or 708(11) of the Act) by 4 July 2008.

Fission has paid a deposit under each Agreement. In the case of the Agreements with all of the Meteore ordinary shareholders other than Standard Nickel, an instalment towards the purchase price is payable by Fission at the settlement of each Agreement, and following settlement Fission must pay further instalments on 29 August 2008 and 15 December 2008. In the case of the Agreement with Standard Nickel, at settlement of that Agreement the deposit paid by Fission under that Agreement will be refundable to the Company and Fission will issue Standard Nickel with 9,520,000 Shares.

Settlement under each Agreement will occur 5 business days after all of the Conditions have been satisfied or waived by Fission, or on any other date that the parties to the Agreement may agree. The shares the subject of each Agreement will be held in escrow after settlement pending full payment by Fission of all post-settlement purchase price instalments.

Fission has carried out appropriate due diligence investigations in relation to Meteore and Meteore’s affairs and liabilities, and the transactions contemplated by the Agreements, and is satisfied with the results of those investigations. Condition 2 above has also been satisfied.

If member approval of Resolution 1 is not obtained, Fission will not purchase Standard Nickel’s Meteore shares (with the effect that Fission will then only be able to acquire up to 76.2% of Meteore’s total issued ordinary fully paid share capital).

The Act

Part 2E.1 of the Act regulates the provision of “financial benefits” by public companies. Both the Company and Fission are public companies. The Company, as at the date of this Extraordinary General Meeting, holds 25,000,000 Shares in Fission out of a total issued share capital of 65,000,006 (representing 38.5% of the issued Share capital of Fission) and 25,000,000 options out of a total of 41,999,994 options (excluding options issued under Fission’s employee share option plan) and the Company and Fission have the same directors.

Section 208(1) of the Act provides that an entity that a public company controls can only give a financial benefit to a “related party” of the public company if it obtains the approval of the public company’s members in accordance with the procedures set out in Part 2E.1 of the Act.

Section 208(1) of the Act will therefore require the approval of the Company’s members in order for Fission to give a financial benefit to a related party of the Company, because Fission is an entity controlled by the Company for the purposes of section 50AA of the Act.

Directors of public companies are related parties for the purposes of the Act. Guy Touzeau Le Page is a director, and therefore related party, of the Company. Guy Touzeau Le Page is also a director, and therefore related party, of Fission.
Section 228(4) of the Act provides that an entity controlled by a related party of a public company is also a related party for the purposes of the Act. Guy Touzeau Le Page is a director of Standard Nickel and holds exactly 50% of Standard Nickel’s issued ordinary fully paid share capital. Standard Nickel is an entity controlled by Guy Touzeau Le Page for the purposes of section 50AA of the Act, and therefore a related party of both the Company and Fission.

The purchase of an asset from a related party by a public company is deemed by the Act to constitute the giving of a financial benefit to that related party.

In the circumstances, the resolution to purchase Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore will result in Fission, an entity that the Company controls, giving a financial benefit to Standard Nickel, which is a related party of the Company.

The directors of the Company consider that the purchase by Fission of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore would be reasonable in the circumstances if Fission and Standard Nickel were dealing at arm’s length because, among other things, the terms and conditions of the purchase are substantially the same as the terms and conditions of Fission’s purchase of all other Meteore shares, and the purchase price per share of Standard Nickel’s Meteore shares is the same as the purchase price per share of all other Meteore shares (being $0.20 per share) (however, in order to comply with Rule 10.7, Fission is required to pay the consideration by issuing Shares in Fission rather than paying cash). Section 210 of the Act provides an exception to the need to obtain member approval to the giving of a financial benefit to a related party if the financial benefit is given on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arm’s length. However to avoid doubt the Company is seeking member approval for the purposes of Part 2E.1 of the Act. If the approval of the Company’s members is not obtained, Fission will not purchase any of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore.

The purchase of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore will also require the approval of Fission’s members. This approval is to be sought at an extraordinary general meeting of Fission’s members to be held after this Extraordinary General Meeting. If the approval of the members of either the Company or Fission is not obtained, Fission will not purchase any of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore.

As required by Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the members of the Company sufficient information to determine whether or not they should approve this resolution:

1. The proposed financial benefit will be given to Standard Nickel. Standard Nickel is a company controlled by Guy Touzeau Le Page, who is a director of the Company and Fission.
2. The nature of the financial benefit is 9,520,000 Shares in Fission in consideration for the purchase by Fission of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore.
3. Directors, Gregory Howard Solomon and Douglas Howard Solomon, recommend that members approve this resolution on the basis that member approval of the purchase by Fission of Standard Nickel’s ordinary fully paid shares in Meteore is necessary to ensure that Fission acquires 100% of Meteore’s current issued ordinary share capital. Guy Touzeau Le Page does not wish to make a recommendation to members about this resolution on the basis that Standard Nickel, a company he controls, has an interest in the resolution’s passage.
4. Guy Touzeau Le Page has an interest in this resolution by virtue of the fact that he controls Standard Nickel for the purposes of section 50AA of the Act.
5. The directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by members to allow them to make a decision whether it is in the best interest of the Company to pass resolution 1.

The Company will disregard any votes cast on Resolution 1 by Standard Nickel and its associates (who are all prohibited from voting).
The Rules

Rule 10.1 provides that an entity must ensure that neither it, nor any of its “child entities”, acquires a “substantial asset” from, or disposes of a “substantial asset” to, a related party without the approval of holders of the entity’s ordinary securities.

Under the Rules, the term related party (in relation to a body corporate) has the same meaning as that set out in section 228 of the Act. Section 228(2) of the Act provides that the directors of a public company are related parties of that public company. Guy Touzeau Le Page is a director, and therefore a related party, of both the Company and Fission.

Section 228(4) of the Act provides that an entity controlled by a related party of a public company is also a related party for the purposes of the Act. Guy Touzeau Le Page is a director of Standard Nickel and holds exactly 50% of the ordinary fully paid share capital of Standard Nickel. Standard Nickel is an entity controlled by Guy Touzeau Le Page for the purposes of section 50AA of the Act, and therefore a related party of both the Company and Fission.

The Rules define child entity as including, in relation to a body corporate, an entity which is controlled by the body corporate within the meaning of section 50AA of the Act. Fission is an entity controlled by the Company for the purposes of section 50AA of the Act.

Rule 10.2 provides than an asset is a substantial asset if its value, or the value of the consideration for it is, or in ASX’s opinion is, 5% or more of the equity interests of the entity acquiring or disposing of it as set out in the latest accounts given to ASX under the Rules. Fission’s most recent half-yearly accounts, which were lodged with ASX on 13 March 2008, show Fission’s total equity as at 31 December 2007 to be $5,891,297.00. The consideration for the purchase by Fission of Standard Nickel’s Meteore shares is $1,904,000.00 (to be satisfied by the issue of 9,520,000 Shares in Fission), which equates to approximately 32.3% of Fission’s equity interests. This is above the 5% threshold set by Rule 10.1.

In the circumstances, Rule 10.1 requires that the purchase by Fission of Standard Nickel’s 9,520,000 Meteore shares be approved by the members of both the Company and Fission. The approval of Fission’s members is to be sought at an extraordinary general meeting to be held after this Extraordinary General Meeting. If the approval of the members of either the Company or Fission is not obtained, Fission will not purchase any of Standard Nickel’s 9,520,000 ordinary fully paid shares in Meteore.

The following information is provided in accordance with Rule 10.10:

1. The Company will disregard any votes cast on Resolution 1 by a party to the transaction, including Standard Nickel, and any associates of any party to the transaction. However, the Company will not disregard a vote if:

   1.1 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

   1.2 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. An independent expert’s report on the Agreement between Fission and Standard Nickel (the subject of this Resolution 1) and the issue of Shares to GT Le Page & Associates Pty Ltd (A.C.N. 082 913 175) (GTLP) (the subject of Resolution 2) is attached to this Explanatory Statement. The report is dated 20 May 2008 and produced by BDO Kendalls Corporate Finance (WA) Pty Ltd. The report states that, in the independent expert’s opinion, these transactions are fair and reasonable to holders of the Company’s ordinary securities whose votes are not to be disregarded on Resolution 1.

Resolution 2 – Issue of shares by Fission to GTLP

Background

Resolution 2 seeks member approval for the purposes of Part 2E.1 of the Act, Chapter 10 of the Rules and for all other purposes, for Fission to issue to GTLP 10,000,000 Shares in consideration of
GTLP introducing Fission to its proposed purchase of ordinary fully paid shares in Meteore, subject to, among other things, the successful acquisition by Fission of not less than 50.1% of Meteore’s total issued ordinary fully paid share capital, and otherwise on the terms and conditions set out in this Explanatory Statement. The introduction of Fission to the proposed purchase of ordinary fully paid shares in Meteore was also facilitated by Tadea Pty Ltd A.C.N. 009 064 233 (Tadea) and, accordingly, in addition to the Shares referred to above, the Company has also agreed to issue 10,000,000 Shares to Tadea. Tasman member approval is not required to the proposed issue of shares in Fission to Tadea.

GTLP has been actively engaged in due diligence on Meteore and the Mount Thirsty Project for more than 12 months and has introduced Fission to the proposed acquisition of Meteore.

The capital structure of Fission as it will stand if the Shares are issued to GTLP is set out below (assuming the issue of Shares to Standard Nickel pursuant to Resolution 1):

<table>
<thead>
<tr>
<th>Shares</th>
<th>65,000,006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current issued Share capital as at the date of this Extraordinary General Meeting</td>
<td></td>
</tr>
<tr>
<td>Issue of Shares to Standard Nickel pursuant to Resolution 1</td>
<td>9,520,000</td>
</tr>
<tr>
<td>Issue of Shares to GTLP pursuant to this Resolution</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Total new issued Share capital</td>
<td>84,520,006*</td>
</tr>
</tbody>
</table>

* In addition, Fission is seeking member approval to issue between 21,200,000 and 42,000,000 Shares to sophisticated and/or professional investors in satisfaction of the Conditions referred to above and to issue 10,000,000 Shares to Tadea (see above).

As at 21 May 2008 (being the day prior to the date of this Explanatory Statement), the closing market price of Fission’s Shares was $0.20. On this basis, the Company estimates that the total value of the 10,000,000 Shares to be issued to GTLP would be approximately $2,000,000.00.

The issue of Shares to GTLP is subject to satisfaction or (if the directors of Fission in their absolute discretion consider it desirable or necessary) waiver by Fission of the Conditions contained in the Agreements to purchase Meteore shares and Fission actually acquiring not less than 50.1% of the Meteore shares.

Upon issuing the Shares to GTLP Fission will, subject to the requirements of the Act, the Rules, and ASX, immediately apply for quotation of the Shares on ASX.

The Act

Part 2E.1 of the Act regulates the provision of “financial benefits” by public companies. Both the Company and Fission are public companies.

Section 208(1) of the Act provides that an entity that a public company controls can only give a financial benefit to a “related party” of the public company if it obtains the approval of the public company’s members in accordance with the procedures set out in Part 2E.1 of the Act.

Section 208(1) of the Act will therefore require the approval of the Company’s members in order for Fission to give a financial benefit to a related party of the Company, because Fission is an entity controlled by the Company for the purposes of section 50AA of the Act.

Directors of public companies are related parties for the purposes of the Act. Guy Touzeau Le Page is a director, and therefore related party, of the Company. Guy Touzeau Le Page is also a director, and therefore related party, of Fission.

Section 228(4) of the Act provides that an entity controlled by a related party of a public company is also a related party for the purposes of the Act. Guy Touzeau Le Page is the sole director of GTLP and holds all of GTLP’s issued ordinary fully paid share capital on trust for his family trust. GTLP is an entity controlled by Guy Touzeau Le Page for the purposes of section 50AA of the Act, and therefore a related party of both the Company and Fission.
The Act deems the issue of shares by a public company to a related party to constitute the giving of a financial benefit to that related party.

In the circumstances, the resolution to issue Shares to GTLP will result in Fission, an entity that the Company controls, giving a financial benefit to GTLP, which is a related party of the Company.

Guy Touzeau Le Page and his associates currently hold 989,212 shares in Fission, or approximately 1.5% of Fission's total Share capital. Following the issue of the 10,000,000 shares to GTLP (and taking into account Fission’s proposed issue of 9,520,000 Shares to Standard Nickel, Fission’s proposed issue of between 21,200,000 and 42,000,000 Shares to sophisticated and/or professional investors and Fission’s proposed issue of 10,000,000 Shares to Tadea) Guy Touzeau Le Page and his associates will hold between approximately 15% and 17.7% of Fission’s total Share capital.

The issue of Shares to GTLP by Fission will also require the approval of Fission’s members. This approval is to be sought at an extraordinary general meeting of Fission’s members to be held after this Extraordinary General Meeting. If the approval of the members of either the Company or Fission is not obtained, the Shares will not be issued to GTLP.

As required by Part 2E.1 of the Act, and in particular section 219 of the Act, the following information is provided to allow the members of the Company sufficient information to determine whether or not they should approve this resolution:

1. The proposed financial benefit will be given to GTLP. GTLP is a company controlled by Guy Touzeau Le Page, who is a director of the Company and Fission.

2. The nature of the financial benefit is the issue to GTLP of 10,000,000 Shares in Fission.

3. Directors, Gregory Howard Solomon and Douglas Howard Solomon, recommend that members approve this resolution on the basis that the Shares are being issued to GTLP in consideration of GTLP introducing Fission to the proposed acquisition of Meteore. Guy Touzeau Le Page does not wish to make a recommendation to members about this resolution on the basis that GTLP, a company he controls, has an interest in the resolution’s passage.

4. Guy Touzeau Le Page has an interest in this resolution by virtue of the fact that the Shares are being issued to GTLP, a company he controls.

5. The directors are not aware of any other information (other than the information contained in this Explanatory Statement) that would be reasonably required by members 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 Resolution 2 by GTLP and its associates (who are all prohibited from voting).

The Rules

Rule 10.1 provides that an entity must ensure that neither it, nor any of its “child entities”, acquires a substantial asset from, or disposes of a substantial asset to, a related party without the approval of holders of the entity’s ordinary securities.

Under the Rules, the term related party (in relation to a body corporate) has the same meaning as that set out in section 228 of the Act. Section 228(2) of the Act provides that the directors of a public company are related parties of that public company. Guy Touzeau Le Page is a director, and therefore a related party, of both the Company and Fission.

Section 228(4) of the Act provides that an entity controlled by a related party of a public company is also a related party for the purposes of the Act. Guy Touzeau Le Page is the sole director of GTLP and holds all of the ordinary fully paid share capital of GTLP on trust for his family trust. GTLP is an entity controlled by Guy Touzeau Le Page for the purposes of section 50AA of the Act, and therefore a related party of both the Company and Fission.

The Rules define child entity as including, in relation to a body corporate, an entity which is controlled by the body corporate within the meaning of section 50AA of the Act. Fission is an entity controlled by the Company for the purposes of section 50AA of the Act.
Whilst the Company does not consider Rule 10.1 to apply to the proposed issue by Fission of Shares to GTLP pursuant to this Resolution 2 (on the basis that the proposed issue by Fission of 10,000,000 Shares to GTLP in consideration of its introduction to Fission of the Meteore transaction neither results in Fission acquiring an asset from, or disposing of an asset to, GTLP), it is seeking member approval for the purposes of Listing Rule 10.1 to avoid any doubt on this issue.

The approval of Fission’s members for the purposes of Rule 10.1 is also being sought at an extraordinary general meeting to be held after the date of this Extraordinary General Meeting. If the approval of the members of either the Company or Fission is not obtained, Fission will not issue the 10,000,000 Shares to GTLP.

The following information is provided in accordance with Rule 10.10:

1. The Company will disregard any votes cast on Resolution 2 by a party to the transaction, including GTLP, and any associates of any party to the transaction. However, the Company will not disregard a vote if:
   1.1 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
   1.2 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. An independent expert's report on the Agreement between Fission and Standard Nickel (the subject of Resolution 1) and the issue of Shares to GTLP (the subject of this Resolution 2) is attached to this Explanatory Statement. The report is dated 20 May 2008 and produced by BDO Kendalls Corporate Finance (WA) Pty Ltd. The report states that, in the independent expert's opinion, these transactions are fair and reasonable to holders of the Company’s ordinary securities whose votes are not to be disregarded on Resolution 2.
FINANCIAL SERVICES GUIDE

AND

INDEPENDENT EXPERT’S REPORT

TASMAN RESOURCES NL

20 May 2008
Financial Services Guide

20 May 2008

BDO Kendalls Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ("BDO Kendalls" or "we" or "us" or "ours" as appropriate) has been engaged by Tasman Resources NL ("Tasman") to provide an independent expert’s report on the proposed acquisition of Meteore Metals Limited by Fission Energy Limited. You will be provided with a copy of our report as a retail client because you are a shareholder of Tasman.

Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

♦ Who we are and how we can be contacted;
♦ The services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
♦ Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
♦ Any relevant associations or relationships we have; and
♦ Our internal and external complaints handling procedures and how you may access them.

Information about us

BDO Kendalls Corporate Finance (WA) Pty Ltd is a member firm of the BDO Kendalls network in Australia, a national association of separate partnerships and entities. The financial product advice in our report is provided by BDO Kendalls Corporate Finance (WA) Pty Ltd and not by BDO Kendalls or its related entities. BDO Kendalls and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO Kendalls (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide expert reports in connection with the financial product of another person. Our reports indicate who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.
Fees, Commissions and Other Benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee for this engagement is approximately $32,000.

Except for the fees referred to above, neither BDO Kendalls, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Other Engagements

BDO Kendalls was appointed to act as the investigating accountant to the proposed ASX listing of Meteore. BDO Kendalls received approximately $9,000 in relation to this.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

We have received a fee from Tasman for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution 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 product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Kendalls Corporate Finance (WA) Pty Ltd, PO Box 7426 Cloisters Square, Perth WA 6850.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Industry Complaints Service Limited ("FICS"). FICS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial service industry. FICS will be able to advise you as to whether or not they can be of assistance in this matter. Our FICS Membership Number is F-5066.

Further details about FICS are available at the FICS website www.fics.asn.au or by contacting them directly via the details set out below.

Financial Industry Complaints Services Limited
PO Box 579
Collins Street West
Melbourne VIC 8007
Toll free: 1300 780 808
Facsimile: (03) 9621 2291
Email: fics@fics.asn.au

Contact details

You may contact us using the details set out at the top of our letterhead on page 1 of this FSG.
# TASMAN RESOURCES NL
## INDEPENDENT EXPERT’S REPORT
### TABLE OF CONTENTS

1. **INTRODUCTION** ................................................................. 1
2. **SUMMARY AND OPINION** .................................................. 1
3. **OUTLINE OF THE TRANSACTION** ....................................... 2
4. **REPORT REQUIREMENTS** .................................................. 4
5. **BASIS OF EVALUATION** .................................................... 4
6. **PROFILE OF TASMAN** ...................................................... 5
7. **PROFILE OF METEORE** .................................................... 8
8. **NICKEL AND COBALT INDUSTRY ANALYSIS** ....................... 11
9. **VALUATION METHODOLOGIES** ........................................... 15
10. **VALUATION OF METEORE** ............................................... 17
11. **VALUATION OF THE CONSIDERATION PAYABLE** ...................... 19
12. **IS THE TRANSACTION FAIR?** ............................................. 22
13. **OTHER CONSIDERATIONS** ............................................... 22
14. **IS THE TRANSACTION REASONABLE?** ................................. 22
15. **POSITION IF TRANSACTION IS ACCEPTED** ............................. 23
16. **CONCLUSION** ................................................................. 24
17. **SOURCES OF INFORMATION** ............................................. 24
18. **INDEPENDENCE** ............................................................... 24
19. **QUALIFICATIONS** ............................................................. 25
20. **DISCLAIMERS AND CONSENTS** ........................................ 25

Appendix One – Glossary

Appendix Two – Independent Geologist Report prepared by 189 Projects Pty Ltd
20 May 2008

Tasman Resources NL
Level 40, Exchange Plaza
2 The Esplanade
Perth, WA 6000

Dear Sirs

INDEPENDENT EXPERT’S REPORT – TASMAN RESOURCES NL

1. INTRODUCTION

BDO Kendalls Corporate Finance (WA) Pty Ltd (“BDO Kendalls”) has been engaged by Tasman Resources NL (“Tasman”) to prepare an Independent Expert’s Report (“our Report”) to express an opinion as to whether or not the proposed acquisition of shares in Meteore Metals Limited (“Meteore”) by its child entity, Fission Energy Limited (“Fission”), from Standard Nickel Pty Ltd and the issue of shares by Fission to GT Le Page and Associates Pty Ltd (“GT Le Page and Associates”) (“the Transaction”) is fair and reasonable to non-associated shareholders of Tasman (“Shareholders”).

Our Report is to be included in the Explanatory Memorandum for Tasman to be sent to all Shareholders to assist them in deciding whether to accept or reject the Transaction.

2. SUMMARY AND OPINION

2.1 Opinion

We have considered the terms of the Transaction as outlined in the body of this report and have concluded that the Transaction is fair and reasonable to Shareholders.

We believe that the Directors would be justified in recommending that Shareholders vote in favour of the Transaction.

2.2 Fairness

In Section 10 we determined the value of Meteore and in section 11.3 we determined the value of the consideration paid by Fission for Meteore. As our preferred valuation of Meteore is higher than the consideration payable we have considered the Transaction as fair.

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Preferred</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of Meteore (Section 10)</td>
<td>1,474,077</td>
<td>20,324,077</td>
<td>55,894,077</td>
</tr>
<tr>
<td>Consideration payable by Fission (Section 11.3)</td>
<td>10,819,200</td>
<td>10,819,200</td>
<td>10,819,200</td>
</tr>
</tbody>
</table>
The above valuation ranges are graphically presented as follows:

The above pricing indicates that the Transaction is fair for Shareholders based on the preferred valuation of Meteore.

2.3 Reasonableness

We have considered the analysis in Sections 13 and 15 of this report, in terms of both

- Advantages and disadvantages of the Transaction; or
- alternatives, including the position of Shareholders if the Transaction does not proceed.

In our opinion, the position of Shareholders if the Transaction proceeds is more advantageous than the position if the Transaction does not proceed. Accordingly, we believe that the Transaction is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

<table>
<thead>
<tr>
<th>ADVANTAGES AND DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section</td>
</tr>
<tr>
<td>15.1.1</td>
</tr>
<tr>
<td>15.1.2</td>
</tr>
<tr>
<td>15.1.3</td>
</tr>
<tr>
<td>15.1.4</td>
</tr>
</tbody>
</table>

3. OUTLINE OF THE TRANSACTION

On 21 April 2008, Fission announced that it had signed Sale and Purchase Agreements on 18 April 2008 to acquire all of the issued capital in Meteore. The general meeting that will be held on or around 30 June 2008 will consider two resolutions. These two resolutions have been summarised below.

Resolution One is for the approval of the purchase of 9,520,000 Meteore shares by Fission from Standard Nickel Pty Limited (“Standard Nickel”) (“Resolution 1”). Guy Le Page is a director of Standard Nickel.

Resolution Two is in relation to the issue of 10,000,000 shares to GT Le Page and Associates in consideration for introducing Fission to the proposed purchase of all the
ordinary fully paid shares in Meteore ("Resolution 2"). The introduction of Fission to the proposed purchase of all ordinary fully paid shares in Meteore was also facilitated by Tadea Pty Ltd and Fission will therefore also be seeking approval to issue 10,000,000 Shares to Tadea Pty Ltd in consideration thereof. The approval of the Company’s members is not needed in order for Fission to issue these Shares to Tadea Pty Ltd.

Fission intends to ratify a placement of 8,000,000 Fission shares to sophisticated and professional investors at $0.16 a share and conduct a further placement of between 21,200,000 to 42,000,000 shares at $0.16.

The capital structure of Fission after the Transaction has been summarised as below.

<table>
<thead>
<tr>
<th>Number of Shares</th>
<th>Pre Transaction Share Structure</th>
<th>Post Transaction Share Structure – Low</th>
<th>Post Transaction Share Structure – High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Current Fission Shareholders</td>
<td>57,000,006</td>
<td>100.00</td>
<td>57,000,006</td>
</tr>
<tr>
<td>GT Le Page and Associates Pty Ltd</td>
<td>~</td>
<td>~</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Tadea Pty Ltd</td>
<td>~</td>
<td>~</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Standard Nickel</td>
<td>~</td>
<td>~</td>
<td>9,520,000</td>
</tr>
<tr>
<td>Placement to sophisticated or professional investors</td>
<td>~</td>
<td>~</td>
<td>8,000,000</td>
</tr>
<tr>
<td>New Shareholders – Placement</td>
<td>~</td>
<td>~</td>
<td>21,200,000</td>
</tr>
<tr>
<td>Total</td>
<td>57,000,006</td>
<td>100.00</td>
<td>115,720,006</td>
</tr>
</tbody>
</table>

As at 1 May 2008, Tasman currently owns 43.86 percent of the Fission shares on issue and has effective control of Fission.
4. REPORT REQUIREMENTS

4.1 ASX Rule 10.1 provides that an entity must ensure that neither it, nor any of its “child entities”, acquires a “substantial assets” from a related party without the approval of shareholders.

4.2 The ASX Rules define child entities as including an entity which is controlled by another entity within the meaning of section 50AA of the Corporations Act 2001. For the purposes of the Transaction, we consider Fission a child entity of Tasman.

4.3 ASX Listing Rule 10.1 requires that a listed entity must obtain shareholders’ approval before it or any of its child entities acquires a substantial asset, when the consideration to be paid on the acquisition constitutes more than 5% of the equity interest of that entity at the date of the last audited accounts.

Listing Rule 10.1 applies where the vendor of the relevant assets is a related party of the listed entity.

For the purposes of the Transaction, Guy Le Page is a director of Tasman, a director of Fission, a director of Standard Nickel Pty Ltd and a director of GT Le Page and Associates. Guy Le Page is also a significant shareholder in both Standard Nickel and GT Le Page and Associates. As Fission will issue Standard Nickel 9,520,000 Fission shares for 9,520,000 Meteore shares if Resolution 1 is approved and Fission will issue GT Le Page and Associates 10,000,000 shares if Resolution 2 is approved Listing Rule 10.1 applies to the Transaction.

4.4 Taking into consideration the above factors, ASX Listing Rule 10.1 requires that the purchase by Fission of Standard Nickel’s 9,520,000 Meteore shares be approved by shareholders of both Tasman and Fission.

4.5 Listing Rule 10.10.2 requires the Notice of Meeting for shareholders’ approval to be accompanied by a report by an independent expert expressing their opinion as to whether the transaction is fair and reasonable to the shareholders whose votes are not to be disregarded in respect of the transaction (“non-associated shareholders”).

Accordingly, an independent experts’ report is required for the acquisition of Meteore shares by Fission from Standard Nickel and for the issue of shares by Fission to GT Le Page and Associates. The report should provide an opinion by the expert stating whether or not the terms and conditions in relation thereto are fair and reasonable to non-associated shareholders of Tasman.

5. BASIS OF EVALUATION

5.1 Regulatory Guidance

In determining whether the Transaction is fair and reasonable, we have had regard to the views expressed by the Australian Securities and Investments Commission (“ASIC”) in Regulatory Guide 111: Content of Expert Reports. This Regulatory Guide suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

In our opinion the Transaction is a control transaction as defined by RG 111 and we have therefore assessed the Transaction to consider whether in our opinion it is fair and reasonable to Shareholders.
5.2 **Adopted Basis of Evaluation**

Having regard to RG 111, BDO Kendalls has completed this comparison in two parts:

- A comparison between the value of Standard Nickel’s shares and the consideration offered by Fission (fairness – see Section 12 “Is the Transaction Fair?”); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolutions, after reference to the value derived above (reasonableness – see Section 14 “Is the Transaction Reasonable?”).

5.3 The Transaction could be considered “reasonable” if there are sufficient reasons to approve the Transaction, notwithstanding that it may not be regarded as “fair” to Shareholders.

6. **PROFILE OF TASMAN**

6.1 **History**

Tasman is an exploration company based in Perth, Western Australia which targets a range of commodities including gold, silver, copper, zinc, lead, nickel, cobalt, platinum and coal.

Tasman has exploration licences in Stuart Shelf around Lake Torrens, near Iron Knob, northwest of Tarcoola in the central Gawler Craton (all in South Australia) and in southwest Queensland.

As at 1 May 2008, Tasman owns 24.40 percent of the ordinary shares on issue of Eden Energy Limited ("Eden") and 43.86 percent of the ordinary shares on issue of Fission. A brief profile of these companies is detailed as below.

6.1.1 **Eden Energy Limited**

Eden Energy Ltd is a diversified clean energy company that listed on the Australian Securities Exchange in May 2006. Eden has interests in hydrogen production, storage & transport fuel systems, including the low emission Hythane hydrogen-methane blend, coal seam & abandoned mine methane in the United Kingdom, conventional gas, low temperature pyrolysis research into hydrogen production and geothermal energy production.

6.2 **Fission Energy Limited**

Fission Energy Limited is a uranium exploration company based in Perth, Western Australia. Fission was incorporated on 18 March 2006. Fission was spun out of Tasman and listed on the Australian Securities Exchange in June 2007 after raising $6 million.

Fission has four uranium projects on the Gawler Craton in South Australia covering a total area of approximately 8,000 square kilometres. Wynbring, Garford and Parkinson Dam are prospective for palaeochannel hosted and other types of uranium deposits. Fission also holds exploration licences over areas on the Yilgarn Craton for sediment-hosted uranium.
6.3 Capital Structure of Fission

6.3.1 Capital Structure - Shares

The capital structure of Fission as at 1 May 2008 was as follows:

<table>
<thead>
<tr>
<th>Ordinary Shares</th>
<th>1 May 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ordinary Shares on Issue</td>
<td>57,000,006</td>
</tr>
<tr>
<td>Top Twenty Shareholders – Ordinary Shares</td>
<td>35,017,392</td>
</tr>
<tr>
<td>Top Twenty Shareholders - % of Ordinary Shares on Issue</td>
<td>61.43</td>
</tr>
</tbody>
</table>

*Source: Fission Share Registry report as at 1 May 2008*

The spread of Fission shareholders as at 1 May 2008 was as follows:

<table>
<thead>
<tr>
<th>Range of Shares Held</th>
<th>No. of Ordinary Shareholders</th>
<th>No. of Ordinary Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-1,000</td>
<td>5</td>
<td>561</td>
</tr>
<tr>
<td>1,001-5,000</td>
<td>78</td>
<td>261,350</td>
</tr>
<tr>
<td>5,001-10,000</td>
<td>232</td>
<td>2,249,964</td>
</tr>
<tr>
<td>10,001-100,000</td>
<td>408</td>
<td>14,477,434</td>
</tr>
<tr>
<td>100,001 – and over</td>
<td>53</td>
<td>40,010,697</td>
</tr>
<tr>
<td>TOTAL</td>
<td>776</td>
<td>57,000,006</td>
</tr>
</tbody>
</table>

*Source: Fission Share Registry report as at 1 May 2008*

The number of shares held by the most substantial shareholders as at 1 May 2008 is detailed below:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Ordinary Shares</th>
<th>% Shares Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tasman Resources NL</td>
<td>25,000,000</td>
<td>43.86</td>
</tr>
<tr>
<td>RBC Dexia Investors Services Australia Nominees Pty Limited</td>
<td>2,016,712</td>
<td>3.53</td>
</tr>
<tr>
<td>Mr Miguel Rodolfo Laborde</td>
<td>1,319,440</td>
<td>2.31</td>
</tr>
<tr>
<td>Taycol Nominees Pty Ltd</td>
<td>1,250,000</td>
<td>2.19</td>
</tr>
</tbody>
</table>

*Source: Fission Share Registry report as at 1 May 2008*

6.3.2 Capital Structure - Options

<table>
<thead>
<tr>
<th>Options</th>
<th>1 May 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Options on Issue</td>
<td>28,499,994</td>
</tr>
<tr>
<td>Top Twenty Shareholders – Options</td>
<td>20,000,410</td>
</tr>
<tr>
<td>Top Twenty Shareholders - % of Options on Issue</td>
<td>70.17%</td>
</tr>
</tbody>
</table>

*Source: Fission Option Registry report as at 1 May 2008*

The spread of Fission optionholders as at 1 May 2008 was as follows:

<table>
<thead>
<tr>
<th>Range of Options Held</th>
<th>No. of Ordinary Optionholders</th>
<th>No. of Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-1,000</td>
<td>10</td>
<td>8,793</td>
</tr>
<tr>
<td>1,001-5,000</td>
<td>205</td>
<td>862,331</td>
</tr>
<tr>
<td>5,001-10,000</td>
<td>94</td>
<td>780,112</td>
</tr>
<tr>
<td>10,001-100,000</td>
<td>193</td>
<td>6,005,848</td>
</tr>
<tr>
<td>100,001 – and over</td>
<td>28</td>
<td>20,842,910</td>
</tr>
<tr>
<td>TOTAL</td>
<td>530</td>
<td>28,499,994</td>
</tr>
</tbody>
</table>

*Source: Fission Share Registry report as at 1 May 2008*
The number of Options held by the most substantial option holders as at 1 May 2008 is detailed below:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Options</th>
<th>% Options Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tasman Resources NL</td>
<td>12,500,000</td>
<td>43.86</td>
</tr>
<tr>
<td>Taycol Nominees Pty Ltd</td>
<td>1,524,911</td>
<td>5.35</td>
</tr>
<tr>
<td>Mousetrap Nominees Pty Ltd</td>
<td>800,000</td>
<td>2.81</td>
</tr>
<tr>
<td>Wobbly Investments Pty Ltd</td>
<td>632,500</td>
<td>2.22</td>
</tr>
</tbody>
</table>

Source: Fission Share Registry report as at 1 May 2008

6.4 Historical Balance Sheet

<table>
<thead>
<tr>
<th>Fission Energy Limited</th>
<th>Reviewed As at 31 December 2007</th>
<th>Audited As at 30 June 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$5,734,490</td>
<td>$5,773,797</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>$22,299</td>
<td>$42,530</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>$5,756,789</td>
<td>$5,816,327</td>
</tr>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>$52,275</td>
<td>$3,024</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>$2,480</td>
<td>$345</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>$292,656</td>
<td>$78,580</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td>$347,411</td>
<td>$81,949</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$6,104,200</td>
<td>$5,898,276</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>$212,903</td>
<td>$110,270</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>$212,903</td>
<td>$110,270</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>$212,903</td>
<td>$110,270</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>$5,891,297</td>
<td>$5,788,006</td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued capital</td>
<td>$6,118,645</td>
<td>$5,853,634</td>
</tr>
<tr>
<td>Accumulated Profits</td>
<td>($227,348)</td>
<td>($65,628)</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>$5,891,297</td>
<td>$5,788,006</td>
</tr>
</tbody>
</table>

6.5 Historical Income Statements

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>203,354</td>
<td>4,243</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>(198,843)</td>
<td>~</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>(3,376)</td>
<td>(131)</td>
</tr>
<tr>
<td>Exploration expenditure written off</td>
<td>(4,018)</td>
<td>~</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>(158,837)</td>
<td>(68,525)</td>
</tr>
<tr>
<td>Loss for period</td>
<td>(161,720)</td>
<td>(64,413)</td>
</tr>
</tbody>
</table>


6.6 Commentary on the Historical Balance Sheet and Historical Income Statement

Fission raised $6,000,000 from an IPO on 18 June 2007. Since listing on the ASX there have been no significant transactions entered into by Fission prior to the proposed Transaction.

Revenue is interest income. Employee benefits expenses relate to the directors and senior management. Administration expenses relate to geologists’ salaries which have been oncharged from Tasman Resources and management fees payable to Princebook for the provision of administrative services.

7. PROFILE OF METEORE

7.1 History

Meteore Metals Limited is a nickel-cobalt oxide exploration company based in Perth, Western Australia. Meteore was incorporated on 7 August 2001 as Select Minerals Pty Ltd (“Select”). On 4 February 2008 Select converted from a proprietary company to a public company and changed its name to Meteore Metals Limited.

Meteore acquired the Mt Thirsty nickel-cobalt project on 27 January 2005 from Shields Contracting Pty Limited (“Shields”), Renwick Nominees Pty Limited and Donald Stephen McManus (“Renwick/McManus”). Meteore paid a consideration of $180,000 with additional consideration to be paid to Shields Contracting Pty Ltd of $375,000 and $125,000 in total to Renwick Nominees Pty Ltd and Donald Stephen McManus at any time prior to a date 7 days after the date upon which Meteore, or its successor or assignee, commences commercial production of any mineral from the area of the tenements.

Meteore manage the Mt Thirsty nickel-cobalt oxide project near Norseman in Western Australia. Further information on the Mt Thirsty project is provided in the independent geologists report prepared by 189 Projects (Appendix 2).

The Company entered into an option agreement with Barra Resources Limited (“Barra”) in December 2006 whereby Barra would provide project exploration funding of $500,000 to earn a 50% interest in Meteore. To complete the agreement Meteore was required to list on the ASX by 1 March 2008. This did not eventuate partly due to the downturn in the market. As
the completion conditions were not met Barra was not entitled to acquire the option shares and Barra acquired a 50 percent undivided interest under a Joint venture arrangement in the Mt Thirsty nickel-cobalt project.

Meteore had 10 million ordinary shares on issue. The Meteore shares were split on the ratio of four for every one currently held on 8 May 2008 such that immediately following the share split the Company had 40 million ordinary shares on issue. Meteore currently has 40 million ordinary shares on issue.

7.2 Capital Structure

The capital structure of Meteore as at 8 May 2008 is outlined below:

<table>
<thead>
<tr>
<th>Details</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Ordinary Shares on Issue</td>
<td>40,000,000</td>
</tr>
<tr>
<td>Top 3 Shareholders</td>
<td>29,320,000</td>
</tr>
<tr>
<td>Top 3 Shareholders - % of shares on issue</td>
<td>73.30%</td>
</tr>
</tbody>
</table>

Source: Meteore Share Registry as 8 May 2008

The range of shares held as at 8 May 2008 is as follows:

<table>
<thead>
<tr>
<th>Range of Shares Held</th>
<th>No of Ordinary Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 1,000</td>
<td>-</td>
</tr>
<tr>
<td>1,001 – 5,000</td>
<td>-</td>
</tr>
<tr>
<td>5,001 – 10,000</td>
<td>-</td>
</tr>
<tr>
<td>10,001 – 100,000</td>
<td>-</td>
</tr>
<tr>
<td>100,001 – 1,000,000</td>
<td>2</td>
</tr>
<tr>
<td>1,000,001 – and over</td>
<td>8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: Meteore Share Registry as 8 May 2008

The ordinary shares held by the most substantial shareholders as at 8 May 2008 is detailed below:

<table>
<thead>
<tr>
<th>Name</th>
<th>No of Ordinary Shares Held</th>
<th>Percentage of Issued Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Joseph Andreazza</td>
<td>12,760,000</td>
<td>31.90%</td>
</tr>
<tr>
<td>Standard Nickel Pty Ltd</td>
<td>9,520,000</td>
<td>23.80%</td>
</tr>
<tr>
<td>Michael Anthony Warner</td>
<td>7,040,000</td>
<td>17.60%</td>
</tr>
<tr>
<td>Total Top 3</td>
<td>29,320,000</td>
<td>73.30%</td>
</tr>
<tr>
<td>Others</td>
<td>10,680,000</td>
<td>26.70%</td>
</tr>
<tr>
<td>Total Ordinary Shares on Issue</td>
<td>40,000,000</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: Meteore Share Registry as 8 May 2008
### 7.3 Historical Balance Sheet

| Meteore Metals Limited | Unaudited As at | | Unaudited As at | |
|------------------------|-----------------|-----------------|
|                        | 31 March 2008   | 30 June 2007    |
| **CURRENT ASSETS**     |                 |                 |
| Cash and cash equivalents | 1,273          | 726             |
| Trade and other receivables | 3,331          | 1,912           |
| **TOTAL CURRENT ASSETS** | 4,604           | 2,638           |
| **NON-CURRENT ASSETS** |                 |                 |
| Exploration and evaluation expenditure | 309,005 | 308,728 |
| Intangible assets | 2,272  | - |
| **TOTAL NON-CURRENT ASSETS** | 311,277 | 308,728 |
| **TOTAL ASSETS** | 315,881 | 311,366 |
| **CURRENT LIABILITIES** |                 |                 |
| Trade and other payables | 25,030 | 13,890 |
| Related party payables | 95,745 | 53,388 |
| **TOTAL CURRENT LIABILITIES** | 120,775 | 67,278 |
| **NON-CURRENT LIABILITIES** |                 |                 |
| Related Party Payables | 282,025 | 282,025 |
| **TOTAL NON-CURRENT LIABILITIES** | 282,025 | 282,025 |
| **TOTAL LIABILITIES** | 402,800 | 349,303 |
| **NET ASSETS** | (86,919) | (37,937) |
| **EQUITY** |                 |                 |
| Issued capital | 100 | 100 |
| Accumulated Profits | (87,019) | (38,037) |
| **TOTAL EQUITY** | (86,919) | (37,937) |

*Source: Meteore March 2008 and June 2007 Management accounts.*
7.4 Historical Income Statements

<table>
<thead>
<tr>
<th>Metore Metals Limited</th>
<th>Unaudited Nine months to 31 March 2008</th>
<th>Unaudited for the year ended 30 June 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>857</td>
<td>273</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal costs</td>
<td>34,782</td>
<td>8,820</td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>4,479</td>
<td>8,753</td>
</tr>
<tr>
<td>Travel costs</td>
<td>4,632</td>
<td>4,461</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>5,946</td>
<td>8,355</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>49,839</td>
<td>30,389</td>
</tr>
<tr>
<td><strong>Loss for period</strong></td>
<td>(48,982)</td>
<td>(30,116)</td>
</tr>
</tbody>
</table>

Source: Metore March 2008 and June 2007 Management accounts.

7.5 Commentary on the Historical Balance Sheet and Historical Income Statement

Exploration assets are in relation to exploration assets at the Mt Thirsty Nickel-Cobalt project.

8. Nickel and Cobalt Industry Analysis

8.1 Nickel in Australia and Western Australia

World production of Nickel is 1,660,000 tonnes per year of which Australia produces approximately one eighth. More than 90 percent of Australia’s resources occur in Western Australia. Western Australia has about 11 percent of the world economic nickel resources and is ranked third after Russia and Canada. The Mt Thirsty Nickel-Cobalt project is situated approximately 20 km from Norseman in Western Australia.

8.2 Cobalt in Australia and Western Australia

Cobalt is largely a copper and nickel mining by-product, with annual production rarely exceeding 65,000 tons, of which Western Australia produces approximately 20 percent. Cobalt is now found in a growing range of rechargeable batteries, super alloys such as turbine blades in jet engines, chemicals such as dyes and pigments, wear resistant alloys, catalysts including gas-to-liquid converters, and high performance magnets.

8.3 Historical nickel prices

The price of nickel has experienced volatility over the last twenty years. In the first half of the 1990s the economic collapse of the former “Eastern Bloc” countries resulted in a surge of nickel exports that drove nickel prices lower than the cash costs of production resulting in the reduced nickel production in the “West”.

Until 2003 the nickel cash price remained below US$10,000 per tonne. The price breached US$14,000 per tonne in 2005 and then escalated dramatically through 2006 before peaking at an average of US$52,179 per tonne in May 2007.

The nickel market registered a deficit of about 44,000 tonnes in 2006, but this cannot explain the degree of price escalation through 2007. The collapse of the nickel price to an average of
US$27,652 in August 2007 would seem to indicate that speculative investment as well as strong market fundamentals played a part in the price bubble.

The cash nickel price per the London Metal Exchange on Monday 5 May 2008 was USD$27,595 per tonne (AUD$29,540).

**10 Year Nickel Price History**

![10 Year Nickel Price History Chart](chart.jpg)

*Source: Bloomberg*
8.4  **Historical Cobalt Prices**

Speculative buying and consumer demand in the face of supply constraints in the Democratic Republic of Congo (DRC) and the depletion of US government’s and former Soviet Union’s stockpiles saw the price for the metal surging over 60% in 2007, the highest since a modern market for cobalt trading was established in 1978.

Since the early 1990s, cobalt prices had been held down by sales of the US government’s stockpiles, and low grade cobalt material from the former Soviet Union, which have largely depleted.

The cobalt market is currently tight, with producer stocks either said to be sold out or running low, resulting in BHP Billiton and Russia’s Norilsk Nickel repeatedly increasing offer prices at every sale.

At the beginning of 2007, the average offer spread cobalt price stood at about US$25 per pound, an increase of about US$12 per pound from the beginning of 2006. The price soared to US$40.25 at the end of the year due to surging demand for batteries for mobile phones and hybrid cars as well as supply constraints following a moratorium on the export of raw concentrates from the DRC in October. Prices peaked in March 2008 at US$52.50 per pound.

**10 Year Cobalt Price History**

![Cobalt Price Graph]

*Source: Bloomberg*
8.5 Outlook Nickel

The nickel price is expected to remain around US$27,000 for the remainder of 2008. According to the chart below obtained from market information surveyed from Bloomberg the market expects the nickel price to decrease further over the next three years.

Nickel Forecast

Source: Bloomberg

8.6 Outlook Cobalt

The cobalt price is expected to remain around US$30 per pound for the remainder of 2008. According to the chart below obtained from market information surveyed from Bloomberg the market expects the cobalt price to decrease over the next three years.

Cobalt Forecast

Source: Bloomberg
9. **VALUATION METHODOLOGIES**

9.1 Methodologies commonly used for valuing assets and businesses are as follows:

9.1.1 **Capitalisation of future maintainable earnings ("FME")**

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ("EBIT") or earnings before interest, tax, depreciation and amortisation ("EBITDA"). The capitalisation rate or "earnings multiple" is adjusted to reflect which base is being used for FME.

9.1.2 **Discounted future cash flows ("DCF")**

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

9.1.3 **Net tangible asset value on a going concern basis ("NTA")**

Asset based methods estimate the market value of an entity’s securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.
Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity’s valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity’s value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when entities are not profitable, a significant proportion of the entity’s assets are liquid or for asset holding companies.

### 9.1.4 Past Expenditure Method (“PEM”)

The Past Expenditure method is a method of valuing exploration assets in the resources industry. It is applicable for areas which are at too early a stage of prospectivity to justify the use of alternative valuation methods such as DCF. The Past Expenditure method is often referred to as the Multiple of Exploration Expenditure method.

Past expenditure, or the amount spent on exploration of a tenement, is commonly used as a guide in determining value. The assumption is that well directed exploration adds value to a property. This is not always the case and exploration can also downgrade a property. The Prospectivity Enhancement Multiplier (“PEM”) which is applied to the effective expenditure therefore commonly ranges from 0.5 to 3.0. The PEM generally falls within the following ranges:

- 0.5 to 1.0 where work to date or historic data justifies the next stage of exploration;
- to 2.0 where strong indications of potential for economic mineralisation have been identified; and
- to 3.0 where ore grade intersections or exposures indicative of economic resources are present.

### 9.1.5 Quoted Market Price Basis

Another alternative valuation approach that can be used in conjunction with (or as a replacement for) any of the above methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a “deep” market in that security.

### 9.2 Valuation Approach Adopted

#### 9.2.1 Valuation of the Meteore shares

A history of positive earnings is required for the Future Maintainable Earnings (“FME”) methodology to be appropriate to be used in the valuation of a company. Meteore does not have a recent history of positive earnings, therefore we have been unable to use the FME methodology in our valuation of the Meteore.
Discounted Cash Flow ("DCF") valuations require reliable forecast cash flows to be prepared, generally for five or more years. We have not been provided with forecast cash flows for the Company and therefore are unable to use this valuation method.

We have selected the net tangible asset ("NTA") value on a going concern basis as the valuation methodology as a large proportion of Meteore’s assets are made up of liquid assets, being cash and cash equivalents.

We have reviewed the balance sheet of Meteore and have noted that there are no values assigned to the tenement portfolios held by Meteore. We have appointed an independent geologist, 189 Projects Pty Ltd to value these tenements and have included this valuation within our NTA asset calculations. We have included the 189 Projects Pty Ltd report as Appendix 2 to our Report.

9.2.2 Calculation of the Consideration Payable

The consideration payable consists of two components:

(a) consideration payable to the shareholders of Meteore for their Meteore shares being cash of $6,096,000 payable by Fission to all Meteore shareholders other than Standard Nickel and 9,520,000 Fission shares to be issued to Standard Nickel; and

(b) a Fission share component payable to GT Le Page & Associates and Tadea.

In consideration of the valuation of the share component payable to Standard Nickel, Tadea and GT Le Page and Associates we have considered the ASX share price of Fission, as Fission is a listed company and compared this to the placement price at which Fission will issue shares to sophisticated and professional investors.

10. Valuation of Meteore

189 Projects Pty Ltd ("189 Projects") has prepared an independent specialist valuation of the mineral assets of Meteore. We have relied upon their valuation, as summarised below and included it as Appendix 2 to this report.

10.1 Independent Valuation of the Exploration Assets of Meteore

The independent specialist valuation provides the following valuations for the tenements owned by Meteore:

<table>
<thead>
<tr>
<th>Valuation</th>
<th>Min $ million</th>
<th>Max $ million</th>
<th>Preferred $ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation of Meteore</td>
<td>1.87</td>
<td>56.29</td>
<td>20.72</td>
</tr>
</tbody>
</table>

The above table shows the valuation of the mineral assets of Meteore to be in the range of $1.87 million and $56.29 million with a preferred value of $20.72 million.

10.2 Technical Valuation methodology

For the valuation methodologies used in the valuation of the mineral assets held by Meteore refer to the independent specialist valuation report in Appendix 2.
10.3 Proforma Balance Sheet of Meteore

We have obtained a balance sheet of Meteore as at 31 March 2008. We have confirmed with the directors that there have been no significant transactions that have occurred between 31 March 2008 to the date of this report.

<table>
<thead>
<tr>
<th></th>
<th>Unaudited</th>
<th>Low</th>
<th>Preferred</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meteore</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td>As at</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>31-Mar-08</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,273</td>
<td>1,273</td>
<td>1,273</td>
<td>1,273</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>3,331</td>
<td>3,331</td>
<td>3,331</td>
<td>3,331</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>4,604</td>
<td>4,604</td>
<td>4,604</td>
<td>4,604</td>
</tr>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangibles</td>
<td>2,273</td>
<td>2,273</td>
<td>2,273</td>
<td>2,273</td>
</tr>
<tr>
<td>Exploration and evaluation expenditure</td>
<td>309,004</td>
<td>1,870,000</td>
<td>20,720,000</td>
<td>56,290,000</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td>311,277</td>
<td>1,872,273</td>
<td>20,722,273</td>
<td>56,292,273</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>315,881</td>
<td>1,876,877</td>
<td>20,726,877</td>
<td>56,296,877</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors</td>
<td>25,030</td>
<td>25,030</td>
<td>25,030</td>
<td>25,030</td>
</tr>
<tr>
<td>Related party payables</td>
<td>95,745</td>
<td>95,745</td>
<td>95,745</td>
<td>95,745</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>120,775</td>
<td>120,775</td>
<td>120,775</td>
<td>120,775</td>
</tr>
<tr>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans from Directors</td>
<td>282,025</td>
<td>282,025</td>
<td>282,025</td>
<td>282,025</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td>282,025</td>
<td>282,025</td>
<td>282,025</td>
<td>282,025</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>402,800</td>
<td>402,800</td>
<td>402,800</td>
<td>402,800</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>-86,919</td>
<td>1,474,077</td>
<td>20,324,077</td>
<td>55,894,077</td>
</tr>
</tbody>
</table>

Source: Unaudited management accounts as 31 March 2008 and BDO Kendalls Corporate Finance Analysis

We have made an adjustment in regards to the exploration and evaluation expenditure. We have substituted the book value of $309,004 for the low, preferred and high valuations prepared by 189 Projects in section 10.1.

In our assessment, the value of the net assets of Meteore is between $1,474,077 and $55,894,077 with our preferred valuation being $20,324,077.
11. VALUATION OF THE CONSIDERATION PAYABLE

As outlined in Section 3, Fission will be paying $6,906,000 in cash and issuing 9,520,000 Fission shares to the shareholders of Meteore for their shares in Meteore, if the Transaction is approved. The cash component of the total consideration is payable to all of the shareholders of Meteore other than Standard Nickel. The share component of the total consideration will be issued to Standard Nickel (as ASX Listing Rule 10.7 does not permit cash to be paid to Standard Nickel for its shares in Meteore). Fission will also be issuing 10,000,000 shares to Tadea and 10,000,000 shares to GT Le Page and Associates for their assistance in the Transaction.

11.1 Cash Component

We have noted that the cash component will be paid based on the following timetable:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount Payable ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Execution of the Sale Agreement</td>
<td>304,800</td>
</tr>
<tr>
<td>Settlement Date – being five business days after the satisfaction or waiver of all the contract conditions</td>
<td>2,895,600</td>
</tr>
<tr>
<td>29 August 2008</td>
<td>1,447,800</td>
</tr>
<tr>
<td>15 December 2008</td>
<td>1,477,800</td>
</tr>
<tr>
<td>Total Consideration Payable in cash</td>
<td>6,096,000</td>
</tr>
</tbody>
</table>

Given the short timeframe over which the elements of the consideration are payable, we have not discounted the consideration to reflect its present value.

11.2 Share Component

To determine the value of a Fission share we have considered the recent share market trading activity of Fission prior to the announcement of the Transaction and the proposed placement price of any Fission share issues.

11.2.1 Placement Price

We have noted that Fission will ratify a placement of 8,000,000 shares and will conduct a placement of between 21,200,000 to 42,000,000 shares at $0.16 a share. On this basis, there is an implied value of a Fission share of $0.16 a share.

11.2.2 ASX Market Prices for Fission Securities

To provide a comparison to the valuation of a Fission share in Section 11.2.1, we have also assessed the market price for Fission shares.
The following chart provides a summary of the share price movement over the year to 18 April 2008, which is the last trading day prior to the announcement of the Transaction.

Source: Bloomberg

The daily price of Fission shares from 16 June 2007 (the first day Fission was listed on the ASX) to 18 April 2008 (last trading day prior to announcement of the Transaction) has ranged from a high of $0.25 on 19 July 2007 to a low of $0.08 on 8 February 2008.

To provide further analysis of the market prices for Fission shares, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 18 April 2008.

<table>
<thead>
<tr>
<th>Share Price per unit</th>
<th>18 April 2008</th>
<th>10 Days</th>
<th>30 Days</th>
<th>60 Days</th>
<th>90 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing price</td>
<td>0.105</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted Average price</td>
<td>0.0995</td>
<td>0.0987</td>
<td>0.0997</td>
<td>0.1110</td>
<td></td>
</tr>
</tbody>
</table>

Source: Bloomberg

The above weighted average prices are prior to the date of the announcement of the Transaction, to avoid the influence of any increase in price of Fission shares that has occurred since the Transaction was announced.

<table>
<thead>
<tr>
<th></th>
<th>Low ($)</th>
<th>High ($)</th>
<th>Cum Vol</th>
<th>% Iss cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Trading Day</td>
<td>0.1050</td>
<td>0.1050</td>
<td>~</td>
<td>0.00%</td>
</tr>
<tr>
<td>10 Trading Days</td>
<td>0.0980</td>
<td>0.1050</td>
<td>95,000</td>
<td>0.17%</td>
</tr>
<tr>
<td>30 Trading Days</td>
<td>0.0980</td>
<td>0.1100</td>
<td>595,644</td>
<td>1.04%</td>
</tr>
<tr>
<td>60 Trading Days</td>
<td>0.0870</td>
<td>0.1200</td>
<td>1,074,255</td>
<td>1.88%</td>
</tr>
<tr>
<td>90 Trading Days</td>
<td>0.0870</td>
<td>0.1250</td>
<td>3,496,131</td>
<td>6.13%</td>
</tr>
<tr>
<td>180 Trading Days</td>
<td>0.0870</td>
<td>0.1600</td>
<td>8,022,007</td>
<td>14.07%</td>
</tr>
<tr>
<td>1 Year</td>
<td>0.0870</td>
<td>0.2500</td>
<td>21,933,116</td>
<td>38.48%</td>
</tr>
</tbody>
</table>

Source: Bloomberg

From our analysis above, we have noted that Fission is a relatively illiquid stock when compared to stock listed in the S&P ASX 200. Low liquidity companies are often
traded at a discount to comparable companies with higher liquidity. This is due to the fact that there often large spreads between the buy and the sell price.

Our assessment of the share price based on quoted market price is between $0.10 and $0.11

11.2.3 Share Component Valuation

<table>
<thead>
<tr>
<th>Valuation</th>
<th>Value per Share (cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Placement Price (Section 11.2.1)</td>
<td>Low: 16.00, High: 16.00</td>
</tr>
<tr>
<td>ASX market prices (Section 11.2.2)</td>
<td>Low: 10.00, High: 11.00</td>
</tr>
</tbody>
</table>

Given the illiquidity of the ASX market prices we have preferred the placement price as we consider that this better represents the market value of Fission shares.

The consideration being offered to Standard Nickel is 9,520,000 ordinary Fission shares. The consideration offered to Tadea Pty Ltd and GT Le Page and Associates is 10,000,000 ordinary Fission shares each.

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Nickel</td>
<td>9,520,000</td>
</tr>
<tr>
<td>Tadea Pty Ltd</td>
<td>10,000,000</td>
</tr>
<tr>
<td>GT Le Page and Associates Pty Ltd</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Total Fission Shares Issued by Fission</td>
<td>29,520,000</td>
</tr>
<tr>
<td>Value per Fission Share</td>
<td>16 cents</td>
</tr>
<tr>
<td>Total Consideration Payable in Shares</td>
<td>$4,723,200</td>
</tr>
</tbody>
</table>

The total consideration payable in shares is $4,723,200.

11.3 Assessment of the Consideration Payable by Fission

<table>
<thead>
<tr>
<th>Consideration</th>
<th>($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Consideration Payable in Cash (section 11.1)</td>
<td>6,096,000</td>
</tr>
<tr>
<td>Total Consideration Payable in Shares (section 11.2.3)</td>
<td>4,723,200</td>
</tr>
<tr>
<td>Total Consideration Payable</td>
<td>10,819,200</td>
</tr>
</tbody>
</table>

The total consideration payable by Fission if it acquires all the Meteore shares on issue is $10,819,200.
12. **IS THE TRANSACTION FAIR?**

<table>
<thead>
<tr>
<th></th>
<th>Value per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Value of Meteore (Section 10)</td>
<td>1,474,077</td>
</tr>
<tr>
<td>Consideration payable by Fission (Section 11.3)</td>
<td>10,819,200</td>
</tr>
</tbody>
</table>

The above table indicates that the preferred value of Meteore exceeds the value of the consideration, and as such the Transaction is fair for Shareholders.

13. **OTHER CONSIDERATIONS**

13.1 **Alternative Proposal**

We are unaware of any alternative proposal that might offer the non-associated shareholders of Tasman a premium over the value ascribed to that resulting from the Transaction.

13.2 **Implications of the Proposal not being approved**

If the Transaction is not approved, Tasman and Fission will continue to focus on the existing projects and will continue to seek alternative exploration opportunities.

The closing price of a Fission share at 1 May 2008 was 19.5 cents. This is considerably higher than Fission shares have been trading for some time, reflecting the positive impact the announcement has had on the market. The share price rose by 9 cents (or 85%) following the announcement to 1 May 2008. If the Transaction is not approved the share price may drop back to pre announcement levels. If the share price of Fission decreases, the share price of Tasman is likely to decrease as a result of its shareholdings in Fission.

Furthermore, the volume of Tasman shares being traded has increased significantly since the announcement of the Transaction thus improving the liquidity and therefore marketability of the shares as illustrated in the table below. This is also likely to revert to pre announcement levels if the Transaction is not approved.

<table>
<thead>
<tr>
<th>Date Range - Tasman</th>
<th>Volume of shares traded</th>
<th>Days</th>
<th>Average Daily Trading Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>One month prior to the announcement</td>
<td>2,444,732</td>
<td>21</td>
<td>116,416</td>
</tr>
<tr>
<td>Post announcement – 9 trading days (18 April 08 to 1 May 08)</td>
<td>1,598,397</td>
<td>9</td>
<td>177,600</td>
</tr>
</tbody>
</table>

14. **IS THE TRANSACTION REASONABLE?**

We have considered the position of Shareholders if the Transaction is approved and have taken into account the following advantages and disadvantages in this assessment.

We have assessed that in all cases the advantages and disadvantages of rejecting the Transaction are the inverse of accepting the Transaction. Thus for simplicity of evaluation of the Transaction we have set out the significant factors only in the context of accepting the Transaction.
15. **POSITION IF TRANSACTION IS ACCEPTED**

In accordance with our basis of evaluation (Section 5.2) we have investigated other significant factors to which Tasman shareholders might give consideration prior to approving the Transaction. The matters we have considered are outlined below.

15.1 **Advantages**

15.1.1 **The Transaction is fair**

As set out in section 12 the Transaction is fair. Regulatory Guide 111 states that a Transaction is reasonable if it is fair.

15.1.2 **Exposure to the Mt Thirsty Project held by Meteore**

The mineral assets within Meteore primarily relate to nickel and cobalt. The acquisition of Meteore and its 50 percent interest in the Mt Thirsty Project expose Tasman through its shareholding in Fission to new opportunities it did not have exposure to before the Transaction. Fission will be able to further explore the acquired tenements from Meteore and move into a development phase if there are sufficient mineralisation qualities to justify production.

15.1.3 **Potential for increased Market Capitalisation of Fission**

Fission will be issuing between 58,720,000 to 79,520,000 shares, this will potentially increase the market capitalisation of the Fission. Increased market capitalisation will have several benefits such as an improved ability to receive coverage from investment analysts, access to capital to improve growth prospects and increase liquidity. This may potentially increase the share price of Fission and have the impact of increasing the value of Tasman’s shareholding in Fission.

15.1.4 **Increased Attractiveness of Tasman and Fission Shares**

As at the date of this report, the Fission share price has increased as a result of the announcement of this Transaction. This has had the corresponding effect of increasing the share price of Tasman. If the Transaction is not approved the Fission share price and the Tasman share price may decrease to pre-Transaction levels and Shareholders will experience losses in the value of their Shares.

15.2 **Disadvantages**

15.2.1 **Dilution of Tasman’s shareholding in Fission**

If the Resolutions are approved Fission will issue 9,520,000 shares to Standard Nickel and issues 20,000,000 shares collectively to Tadea and GT Le Page and Associates for introducing the Fission to Meteore. The Transaction also requires the Fission to ratify a placement of 8,000,000 shares and conduct a placement of between 21,200,000 to 42,000,000 shares at 16 cents a share. As a result, Fission has the potential obligation to issue between 58,720,000 to 79,520,000 shares which would dilute the current shareholdings Tasman owns in Fission.

15.2.2 **Increased Funding Pressure**

Fission will be responsible for funding the ongoing exploration and development of Meteore’s 50 percent interest in the Mt Thirsty Project. After the Transaction, Fission will have cash of approximately $4,200,000 to $7,600,000 depending on the funds raised from the placement. There is a risk that Fission may have insufficient funds or resources to adequately progress its current tenement portfolios and the portfolios
acquired under the acquisition of Meteore. This may result in future equity capital raisings being require which may further dilute Tasman's interests in Fission.

15.2.3 Unwanted Diversification of Portfolio

If Fission acquires Meteore it will have a tenement portfolio which covers uranium, nickel and cobalt assets. Shareholders of Tasman who want exposure to the current tenement portfolio Tasman owns may not want additional exposure to the mineral assets of Meteore.

15.2.4 Forecast decreases in Nickel and Cobalt prices

As noted in section 8.5 and 8.6, it is predicted the price of Nickel and Cobalt will decrease in future periods going forward. As Meteore has primarily Nickel and Cobalt mineral assets, decreasing Nickel and Cobalt prices will make the assets less attractive. As a result, if Fission was to acquire Meteore, in future periods, the share price of Fission may be negatively impacted by future movements in Nickel and Cobalt prices. A decrease in Fission's share price will lead to a decrease in the value of Tasman's shareholdings in Fission.

16. CONCLUSION

We have considered the terms of the Transaction as outlined in the body of this report and have concluded that the Transaction is fair and reasonable to the non-associated shareholders.

17. SOURCES OF INFORMATION

This report has been based on the following information:

- financial statements of Meteore and Tasman for the half year ended 31 December 2007 and financial year ended 30 June 2007;
- management accounts of Meteore for 2008 year to date;
- independent geologist report dated 6 May 2008 prepared by 189 Projects Pty Limited;
- the draft Notice of Meeting and Explanatory Memorandum;
- the Sale and Purchase Agreements between Fission and the shareholders of Meteore;
- discussions with the directors and management of Tasman and Fission and other information provided by them; and
- information in the public domain.

18. INDEPENDENCE

BDO Kendalls Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $32,000 (excluding GST and reimbursement of out of pocket expenses). Except for this fee, BDO Kendalls Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Kendalls Corporate Finance (WA) Pty Ltd has been indemnified by Fission and Tasman in respect of any claim arising from BDO Kendalls Corporate Finance (WA) Pty Ltd’s reliance
on information provided by the Fission, Tasman and Meteore, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Kendalls Corporate Finance (WA) Pty Ltd considered its independence with respect to Fission, Tasman and Meteore and any of their respective associates with reference to ASIC Regulatory Guide 112 “Independence of Experts”. In BDO Kendalls Corporate Finance (WA) Pty Ltd’s opinion it is independence of Fission, Tasman and Meteore and their respective associates.

A draft of this report was provided to Tasman and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

19. QUALIFICATIONS

BDO Kendalls Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Kendalls Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Matt Giles of BDO Kendalls Corporate Finance (WA) Pty Ltd. They were supported by the staff of BDO Kendalls Corporate Finance team as required. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales, a Member of the Institute of Chartered Accountants in Australia and a registered company auditor. He has over twenty years experience working in the audit and corporate finance fields with BDO Kendalls and its predecessor firms in London and Perth. He has been responsible for over 70 public company independent expert’s reports under the Corporations Act or ASX Listing Rules. These experts’ reports cover a wide range of industries in Australia.

Matt Giles is a Fellow of the Chartered Association of Certified Accountants in England & Wales and an associate member of the Australian Institute of Chartered Accountants. Matt’s career spans 20 years in the Audit and Assurance and corporate finance areas.

20. DISCLAIMERS AND CONSENTS

This report has been prepared at the request of Tasman for inclusion in the Explanatory Memorandum which will be sent to all Tasman Shareholders. Tasman engaged BDO Kendalls Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the share sale agreement between Fission and Standard Nickel Pty Limited and the proposed issue of shares to GT Le Page and Associates Pty Ltd.

BDO Kendalls Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Explanatory Memorandum. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Kendalls Corporate Finance (WA) Pty Ltd.

BDO Kendalls Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Explanatory Memorandum other than this report.
BDO Kendalls Corporate Finance (WA) Pty Ltd has not independently verified the information and explanations supplied to us, nor has it conducted anything in the nature of an audit of Tasman, Fission or Meteore. However, we have no reason to believe that any of the information or explanations so supplied are false or that material information has been withheld.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Kendalls Corporate Finance (WA) Pty Ltd has no obligation to update this report for events occurring subsequent to the date of this report.

Yours faithfully

BDO KENDALLS CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes
Director

Matt Giles
Director
# Appendix 1 – Glossary of Terms

<table>
<thead>
<tr>
<th>Reference</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASIC</td>
<td>Australian Securities and Investments Commission</td>
</tr>
<tr>
<td>ASX</td>
<td>Australian Securities Exchange</td>
</tr>
<tr>
<td>BDO Kendalls</td>
<td>BDO Kendalls Corporate Finance (WA) Pty Ltd</td>
</tr>
<tr>
<td>DCF</td>
<td>Discounted Future Cash Flows</td>
</tr>
<tr>
<td>EBIT</td>
<td>Earnings before interest and tax</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Earnings before interest, tax, depreciation and amortisation</td>
</tr>
<tr>
<td>EDEN</td>
<td>Eden Energy Limited</td>
</tr>
<tr>
<td>Fission</td>
<td>Fission Energy Limited</td>
</tr>
<tr>
<td>FMD</td>
<td>Future Maintainable Dividends</td>
</tr>
<tr>
<td>FME</td>
<td>Future Maintainable Earnings</td>
</tr>
<tr>
<td>GT Le Page and Associates</td>
<td>GT Le Page and Associates Pty Ltd</td>
</tr>
<tr>
<td>Meteore</td>
<td>Meteore Metals Limited</td>
</tr>
<tr>
<td>NTA</td>
<td>Net Tangible Assets</td>
</tr>
<tr>
<td>Our Report</td>
<td>This Independent Expert’s Report prepared by BDO Kendalls</td>
</tr>
<tr>
<td>Resolution 1</td>
<td>Resolution One is the approval of the purchase of 9,520,000 Meteore shares by Fission from Standard Nickel Pty Ltd. Guy Le Page is a director of Standard Nickel Pty Ltd.</td>
</tr>
<tr>
<td>Resolution 2</td>
<td>Resolution Two is in relation to the issue of 10,000,000 shares to GT Le Page and Associates in consideration for introducing the Company to the proposed purchase of ordinary fully paid shares in Meteore. Guy Le Page is a director of GT Le Page &amp; Associates.</td>
</tr>
<tr>
<td>Shareholders</td>
<td>Shareholders of Tasman not associated with Standard Nickel Pty Ltd or GT Le Page and Associates Pty Ltd</td>
</tr>
<tr>
<td>Standard Nickel</td>
<td>Standard Nickel Pty Ltd</td>
</tr>
<tr>
<td>Tadea</td>
<td>Tadea Pty Ltd</td>
</tr>
<tr>
<td>Tasman</td>
<td>Tasman Resources NL</td>
</tr>
<tr>
<td>The Act</td>
<td>The Corporations Act (Cwth) 2001</td>
</tr>
<tr>
<td>The Company</td>
<td>Tasman Resources NL</td>
</tr>
<tr>
<td>The Transaction</td>
<td>The proposed acquisition of Meteore Metals Limited by Fission Energy Limited</td>
</tr>
<tr>
<td>VWAP</td>
<td>Variable Weighted Average Price</td>
</tr>
</tbody>
</table>
Appendix 2 – Independent Geologists Report by 189 Projects Pty Ltd
Dear Sirs,

Independent Valuation

1.0 BACKGROUND

At the request of BDO Kendalls Corporate Finance (WA) Pty Ltd ("BDO Kendalls") 189 Projects Pty Ltd ("189 Projects") (ABN 82 120 947 319) has been engaged to complete an Independent Technical Valuation (where Exploration is sufficiently advanced) and an independent technical assessment (where exploration is not sufficiently advanced) of the mining assets of Meteore Metals Pty Ltd ("Meteore Metals") ("A.C.N. 097 759 725") in relation to the proposed acquisition (signed on 18th April 2008) of 9,730,000 fully paid ordinary shares ("Shares") from Standard Nickel Pty Ltd (A.C.N. 126 914 421) subject to shareholder approval at a General Meeting of Fission Energy Ltd ("Fission Energy") to be convened on or around 13 June 2008.

The General Meeting of Fission Energy, amongst other things, also proposes to raise approximately A$8.0 million to complete in part the acquisition of Meteore Metals and fund ongoing uranium Exploration.

Meteore Metals has a 50 per cent undivided interest in Exploration Licences 63/366 and 63/373, Prospecting Licence 63/759 and Mining Lease Applications ("MLA") 63/360, 63/385, 63/472, 63/381, 63/379, 63/380, 63/527 and 63/543 collectively known as the Mt Thirsty Cobalt-Nickel-Manganese Project ("Mt Thirsty"). Australian Securities Exchange ("ASX") listed Barra Resources Limited ("Barra Resources") is a 50 per cent joint venture partner in Mt Thirsty.

For the specific purpose of this valuation, site visits were not carried out to Mt Thirsty. However, 189 Projects has relied on various experts’ reports, ASX releases and technical information provided by Meteore Metals in formulating its opinion.

Meteore Metals has advised 189 Projects that there have been no material developments on its projects on which to form an opinion over and above that presented in the technical information provided. On this basis, a field visit was not considered necessary. 189 Projects has satisfied itself that Meteore Metals has disclosed all material information pertaining to its mineral assets. A draft version of this report was provided to the directors of Fission Energy and BDO Kendalls for comment in respect of omission and factual accuracy.

189 Projects has not independently verified the ownership and legal standing of the mineral tenements of Meteore Metals that are the subject of this valuation and is not qualified to make legal representations in this regard.

Rather we have relied upon documents and information provided by Meteore Metals. 189 Projects understands that all of Meteore Metals tenements are in good standing and that there is no cause to doubt the eventual granting of any tenement applications.
Furthermore, 189 Projects has not attempted to establish the legal status of the tenements within each project with respect to Joint Venture agreements, Native Title or potential environmental and land access restrictions.

189 Projects' opinion of the valuation of the assets of Meteore Metals is relevant as at 6 May 2008 using the methodologies described in this report.

189 Projects is a Perth based independent consulting firm providing corporate finance, research and consulting services with an emphasis on mining and energy related transactions. The company’s principals have prepared independent expert’s reports and mineral asset valuations on a variety of mineral commodities in a number of countries.

This report was prepared by Terry Butler-Blaxell (Director 189 Projects) in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Experts Reports (“the VALMIN Code”) and Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“the JORC Code”).

Neither 189 Projects nor those involved in the preparation of this report have any material interest in any of the companies or mineral assets considered in this report that could be reasonably regarded as being capable of affecting their independence. 189 Projects is remunerated for this report by way of a professional fee determined according to a standard schedule of rates that is not contingent on the outcome of this report.

Yours faithfully

Terry Butler-Blaxell, MAusIMM
DIRECTOR
2.0 CONTENTS

1.0 BACKGROUND .................................................................................................................................................1

2.0 CONTENTS ..........................................................................................................................................................3

3.0 SUMMARY .........................................................................................................................................................4

4.0 TRANSACTION BACKGROUND ..........................................................................................................................4

5.0 METEORE METALS .............................................................................................................................................6

5.1 LOCATION, ACCESS AND PHYSIOGRAPHY ....................................................................................................6

5.2 EXPLORATION HISTORY ...................................................................................................................................8

5.2.1 Pre 1995 Exploration ..................................................................................................................................8

5.2.2 1995 to 1999 Exploration .........................................................................................................................8

5.2.3 Exploration 2005 to Present ....................................................................................................................9

5.3 GEOLOGY ..........................................................................................................................................................9

5.3.1 Geology and mineralisation of the Mt Thirsty Ni-Co-Mn Resource ..............................................................10

5.3.2 Drilling and Sampling ................................................................................................................................11

5.3.3 Bulk Density .............................................................................................................................................11

5.4 RESOURCES .....................................................................................................................................................12

5.5 METALLURGY ..................................................................................................................................................13

5.5.1 Leaching .......................................................................................................................................................13

5.5.2 Mineralogy and metal values .....................................................................................................................13

5.5.3 Recovery from solution ............................................................................................................................14

5.5.4 Process Options .........................................................................................................................................14

5.5.5 Industry practice .........................................................................................................................................14

6.0 BASIS OF VALUATION ...................................................................................................................................16

7.0 VALUATION METHODOLOGIES .....................................................................................................................16

7.1 FAIR MARKET VALUE OF MINERAL ASSETS ...............................................................................................16

7.2 METHODS OF VALUING MINERAL ASSETS IN THE EXPLORATION STAGE .......................................................17

7.3 METHODS OF VALUING MINERAL RESOURCES AND ORE RESERVES .........................................................18

8.0 VALUATION ......................................................................................................................................................18

8.1 VALUATION METHODOLOGY .......................................................................................................................18

8.1.1 Joint Venture Method ................................................................................................................................18

8.1.2 Yardstick Method .....................................................................................................................................19

8.2 VALUATION SUMMARY ..................................................................................................................................20

8.2.1 Valuation Summary ....................................................................................................................................20

8.2.2 Valuation Discussion ..................................................................................................................................21

9.0 INDEPENDENCE AND DISCLOSURE OF INTERESTS ....................................................................................21

10.0 QUALIFICATIONS ............................................................................................................................................22

11.0 DISCLAIMERS AND CONSENTS .....................................................................................................................22

SOURCES OF INFORMATION .......................................................................................................................................23
3.0 SUMMARY

The valuation of the Mineral Assets of Meteore Metals (the Mt Thirsty Project) is set out as follows:

<table>
<thead>
<tr>
<th>Table 1: Meteore Mineral Asset Valuation</th>
<th>A$ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Case</td>
<td>1.87</td>
</tr>
<tr>
<td>Mid Case</td>
<td>20.72</td>
</tr>
<tr>
<td>Upper Case</td>
<td>56.29</td>
</tr>
</tbody>
</table>

4.0 TRANSACTION BACKGROUND

Under the terms of the acquisition, shareholders of Fission Energy will be required to vote on the following resolutions at a General Meeting of Fission Energy to be convened in mid-June 2008:

RESOLUTION 1: Purchase of shares in Meteore Metals Limited

"That, for the purposes of Chapter 11 of the ASX Listing Rules (the Rules), and for all other purposes, approval is given for the Company to purchase not less than 76.2 per cent and up to 100 per cent of the ordinary full paid share capital of Meteore Metals Limited (ACN 097 759 325) (Meteore) pursuant to an agreement constituted by a series of share sale agreements made with each of Meteore Metal's ordinary shareholders on or about 18 April 2008 (the Agreements), at a price of $0.20 per share (being a total price of $8,000,000.00) and subject to, among other things:

- members of the Company passing Resolutions 3 and 4;
- in respect of the 9,520,000 ordinary fully paid shares in Meteore held by Standard Nickel Pty Ltd (ACN 126 914 421) (Standard Nickel), members of the Company passing Resolution 2; and
- satisfaction or (if the directors of Fission Energy in their absolute discretion consider it desirable or necessary) waiver by Fission Energy of each of the conditions precedent to the Agreements, as set out in the explanatory statement attached to this notice,

and to enter into any agreement and do all other acts necessary or desirable for that purpose, and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."

RESOLUTION 2: Purchase of Meteore shares from Standard Nickel Pty Ltd

"That, for the purposes of Part 2E.1 of the Corporations Act 2001 (the Act) and Chapter 10 of the Rules, and for all other purposes, approval is given for Fission Energy to purchase from Standard Nickel Pty Ltd ("Standard Nickel") all of Standard Nickel's 9,520,000 ordinary full paid shares in Meteore pursuant to a share sale agreement made on or about 18 April 2008, at a price of $0.20 per share (being a total price of $1,904,000.00) and subject to, among other things:

- members of the Company passing Resolutions 1, 3 and 4;
- satisfaction or (if the directors of the Company in their absolute discretion consider it desirable or necessary) waiver by the Company of each of the conditions precedent to the agreement, as set out in the explanatory statement attached to this notice,

and to enter into any agreement and do all other acts necessary or desirable for that purpose, and otherwise on the terms and conditions set out in the explanatory statement attached to this notice."
RESOLUTION 3: Issue of shares to sophisticated and/or professional investors

“That, for the purposes of Chapter 7 of the Rules and for all other purposes, and subject to members of Fission Energy passing Resolutions 1 and 4, approval is given for Fission Energy to issue fully paid ordinary shares in Fission Energy (Shares) of not less than $4,000,000.00 and up to $8,000,000.00 in value by way of placements to sophisticated and/or professional investors (being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) or 708(11) of the Act), at an issue price of $0.16 per Share, such issue to be underwritten by R M Corporate Finance Pty Ltd (ACN 108 084 386) up to an amount of $4,000,000.00 and otherwise on the terms and conditions set out in the explanatory statement attached to this notice.”

RESOLUTION 4: Issue of shares to R M Capital Pty Ltd

“That, for the purposes of Part 2E.1 of the Act, Chapters 7 and 10 of the Rules and for all other purposes, and subject to members of the Company passing Resolutions 1 and 3, approval is given for Fission Energy to issue to R M Capital Pty Ltd (ACN 065 412 820) (RMC) 20,000,000 Shares in consideration of RMC introducing Fission Energy to the proposed purchase of ordinary fully paid shares in Meteore, subject to, among other things, the successful acquisition by Fission Energy of not less than 50.1 per cent of Meteore Metal’s total issued ordinary fully paid share capital, and otherwise on the terms and conditions set out in the explanatory statement attached to this notice.”
5.0 METEORE METALS MINERAL ASSET – Mt Thirsty Project

5.1 Location, Access and Physiography

The Mt Thirsty project is located on two tenement blocks about 20 km north-northwest of Norseman in the Eastern Goldfields region of Western Australia (Figs 1 and 2), and about 5 km west of the Norseman-Coolgardie highway, which is a sealed dual carriageway. Access is by an unsealed track leaving the highway 17.7 km north of Norseman. Alternative access to the northwestern block of tenements is by the unsealed Hyden-Norseman road.

Nearby infrastructure includes the Kalgoorlie-Esperance rail line which runs alongside the highway and the Kalgoorlie-Esperance extension of the Goldfields Gas Transmission pipeline. A fresh water pipeline, part of the Goldfields Water Supply Scheme which originates from water reservoirs near Perth, runs between Widgiemooltha and Norseman.

Physiography of the southeastern tenement block comprises flat to gently sloping colluvium and lateritic soil between outcrops on gently rising ground on either side of the tenement. The northwestern tenement block generally has flat topography.

Relevant tenements are listed in Table 2 and the Tenement plan in Fig 2.
### Table 2 - Summary of tenement details

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Conversions</th>
<th>Reversions</th>
<th>Ann date</th>
<th>Area (ha)</th>
<th>Commit ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E63/366</td>
<td>MLA63/360 (part), 472</td>
<td>(Subject to all/part thereof)</td>
<td>25 July</td>
<td>291</td>
<td>20,000</td>
</tr>
<tr>
<td>E63/373</td>
<td>MLA 63/527, 543</td>
<td></td>
<td>16 February</td>
<td>1,082</td>
<td>50,000</td>
</tr>
<tr>
<td>P63/759</td>
<td>MLA63/381</td>
<td></td>
<td>14 June</td>
<td>108</td>
<td>4,720</td>
</tr>
<tr>
<td>MLA63/360</td>
<td></td>
<td>E63/1113, P63/1492-1496</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/379*</td>
<td></td>
<td>E63/1113, P63/1491, 1496-1499</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/380*</td>
<td></td>
<td>E63/1113, P63/1499-1502</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/381*</td>
<td></td>
<td>P63/1453</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/385*</td>
<td></td>
<td>P63/1490-1491</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/472</td>
<td></td>
<td>E63/1113, P63/1490-1491</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLA63/543</td>
<td></td>
<td>E63/1113</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total granted: 1,481 ha, $74,720

Total granted and applied for: 4,961 ha

*Lapsed conversions due to underlying tenement relinquishment

MLA = Mining Lease under Application
P = Prospecting Licence
E = Exploration Licence

![Mt Thirsty Project tenement plan](source Barra Resources Annual Report 2007)
Current granted, live tenure includes Exploration Licences 63/373 (in two parts, one of which contains the currently defined resource) and 63/366, and one Prospecting Licence 63/759. Each of these is covered by Mining Lease applications as listed in Table 1. The remainder of the tenements are under application. In January 2007, a number of Mining Lease applications were reverted to an Exploration Licence and prospecting licences under sections 56B and 120AA of the Mining Act. All the granted tenements and tenements under application are registered in the name of Select Minerals Pty Ltd. The title register has now been changed to Meteore Metals Limited.

In December 2006, Meteore Metals (then known as “Select Minerals Pty Ltd”) entered into an option agreement with Barra Resources Ltd (ASX:BAR) whereby Barra funded expenditure on drilling and metallurgical studies to $780,000 to earn 50 per cent equity in the project.

5.2 Exploration History

5.2.1 Pre 1995 Exploration

The Mt Thirsty area was extensively explored for nickel sulphide mineralisation in the late sixties and early seventies by Anaconda, Union Miniere and CRA. Although no significant sulphide discoveries were made during that time, limonitic cobalt/nickel mineralisation was encountered.

5.2.2 1995 to 1999 Exploration

During 1995, Resolute-Samantha Ltd entered into a joint venture over the prospective south Pioneer Dome area, known as Mt Thirsty. The area was targeted originally for gold as the tenure contained the interpreted southern strike continuation of the Chalice Shear Zone. The area also contains a good proportion of the structurally complex Mt Thirsty mafic-ultramafic sill.

Reconnaissance Exploration during 1996 over the joint venture area included regional surface soil geochemistry together with numerous surface rock chip samples. Two significant gold-in-soil anomalies were identified lying within the current southeast portion of E63/373. These were tested with rotary air blast (RAB) drilling with disappointing gold results. The samples were also submitted for nickel and cobalt analyses to test the nontronitic clays for limonitic nickel and cobalt mineralisation, consistent with Resolute’s commitment at that time to develop the Bulong Nickel Project. Nickel assays were generally disappointing; however, cobalt returned higher than expected results.

In 1998 Resolute Ltd embarked on a regional search for high tenor cobalt/nickel for its Bulong operation to take advantage of the high cobalt price at the time (approximately US$18-$20 per/lb). The aim was to locate +2.00% Ni within economic trucking distance of the Bulong plant. The focus was again directed to Mt Thirsty due to the historical drilling and rock chip Co/Ni results.

The initial search focused on the north-east corner of E63/373 following up on the rock chip samples and aircore drill holes. First pass field work conducted confirmed the location of the early high tenor surface sample (1.15% Ni/1.11% Co) and existence of several historical costeans excavated in the late sixties to early seventies. Field observations suggested good potential existed for small high tenor Co/Ni lenses of mineralisation close to the surface. Re-excavation of the old costeans was carried out to evaluate the controls on the higher tenor mineralisation and to identify the bedrock type.
Resolute subsequently carried out two further phases of aircore drilling comprising 125 holes for 4270m, to ascertain the extent of mineralisation away from the costeans, and to identify further occurrences of similar material.

In 2000 Resolute Ltd withdrew from the Mt Thirsty joint venture, as the results did not meet their expectations.

### 5.2.3 Exploration 2005 to Present

Meteore Metals became the registered owner of the project tenements and conducted an in-house estimate of the mineralisation potential based on the existing drilling data by Resolute. It was determined that infill drilling was required to enable the estimation of a Mineral Resource to Indicated status. In August 2006 Meteore Metals drilled 13 aircore holes, to verify by twinning several significant mineralised intervals, to obtain specific gravity (s.g.) data for Mineral Resource estimation and to collect bulk samples for metallurgical test work.

Subsequent resource drilling pursuant to the Barra Resources Option Agreement has brought to a total of 459 the number of drill holes on the Mt Thirsty project. A tabulation of drilling statistics in the Meteore database is shown in Table 3.

**TABLE 3: Drilling statistics, Mt Thirsty collar database**

<table>
<thead>
<tr>
<th>Company</th>
<th>Year</th>
<th>Drill type</th>
<th>Holes</th>
<th>Metres</th>
<th>Average depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolute</td>
<td>1996-1998</td>
<td>Aircore</td>
<td>174</td>
<td>6190</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RAB</td>
<td>59</td>
<td>3104</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RC*</td>
<td>5</td>
<td>370</td>
<td>74</td>
</tr>
<tr>
<td>Meteore/Barra</td>
<td>2006-2007</td>
<td>Aircore</td>
<td>221</td>
<td>10506</td>
<td>48</td>
</tr>
<tr>
<td><strong>Total drilling</strong></td>
<td>459</td>
<td><strong>Total</strong></td>
<td>20170</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Reverse circulation

### 5.3 Geology

The project area lies within and close to the western boundary of the Archaean Norseman-Wiluna greenstone belt. The Norseman-Wiluna belt is an irregular but continuous complex of metamorphosed ultramafic, mafic and felsic volcanic rocks and associated intrusive rocks and sedimentary rocks extending over more than 700 km from south to north. The belt contains in excess of 90 per cent of the known nickel laterite resources in the Yilgarn Craton.

The project area can be divided into two geographically distinct areas:

1. The single southeastern tenement (E63/373) hosting the Mt Thirsty Ni-Co-Mn Mineral Resource. The mineralisation is hosted in a laterite profile overlying a peridotitic ultramafic unit of the Mt Thirsty layered sill.

2. A group of tenements covering a larger area to the northwest, located near the southern end of the Pioneer granite dome. The tenements are underlain predominantly by granitoid intrusions and felsic metasedimentary rocks.

Outcrop is sparse in both areas.
As the Mt Thirsty Mineral Resource and nearly all of the drilling occurs on the southeastern tenement, this will be the focus of much of this report. The Mt Thirsty sill is a cyclically layered intrusion over 2 km thick with an overall composition of High-MgO basalt, extending in a north-south direction for a distance of about 18 km. The ultramafic phases are predominantly dunite, harzburgite and bronzitite.

5.3.1 Geology and mineralisation of the Mt Thirsty Ni-Co-Mn Resource

The Mt Thirsty Ni-Co-Mn deposit is hosted in a regolith profile overlying a peridotitic ultramafic unit of the Mt Thirsty sill. The regolith profile comprises a limonitic (goethitic) upper section and a clay (smectitic) lower section, with a total average thickness of about 40 m. Over an interval of varying thickness near the interface between the two sections, there has been extensive precipitation of Mn oxides which have adsorbed Co and Ni from circulating groundwaters. Fig 3 shows a typical cross section through the regolith profile.

FIGURE 3*: Cross section at the Mt Thirsty Project at 6,447,400mN.

* The term “ore” presented in Fig 3, which was supplied by Meteore, should not be misconstrued as an Ore Reserve as insufficient work has been completed to enable the estimation of an Ore Reserve. 189 Projects does not endorse the use of the term “ore” in Fig 3 and a more appropriate term in this context is “mineralisation”.

The upper, limonitic section appears to comprise predominantly goethite with minor amounts of hematite, kaolinite, quartz and Mn oxides. Chemical analyses in the database show about half of samples analysed for Fe have >30% Fe, and about 37% of samples have >35% Fe. These levels generally denote a “limonite” (i.e. predominantly Fe oxide, usually goethite but may include hematite). Associated elements include up to 7% Al, some of which occurs in solid solution in the goethite and some in kaolinite.

The lower zone described as smectitic clay has an elemental composition which distinguishes it from the overlying limonitic section. This includes 20-27% Fe, 4-5% Al and Mg in the range 3-6%. From 6,580 samples analysed for Mg that have less than 30% Fe (i.e. that are not “limonites”), the great majority (over 80%) have less than 6% Mg. Samples with greater than 6% Mg generally contain some primary mineralogy (serpentine) and are “saprolitic” in that sense. Samples with low Fe and less than 6% Mg (or 10% MgO) are generally predominantly smectite clays.

The development of smectite in the laterite profile is consistent with the laterite being developed over a serpentinitised peridotite. Peridotites contain moderate levels of Al which in the local regolith regime promotes the formation of clay.
The main Ni-Co mineralisation is associated with Mn oxides (asbolane, “wad”) generally concentrated near the transition between the limonitic zone and the underlying smectitic zone. This is a similar situation to that displayed in other Ni laterite deposits in Western Australia and reflects the change in redox conditions at this level in the profile which causes the precipitation of Mn oxides dissolved in groundwater. The property of Mn oxides to “scavenge” Co and Ni from circulating groundwaters is well known and is present to varying degrees in most Ni laterites. The Mt Thirsty deposit does however display intervals thicker and higher in Co values than many of the laterite deposits in Western Australia.

5.3.2 Drilling and Sampling

The deposit has been drilled and sampled almost universally by the aircore method, with minor RAB and reverse circulation (RC) drilling carried out. While not the preferred method due to the smaller volume of sample produced, aircore is adequate in this case due to the relatively homogeneous distribution of Ni and to a lesser extent Co in the deposit, and the aircore - sampling method which minimises contamination and loss of fines through the sample cyclone overflow.

The drill coverage varies from 20 metre spaced holes on 50 meter spaced sections to 40 meter spaced holes on 200 metre spaced sections. Fig 4 shows the drillhole distribution over the eastern part of E63/366. Most holes are on a nominal 40m x 50m grid. In the Resolute drilling, samples were generally 4m down-hole composites with resampling to 1m when composite grades showed >0.1% Co. Select/Barra drilling was initially sampled with 2m composites, but later drilling was sampled consistently at 1m intervals, which is the maximum resolution of the drilling method.

An assessment of the assay values at end-of-hole depths shows that about 15 per cent of the holes finish with elevated grades in the last sample. While this could be considered a significant number, most are close to cut-off grades and it is considered that the drilling has adequately tested the Mineral Resource.

5.3.3 Bulk Density

A total of 132 samples from aircore drilling were subject to specific gravity measurements. The method used involved water displacement by samples taken from disaggregated aircore samples. This method was devised for pulp samples (also known as solids density) and the results obtained range from 2.3 to 3.4 t/m³.

Solids specific gravity values are significantly greater than bulk density (or in situ density) values for the same material in the undisturbed state. This is due to the loss
of porosity and structure in the undisturbed regolith by the drilling process. Although not yet tested directly, experience with types of regolith in the Eastern Goldfields similar to those at Mt Thirsty suggests that a dry, in situ density of around 1.5 t/m³ is appropriate.

A program of drilling specifically designed to for bulk density determinations is planned to establish correct moisture and wet and dry bulk density parameters for the Mt Thirsty deposit. Eight PQ-sized holes to be drilled through the complete regolith profile are planned at various representative locations, for a total of 650 metres.

5.4 Resources

A Mineral Resource estimate has been prepared in October 2007 by Golder Associates. The geological model and resource estimate is based on data from 21 RAB and 351 aircore holes drilled up to August 2007. A geological model was prepared from interpretation of 50m-spaced cross sections, broadly defining a “mineralised envelope” of high Ni-Co-Mn values using a cut-off grade of 0.08% Co. Surrounding this, a less continuous zone of lower grade mineralisation was interpreted using a cut-off grade of 0.5% Ni. In addition, internal waste (mostly within the mineralised envelope) was modelled as a third domain. The block model built based on the geological interpretation had block sizes of 25m x 25m x 5m (parent blocks) and 5m x 5m x 1m (sub-cell blocks).

Estimation of block grades was carried out within each domain by Ordinary Kriging, following statistical analysis of elemental variables for individual domains. Densities were applied to blocks based on a correlation that had been observed between the density values made available to Golder and Fe grade. However, density values were wrongly interpreted as bulk density (see remarks above) and hence the correlation and the absolute bulk density values used need to be re-evaluated following the collection of true bulk density data. The average bulk density applied in the block model used for the resource estimate was about 2.8 t/m³ for the mineralised domains. The author understands that the results of additional PQ drilling will provide more reliable SG estimates and are due shortly. It is also the view of the author that any potential downgrades to the resource tonnage that are attributable to lower s.g’s are likely to be offset by increases in tonnages from the recent campaign of Aircore drilling to the west (Figure 4).

Resource classification was based mainly on data density and confidence in the geological interpretation. The resulting categorisations generated were broadly as follows:

- **Indicated Resource**
  - High grade Co-Ni-Mn zone, mostly defined within the 50m x 40m drilling grid (the “mineralised envelope”);
- **Inferred Resource**
  - Less continuous peripheral zone of low Co and Mn grades, but with Ni > 0.5%

The reported Mineral Resources by category are shown in Table 4.

**TABLE 4: Mt Thirsty Mineral Resource at various Co cut-off grades.**

<table>
<thead>
<tr>
<th>Resource cut-offs</th>
<th>Indicated Resources</th>
<th>Inferred Resources</th>
<th>Total Resource</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cobalt</td>
<td>Tonnage</td>
<td>Co/Ni/Mn%</td>
<td>Tonnage</td>
</tr>
<tr>
<td>0%</td>
<td>15,010,000</td>
<td>0.17/0.63/1.25</td>
<td>5,960,000</td>
</tr>
<tr>
<td>0.08%</td>
<td>14,880,000</td>
<td>0.17/0.63/1.25</td>
<td>670,000</td>
</tr>
<tr>
<td>0.10%</td>
<td>13,990,000</td>
<td>0.17/0.63/1.29</td>
<td>500,000</td>
</tr>
<tr>
<td>0.20%</td>
<td>3,350,000</td>
<td>0.27/0.68/2.02</td>
<td>60,000</td>
</tr>
<tr>
<td>0.30%</td>
<td>880,000</td>
<td>0.38/0.75/2.73</td>
<td>10,000</td>
</tr>
</tbody>
</table>
5.5 Metallurgy

The Mount Thirsty deposit displays characteristics of mineralogy and leach performance which may allow a different approach to extract the valuable metals than have been traditionally applied to limonitic ores.

The following commentary describes metallurgical test work that has been carried out to date. It is discussed in terms of physical upgrading (physical separation of phases containing higher metal values from those with lower values to make a higher grade feed for further processing), leaching to bring the valuable metals into solution, and concludes with a brief summary of processing methods currently employed in Ni-Co laterite operations.

5.5.1 Leaching

Test work has indicated that a mild atmospheric acid leach using either SO$_2$ gas (or an alternative sulphite reagent) to reduce the oxidized high MnO$_2$ asbolane phase is able to extract a significant proportion of the cobalt and manganese in the ore. At 40°C and 10 hours retention time approximately 70-80 per cent of the cobalt and manganese, and 30-40 per cent of the nickel and approximately 10 per cent of the iron can be extracted. The low iron extraction associated with this low temperature mild leach results in lower acid consumption than would be typical of an atmospheric limonite leach using strong sulphuric acid. However, nickel extraction under these conditions is only partial. This is likely the result of nickel being also present in other mineral phases resistant to breakdown rendering it inaccessible to the leach solution.

Nickel extraction can be improved with increased temperature. Tests indicate that at a leach temperature of 80°C and 10 hours retention time nickel, cobalt, manganese and iron extractions can be increased to more than 80 per cent. The significantly increased iron extraction results in an increase in sulphuric acid consumption. An 80°C leach with a shorter retention time produces results generally comparable with the longer 10 hour 40°C leach.

While little detail of the elemental distribution is available the metal values associated with the asbolane mineralogical phase appear to be readily extracted in a mild atmospheric leach using SO$_2$ to reduce the oxidized high MnO$_2$ asbolane phase. The leach behaviour suggests the majority of the cobalt and manganese and some of the nickel is associated with the asbolane phase. It is inferred that some of the nickel is also associated with an iron rich goethite phase and is only extracted under conditions which break down the goethite and consequently produce high iron extractions.

The leach test work has been conducted on samples with approximately 40 per cent iron. This compares with an average resource grade of approximately 27 per cent iron. Further leach testing of samples with iron levels more typical of the resource average is currently underway by Metplant. A lower iron head grade would result in reduced acid consumption assuming iron extraction is unchanged. The average resource grade with lower iron content may represent a lower proportion of goethite in ore than the samples previously tested. The partial extraction of nickel in the 40°C leach may be influenced by the iron content. Lower iron contents in laterites are generally accompanied by higher silica as goethite is replaced by silicate minerals, and this could also potentially change leach behaviour.

5.5.2 Mineralogy and metal values

Some limited microprobe analysis concluded “that the majority of the nickel is found with Co in an Al-bearing Mn phase” which corresponds to asbolane. A minor component of Ni is also seen in a Cr-bearing Fe phase which is probably chromite. A residue sample also showed Ni to be present in a third minor phase consisting of a Mg-Al-Fe silicate, which is likely to be the clay mineral nontronite. This work appears
to confirm significant concentrations of nickel and cobalt are present in the asbolane phase, and also that nickel is present in other iron containing phases.

5.5.3 Recovery of metal from solution

No test work has been undertaken on recovery of metal values from leach solution. This will be appropriate once leach conditions have been confirmed. A number of approaches to produce either nickel and cobalt metal or intermediate products have been demonstrated in existing operations. Recovery of manganese may be worth considering.

5.5.4 Process Options

Two general options for leach treatment arise from the test work. Both utilise a sulphite reagent to oxidise the asbolane phase.

One approach is a ‘partial leach’, in which most of the cobalt but only part of the nickel is extracted with low iron extraction and relatively low acid consumption. This could be undertaken at 40°C for 10-12 hours or 80°C for 2 hours.

Alternatively a more complete leach undertaken at 80°C for 10-12 hours will allow more complete nickel extraction but at the expense of greater iron dissolution and therefore higher sulphuric acid consumption.

Following leaching a number of options exist for recovery of nickel and cobalt as an intermediate product for further refining by others, or production of nickel and cobalt metal. In a number of cases, on site production of final metal products still includes preparation of an intermediate product either for impurity removal or to increase the grade of material treated in the subsequent refining operation. The choice between on site refining or sale of the intermediate product depends on the relative economics. Economies of scale tend to typically favour on-site refining for large production rates, but intermediate scale operations may suit lower production rates.

5.5.5 Industry practice

There is significant industrial experience in processing more conventional limonite ores in high pressure acid leach (HPAL) plants and more recently heap leaching. The mineralogy of these deposits is different from Mt Thirsty, with generally much less asbolane phase and so reductive leaching is not able to achieve good extractions. The key issue for acid leaching of limonite ores has been controlling acid consumption. This has pushed the industry towards the capital intensive HPAL conditions where net iron extraction is reduced, to avoid the much higher acid consumptions associated with atmospheric leaching. Examples include Moa Bay in Cuba, Murrin Murrin, Cawse and Ravensthorpe in Western Australia, and the several projects in development including Goro (New Caledonia) and Ambatovy (Madagascar).

Laterite ores are also being treated by the reduction roast-ammonia leach Caron process, also a capital intensive process. Examples include Nicaro and Punta Gorda in Cuba and QNI in Queensland. No Caron process plants have been committed in recent times.

Reductive leaching of laterite ore is much less common. Geovic Mining Corp. has a project in Cameroon with somewhat similar mineralogy for which reductive sulphite leaching is proposed. This deposit is amenable to significant physical upgrading of ore prior to the leach stage. A technical report is available in the public domain from the internet.
With respect to downstream metal recovery a number of options have been demonstrated, associated with either laterite leaching (HPAL or heap leach) projects and operations, concentrate leaching projects, or nickel matte refining operations. In concept a number of recovery options from solution have been demonstrated. Several intermediate product options are available. In the past sulphide intermediates have been typical (e.g. Moa Bay, Murrin Murrin). More recently some projects have considered hydroxide or carbonate intermediates which are cheaper to produce, but typically at lower purity.

5.6 Exploration Potential

The potential to increase Ni-Co laterite Mineral Resources by further drilling is considered to be good. Current drilling on E63/373 appears to have limited the Resource on its eastern side where fresh ultramafic and gabbro appear at the surface. However, the mineralisation is open along strike to the southwest for potentially 500m where it would intersect the southern tenement boundary. More significantly, it is open to the west for its entire north-south strike extent within the lease. Results from drilling to the west of the mineralised envelope (Fig 4) are due shortly. Aeromagnetic images indicate a strongly magnetic feature to the west of existing drilling which could potentially be serpentinised ultramafic rocks.

Currently defined mineralisation at the northern boundary of E63/373 is known to extend northwards into the neighbouring tenement, over which Meteore currently has no rights. A commercial arrangement such as a purchase agreement or joint venture with the tenement owner may provide enhancements to Meteore Metal’s mineralised inventory.

There is little evidence to suggest a potential for Ni-Co regolith mineralisation within the larger tenement block to the northwest of the lease containing the known Resource. There is evidence in aeromagnetics of possible ultramafic bedrock in the southeast quadrant of the section of E63/373 that is part of the northwest tenement block. This corresponds to scattered areas of outcrop of mafic rocks and metasedimentary rocks shown on published geological maps. The possibility of mineralised regolith needs to be tested by drilling. Otherwise the tenement block is devoid of Archaean rock outcrop and appears to be underlain by granitoid rocks which form part of the southern extent of the Pioneer granitoid dome. The contact between the granitoid and greenstones could be a favourable site for gold mineralisation, which could be tested by more detailed magnetic surveys and geochemical Exploration.
6.0 BASIS OF VALUATION

In preparing this report, 189 Projects has considered the relevant ASIC regulatory guidelines in particular RG 111 which relates to the content of experts reports.

7.0 VALUATION METHODOLOGIES

7.1 Fair Market Value of Mineral Assets

Mineral assets are defined in the VALMIN Code as all property including, but not limited to real property, mining and exploration tenements held or acquired in connection with the exploration, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with those tenements. The VALMIN Code defines the value, that is fair market value, of a mineral asset as the estimated amount of money or the cash equivalent of some other consideration for which, in the opinion of the Expert or Specialist reached in accordance with the provisions of the VALMIN Code, the mineral asset should change hands on the valuation date between a willing buyer and a willing seller in an arms length transaction, wherein each party has acted knowledgeably, prudently and without compulsion.

In effect, therefore, the valuation expert is assumed to have the knowledge and experience necessary to establish a realistic value for a mineral asset. The real value of a tenement can only be established in an open market situation, where an informed public is able to bid for an asset. The most open and public valuation of mineral assets occur when they are sold to the public through a public share offering by a company wishing to become a public listed resource company, or by a company raising additional finance. In this instance, the public is given a free hand to make the decision, whether to buy or not buy shares at the issue price, and once the shares of the company are listed, the market sets a price.

It is well known to most valuation experts that where mineral tenement valuation is concerned there really are two quite distinct markets operating in Australia. Almost without exception, the values achieved for mineral assets sold through public flotation are higher than where values are established through, say, the cash sale by a liquidator, or the sale by a small prospector to a large company neighbour, or through joint venture arrangements.

It is our opinion, that in all these circumstances the terms of sale generally do not meet the criteria laid out in the VALMIN Code for fair market value (ie. transaction between a willing buyer, willing seller in an arms length transaction, wherein each party had acted knowledgeably, prudently and without compulsion). Invariably one of the parties is a less than enthusiastic participant and it can't be said that the purchase or sale is without an element of compulsion.

It is 189 Projects’ opinion that the fair market value of mineral assets should be valued by the Expert on the assumption that they are traded by vending them into a public float. Generally this will mean that the vendor is issued escrow shares (escrow period is usually two years). Importantly, this is a true cash sale situation, since the purchaser of the tenements (the public) is always expected to pay cash.

The VALMIN Code notes that the value of a mineral asset usually consists of two components, the underlying or Technical Value and the Market component which is a premium relating to market, strategic or other considerations which, depending on circumstances at the time, can be either positive, negative or zero. When the Technical and Market components of value are added together the resulting value is referred to as the Market Value.

The value of mineral assets is time and circumstance specific. The asset value and the market premium (or discount) changes, sometimes significantly, as overall market conditions, commodity prices, exchange rates, political and country risk change. Other factors that can
influence the valuation of a specific asset include the size of the company's interest, whether it has sound management and the professional competence of the asset's management. All these issues can influence the market's perception of a mineral asset over and above its technical value.

7.2 Methods of Valuing Mineral Assets in the Exploration Stage

When valuing an Exploration or mining property the Expert is really attempting to arrive at a value that reflects the potential of the property to yield a mineable ore reserve and which is, at the same time, in line with what the property will be judged to be worth when assessed by the market. Arriving at the value estimate by way of a desktop study is notoriously difficult because there are no hard and fast rules and no single industry-accepted approach.

It is obvious that on such a matter, based entirely on professional judgement, where the judgement reflects the valuation Expert's previous geological experience, local knowledge of the area, knowledge of the market and so on, that no two valuers are likely to have identical opinions on the merits of a particular property and therefore, their assessments of value are likely to differ - sometimes markedly.

The most commonly employed methods of exploration asset valuation are:

- Multiple of Exploration expenditure method (exploration based) also known as the premium or discount on costs method or the appraised value method;
- Joint venture terms method (expenditure based);
- Yardstick Method (asset based), for example using rule of thumb for JORC resources;
- Geoscience rating methods such as the Kilburn method (potential based); and
- Comparable market value method (real estate based).

It is possible to identify positive and negative aspects of each of these methods. It is notable that most valuers have a single favoured method of valuation for which they are prepared to provide a spirited defence and, at the same time present arguments for why other methods should be disregarded. The reality is that it is easy to find fault with all methods since there is a large element of subjectivity involved in arriving at a value of a tenement no matter which method is selected. It is obvious that the Expert valuer must be cognisant of actual transactions taking place in the industry in general to ensure that the value estimates are realistic.

In 189 Project's opinion a geologist charged with the preparation of a tenement valuation must give consideration to a range of technical issues as well as make a judgement about the "market". Key technical issues that need to be taken into account include:

- geological setting of the property;
- results of exploration activities on the tenement;
- evidence of mineralisation on adjacent properties; and
- proximity to existing production facilities of the property.

In addition to these technical issues the valuation Expert has to take particular note of the market's demand for the type of property being valued. Obviously this depends upon professional judgement. As a rule, adjustment of the technical value by a market factor must be applied most judiciously. It is 189 Projects' view that an adjustment of the technical value of a mineral tenement should only be made if the technical and market values are obviously out of phase with each other.

It is 189 Projects' opinion that the current market in Australia may pay a premium over the technical value for high quality mineral assets (ie. assets that hold defined Resources that are likely to be mined profitably in the short-term or projects that are believed to have the potential to develop into mining operations in the short term even though no resources have been defined). On the other hand Exploration tenements that have no defined attributes apart from interesting geology or a "good address" may well trade at a discount to technical value. Deciding upon the level of discount or premium is entirely a matter of the Experts professional...
judgement. This judgement must of course take account of the commodity potential of the tenement. Currently in Australia for example, a tenement may have an elevated value for its gold, base metals, nickel and iron ore potential. There are of course numerous factors that affect the value such as proximity to an established processing facility and the size of the land holding.

7.3 Methods for Valuing Mineral Resources and Ore Reserves

Where resources and/or ore reserves have been defined our approach is to excise them from the mineral property and to value them separately on a value per resource tonne basis or on the basis of a discounted cashflow (“DCF”). The value of the exploration potential of the remainder of the property can then be assessed. Where appropriate, discounts are applied to the estimated contained metal to represent uncertainty in the information.

Once a resource has been assessed for mining by considering revenues and operating costs the economically viable component of the resource becomes the ore reserve. When this is scheduled for mining and all capital costs are considered, the net present value (“NPV”) of the project is established by discounting future annual cashflows using an appropriate discount rate. The resulting “classical” NPV has numerous deficiencies which are linked to the fact that the method assumes a static approach to investment decision making which is obviously not the case. Nevertheless the NPV represents the only practical approach to valuing a proposed or on-going mining operation.

When only a Mineral Resource has been outlined and its economic viability has still to be established (ie. There is no Ore Reserve or lack of modifying factors required for an Ore Reserve) then typically a “rule of thumb” approach is usually applied. This means allocating a dollar value to the resource tonnes in the ground.

The quality of the resource tonnes and therefore value is a factor of:

- the grade of the resource;
- the proximity to infrastructure such as an existing mill, roads, power, water, skilled workforce, equipment, etc;
- likely operating and capital costs;
- the amount of pre strip (for open pits) or development (for underground mines) necessary;
- the likely ore to waste ratio (for open pits); and
- the overall confidence in the resource.

8.0 VALUATION

8.1 Valuation Methodology

Taking into consideration the advanced stage of Meteore Metals' tenements, our view is that the Yardstick Method and Joint Venture Method are applicable valuation methodologies.

8.1.1 Joint Venture Method

On 15th December 2006 Barra Resources announced an Option Agreement whereby Barra Resources had an option to subscribe to 50 per cent of the issued capital of Select Minerals provided Barra Resources spend a total of A$750,000 and exercise the option to undertake an Initial Public Offering on 4th September 2007 with the IPO to take place before 3rd March 2008. If an IPO was not completed by this date, then Select Minerals and Barra Resources would then be in a 50:50 contributing Joint Venture (Tenants in Common) with Select Minerals as the Manager.
Shortly after exercise of the Option on 4th September 2007, Barra Resources advised Select Minerals that it had fulfilled its expenditure commitments, comprising exploration expenditure of A$500,000 together with payments of approximately A$250,000. Inspection of the most recent joint venture accounts indicated that Barra Resources had in fact exceeded this amount with total expenditure of A$1,064,908 as at 20 November 2007 (Barra Resources, Joint Venture Account, 20 November 2007).

The author understands that the authorised expenditure by Barra Resources as agreed to between the joint venture parties was $750,000. Expenditure in excess of this amount, unless previously mutually agreed to by the joint venture parties, may not trigger the dilution clause under the Joint Venture agreement. The author therefore considers that Select Minerals’ interest in the joint venture is likely to remain at 50 per cent.

The author is satisfied that A$1,064,908 represents a completed Joint Venture commitment which values Meteore Metal’s 50 per cent share of the Joint Venture at A$1,064,098 provided that the dilution clause under the joint venture agreement is shown not to be enforceable in this instance.

### 8.1.2 Yardstick Method

One of the valuation approaches applied to Advanced Exploration Areas and Pre-development Projects is the so-called ‘in situ’ Mineralisation Method’ or the ‘Yardstick Method’. This method is based on the concept of a known undeveloped Mineral Resource being worth a certain fraction (the ‘Yardstick’) of the contained commodity value (‘metal in ground’), using commodity prices prevailing at the date of valuation.

The Yardstick value can be derived from an average market-based figure obtained from an analysis of recent transactions and is expressed as a monetary value per unit of commodity, for example per tonne or per pound of contained metal. It may be modified to accommodate the quality (e.g. grade) and category (e.g. confidence level) of the Mineral Resource/Reserve involved and the time, effort and expenditure expected to be involved in bringing the project to fruition. Given the advanced state of Meteore Metal’s Mt Thirsty Project, it was considered appropriate to review a basket of nickel explorers with reported nickel Mineral Resources. The methodology involved subtracting net cash (current assets less debt) and dividing this adjusted market capitalisation by the total resources (inclusive of reserves) to calculate an adjusted Enterprise Value per pound of Mineral Resource Nickel (Equivalent).

For the purpose of establishing a meaningful yardstick valuation for the Mt Thirsty Project, it was decided to analyse a basket of companies that have reported nickel+/cobalt laterite Mineral Resources >100kt contained nickel equivalent and which are proposing to use atmospheric leaching (heap/vat leaching) methods. Table 5 compares Enterprise Value (Market Capitalisation + Net Debt) over contained nickel tonnes (equivalent). That is converting other non-nickel metals to the equivalent nickel value per tonne of contained nickel.

Subtle differences in ore mineralogy, acid consumption, mining costs, clay and iron content for example give rise to substantial variations in both OPEX and CAPEX. The primary benefit of atmospheric leaching is the reduced CAPEX (US$150-US$800m) compared to similar scale High Pressure Acid Leach (“HPAL”) in the range of US$1.8b or US 17/lb (e.g. Ravensthorpe) to US$3.0b or US$22.0/lb (e.g. Goro). The downside of atmospheric leaching is the higher OPEX which is projected to be in the order of US$3.2/lb to US$5.0/lb Ni (equivalent) compared to HPAL plants at around US$2.50/lb Ni (Equivalent). This is in part due to the high acid consumption in the course of the Atmospheric Leaching process.
The comparable companies average EV/Tonne Ni (Equiv) of around A$76.56/tonne suggesting this segment of the nickel sector is cheap in relation to its nickel sulphide counterparts. This most likely reflects the markets uncertainty given the paucity of successful operations outside of Murrin Murrin in Australia. A successful commissioning of the Lucky Break Project in Queensland (Metals Finance Corporation 50%: Metallica Minerals Limited 50%) will go a long way to demonstrating the application of the technology in Australia.

The Mt Thirsty deposit contains approximately 597.14kt Ni (Equiv) based on the published Mineral Resource estimate. Applying the yardstick method using the lowest, average (preferred value) and highest values in the sample of comparable companies, the following valuation for the project is derived Table 6:

<table>
<thead>
<tr>
<th>Valuation</th>
<th>EV/Nickel T (equiv)</th>
<th>A$m</th>
<th>Meteore 50% share A$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest</td>
<td>$9.01</td>
<td>$5.38</td>
<td>$2.69</td>
</tr>
<tr>
<td>Average</td>
<td>$76.56</td>
<td>$45.72</td>
<td>$22.86</td>
</tr>
<tr>
<td>Highest</td>
<td>$168.36</td>
<td>$112.59</td>
<td>$56.29</td>
</tr>
</tbody>
</table>

8.2 Valuation Summary

8.2.1 Meteore Metals Mineral Assets Valuation Summary

The results are summarized in table 7:
8.2.2 Meteore Metals Valuation Discussion

The results are summarized in table 7 outline a range of values for the mineral assets of Meteore Metals.

An important observation is that the Joint Venture terms whereby Barra Resources exercised an option (to either become an equal shareholder in Meteore with the existing Meteore Vendors or a 50:50 Joint Venture interest) look comparably cheap compared to the Yardstick Valuations (A$2.69m to A$56.29m) of Meteore Metals’ mineral assets.

The Yardstick Method is empirically based and perhaps a more robust method for valuing the mineral assets, with numerous analogues used to derive the yardstick valuation basis.

The author had considered applying a geoscience rating method such as the Kilburn method; however that method is quite subjective and relies too much upon the valuer’s judgement.

The valuation date is 6 May 2008 and applies the Joint Venture method and Yardstick method (Table 8).

The lower case valuation is the average of the Joint Venture method valuation and the lowest value under the Yardstick method.

The mid case and preferred valuation is averaged from the Yardstick method valuation and the Joint Venture method valuations.

The upper case valuation is the highest value under the Joint Venture method.

<table>
<thead>
<tr>
<th>TABLE 8: Meteore Mineral Asset Valuation</th>
<th>A$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Case</td>
<td>$1.87</td>
</tr>
<tr>
<td>Mid Case and Preferred Value</td>
<td>$20.72</td>
</tr>
<tr>
<td>Upper Case</td>
<td>$56.29</td>
</tr>
</tbody>
</table>

9.0 INDEPENDENCE AND DISCLOSURE OF INTERESTS

Prior to accepting this engagement 189 Projects considered its independence with regard to ASIC RG 111 and RG 112. 189 Projects determined that it is independent of Meteore Metals.

189 Projects is entitled to receive a fee of approximately A$8,000 (plus GST) for the preparation of this Report, based on time costs and disbursements. The fee is payable to 189 Projects regardless of the outcome of the Transaction. Except for this fee, 189 Projects has not received and will not receive any pecuniary or other benefit, whether direct or indirect in connection with the preparation of this Report.

Neither the signatory to this Report nor 189 Projects holds shares or options in Meteore Metals. No such shares or options have been held at any time over the last two years. Neither the signatory to this Report nor 189 Projects has had within the past two years any business relationship material to an assessment of 189 Projects’ impartiality with Meteore Metals, or their associates.

A draft of this Report was provided to Meteore Metals and its advisors for their confirmation of the factual accuracy of its contents. No changes were made to the methodologies or conclusions reached in this Report as a result of this review.

Meteore Metals has indemnified 189 Projects in respect of any claim arising or in connection with 189 Projects’ reliance on information provided by Meteore Metals.
10.0 QUALIFICATIONS

189 Projects is an Australian based Geological Consulting company. Principals associated with 189 Projects have been engaged in mining, exploration, valuations, experts' reports and research for approximately 20 years. The person responsible for preparing and reviewing this report is Terry Butler Blaxell who is actively involved in the mining industry as a consultant in Exploration and Evaluation studies. More recently he has joined the boards of ASX listed Hazelwood Resources Limited (ASX: HAZ), and Accent Resources (ASX: ACS). Prior to joining these companies, Mr Butler-Blaxell worked for fifteen years as an Exploration and Project Geologist for a range of Public Listed Companies operating in the Eastern Goldfields, Murchison and Pilbara regions of Western Australia, and also has gained extensive experience in financial modeling and valuation.

Mr Butler-Blaxell has a Bachelor of Science in Geology and Physical-Inorganic Chemistry from the University of Western Australia, a Master of Business Administration from Murdoch University and a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australia. He is a fellow of the Financial Services Institute of Australia, Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Company Directors.

11.0 DISCLAIMERS AND CONSENTS

This Report has been prepared at the request of Meteore Metals for inclusion in the Explanatory Memorandum, which will be enclosed with the Notice of Meeting. Meteore Metals has engaged 189 Projects to prepare this Report to consider the Transaction on behalf of Meteore Metals Shareholders.

189 Projects hereby consents to this Report being included in the above Explanatory Memorandum or being made available to Meteore Metals Shareholders at their request. Apart from such use, neither the whole nor any part of this Report, nor any reference thereto may be included in or with, or attached to any document, circular, resolution, statement or letter without the prior written consent of 189 Projects.

189 Projects takes no responsibility for the contents of the Explanatory Memorandum other than this Report.

189 Projects has not independently verified the information and explanations supplied to us, nor has it conducted anything in the nature of an audit of Meteore Metals. 189 Projects does not warrant that our enquiries have revealed all of the matters which an audit or extensive examination might disclose. However, 189 Projects has no reason to believe that any of the information or explanations so supplied is false or that material information has been withheld.

The statements and opinions included in this Report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that 189 Projects has no obligation to update this Report for events occurring subsequent to the date of this Report.

Yours sincerely

Terry Butler-Blaxell. MAusIMM

DIRECTOR

189 PROJECTS PTY LTD
SOURCES OF INFORMATION

In making our assessment, 189 Projects has reviewed relevant published and unpublished information on Meteore Metals and the relevant associated entities. In addition 189 Projects has held discussions with the directors and management of Meteore Metals. Information received and reviewed by 189 Projects includes, but is not limited to the following:

17. Mt Thirsty Nickel, Cobalt & Manganese Project, Western Australia, Information Memorandum, Undated.
21. Summary of the extraction results observed during leach tests of a composite Barra Resources ore sample.