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AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

16 June 2004

Major Green Energy Initiative

HIGHLIGHTS

- Tasman Resources NL (“Tasman”) has established a wholly owned subsidiary Eden Energy Pty Ltd (“Eden”) to target several highly prospective and strategic sectors of the rapidly emerging green energy market and the enormous economic potential of the global transition from a hydrocarbon to a hydrogen-based economy.
- This involves the application for seven geothermal licences in South Australia with a view to production of large quantities of clean, renewable energy that could be used to produce hydrogen.
- Additionally, Eden has secured a significant stake in Brehon Energy plc, which has world leading technology involving the production and use of Hythane® (a mixture of CNG/methane and hydrogen) and cryogenic storage of hydrogen.
- US and European Governments have during the past 18 months committed in the order of US\$8 billion towards the development of the hydrogen economy in order to reduce greenhouse gas emissions, and to break their reliance on increasingly expensive fossil fuel energy sources and in particular oil that is derived largely from the Middle East;
- Both the exploration and development of the geothermal licences and the potential development and marketing in Australia of the Hydrogen and Hythane® products may qualify for Federal Government funding under the \$500 million fund announced by the Prime Minister on 15 June 2004.

Geothermal Tenements

- Eden has applied for seven geothermal exploration licences in South Australia (see Figure 1) that, if successful, have the potential to produce an enormous amount of green energy from deep-seated “hot rocks”. This energy could be harnessed for conventional power generation or alternatively for the production of hydrogen without the generation of CO₂. This is a key factor in the global transition towards a hydrogen-based economy.
- Production of energy from geothermal licences would also produce significant tradeable carbon credits if Australia were to become a signatory to the Kyoto Protocol.

South Australian Geothermal Licences/Applications

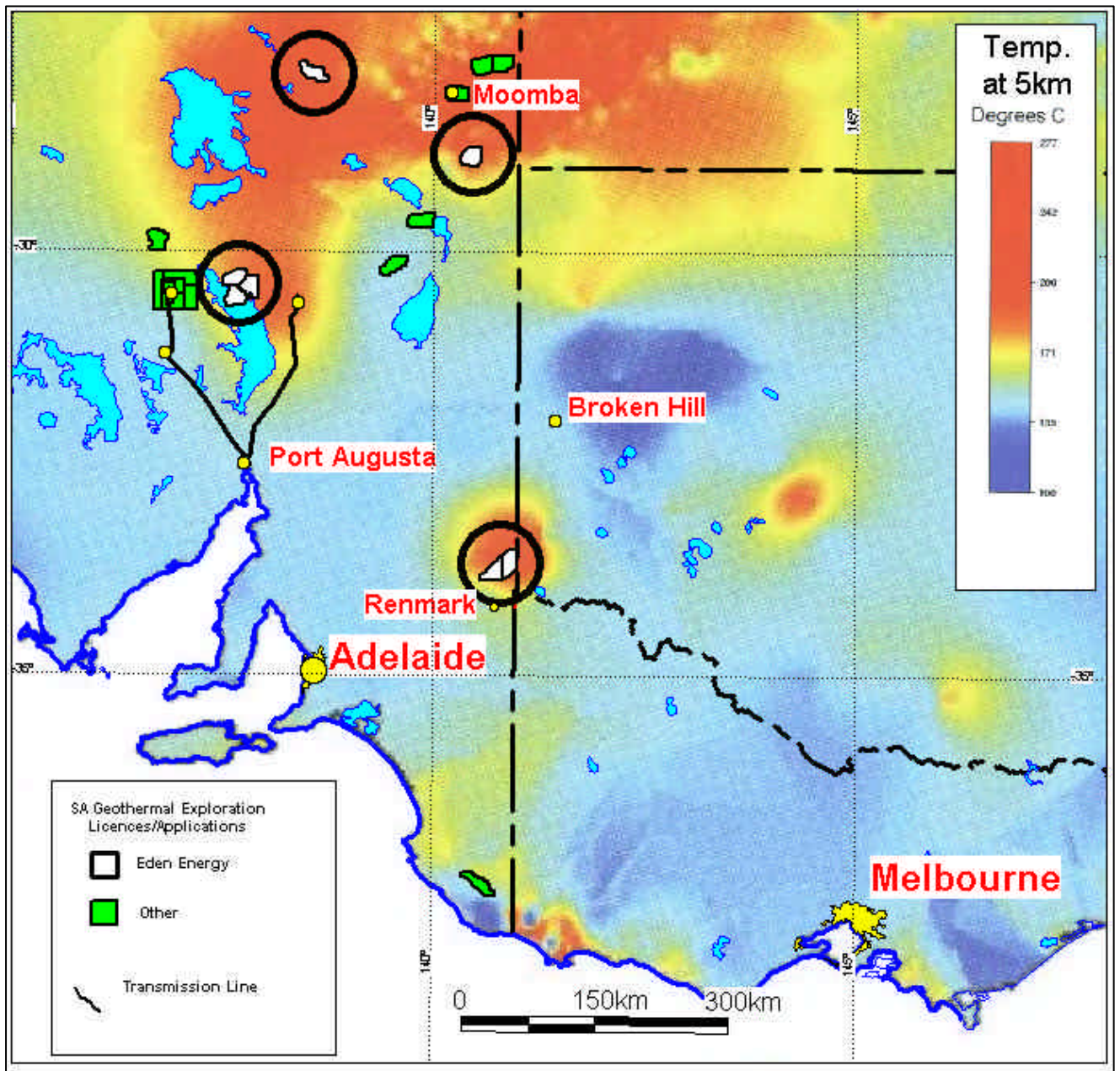


Figure 1: Eden Energy Pty Ltd South Australian geothermal applications shown on the image of estimated temperature at 5km depth (Holgate and Chopra, 2004).

Hydrogen and Hythane® Initiative

- Eden has signed a Memorandum of Understanding with Irish based Brehon Energy plc (“Brehon”) to form a joint company known as Brehon Far-East Pty Ltd (“Brehon Far-East”) in which Eden will hold 49% of the issued capital;
- Under the agreement, Eden will subscribe to 2.5 million shares (representing 20% of the issued capital) in Brehon via the investment of US\$1,000,000 payable in monthly instalments over 9 months;
- Brehon Far-East will have the exclusive licence to market and distribute all hydrogen and Hythane (a mixture of methane or natural gas and hydrogen) products owned or developed by Brehon throughout Asia, Australasia and the Pacific (including Pakistan, India, Japan and China). Brehon Far-East will immediately target near term sales in these regions;
- Brehon owns or has rights to a range of leading edge hydrogen and Hythane® technologies and patents. The technologies and patents address several of the major issues facing the transition to the hydrogen economy;
- The US developed Hythane® technology has been developed over the last 15 – 20 years, has been successfully trialled in a wide range of applications and is ready for full-scale commercialisation particularly in rapidly expanding existing CNG vehicle markets (see Figure 2). Brehon is in discussions in respect to sales with several substantial end users in Europe. This is seen as an immediate bridge between the current hydrocarbon economy and the future hydrogen economy;

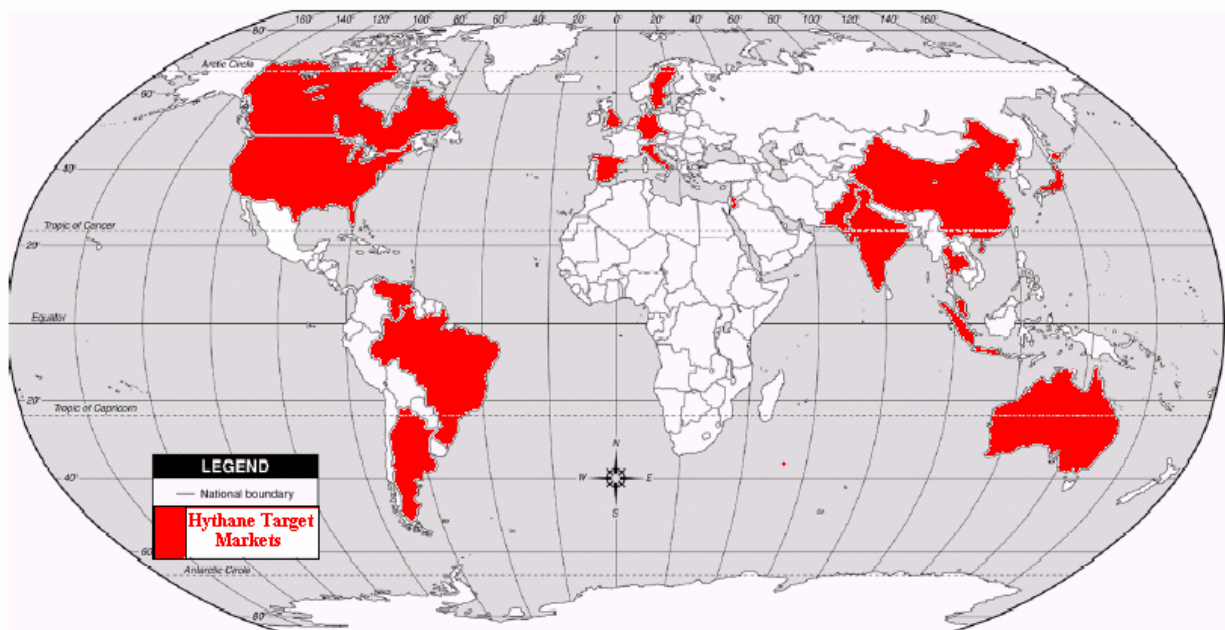


Figure 2: Brehon's Target Markets for Hythane®

- The use of Hythane as a fuel in lieu of CNG/Methane alone reduces CO₂, NO_x and other greenhouse gas emissions. This in turn will give rise to significant carbon credits in countries that are signatories to the Kyoto Protocol. Formal European trading of carbon credits commences in 2005;

- Brehon's hydrogen technology, which was initially developed as part of the NASA space program, involves cryogenic (liquid and supercritical) storage of hydrogen and other gases (see Figure 3). This enables far higher amounts of hydrogen to be stored in smaller sized tanks. This expertise is supplemented by a recent patent application by Brehon for a potentially significantly more efficient cryogenic storage tank. This technology has numerous applications including efficient storage for hydrogen-powered motor vehicles, which is currently one of the limiting factors in the transition to a hydrogen economy. Brehon is in discussions with several leading automobile manufacturers to design and build prototype cryogenic storage tanks for their current developmental hydrogen vehicle programs;



Figure 3: 800,000 Gal liquid H₂ tanker refuelling NASA space shuttle

- Details of capital raisings to fulfil these commitments will be announced in due course.

MAJOR GREEN ENERGY INITIATIVE – DETAILS

Governments all over the world have made huge commitments to fund the transition from oil and fossil fuels to a global hydrogen-based economy during the last two years. This commitment is based on the recognition of a number of factors:

- Increasing concern that world oil production has or is about to peak, which will result in permanent long-term increases in the price of oil and natural gas;
- Growing disquiet about an overdependence on Middle East Oil; and,
- Mounting unease at the possible consequences of global warming,

The Transition to the Hydrogen Economy

- In the USA federal government initiatives for hydrogen research have been set at US\$1.2 billion over the next five years;
- The “Clean Energy States Alliance”, which comprises twelve US States, has committed US\$3.5 billion over the next ten years on alternative energy;
- The European Union has committed Euro €2.8 billion for hydrogen-related expenditure over the next ten years.
- California and British Columbia have initiated Hydrogen Highway Projects, which will strategically establish hydrogen service stations along highways.
- The Welsh Government has established a “Hydrogen Valley” project aimed at developing and undertaking world-class research and development into renewable hydrogen and its application.
- The Western Australian Government is currently spending \$10 million on trialling three hydrogen powered buses.
- Many European, American and Japanese vehicle manufacturers are actively developing both hydrogen powered internal combustion vehicles and hydrogen powered fuel cell vehicles. Huge increases in these types of vehicles are projected over the next ten years.

Tasman’s Geothermal Licence Applications

During the past few years several companies have applied for, and been granted, geothermal exploration licences in South Australia to attempt to tap energy stored as heat in deeply buried rocks.

This concept involves drilling wells deep into the Earth’s crust (up to 4.5 km deep) into specific rocks that have generated significant heat over millions of years. Water is then injected down one well and then pumped up a second (or more) well. The aim is to recover water at a temperature of greater than 200°C, which is then used to generate electricity via a heat exchange plant. In order for the rocks to retain sufficient heat, a very thick sedimentary “blanket” is required.

Central South Australia has all of the necessary requirements for this process and currently one company has already drilled its first test well in the Cooper Basin. This concept is also being developed in various parts of the world where suitable geological conditions exist, including France and the USA.

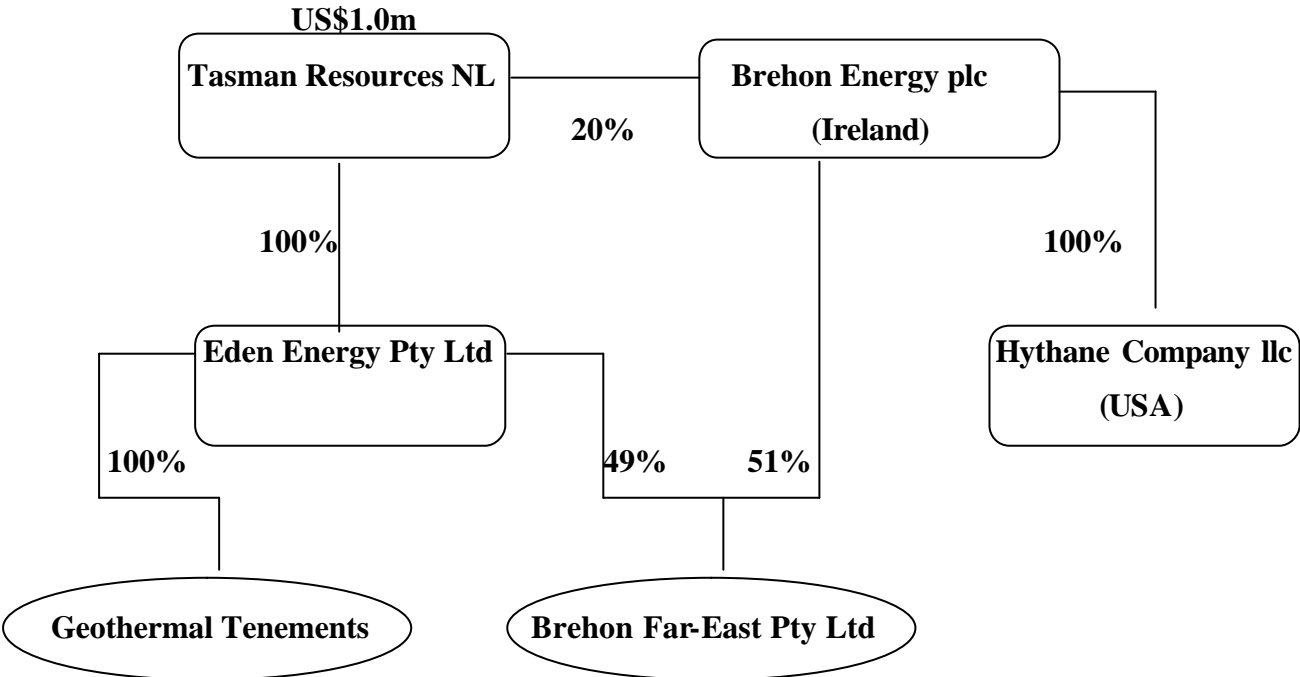
Tasman conducted a review of South Australia and has identified a number of prospective geothermal target areas, which are the subject of the seven Geothermal Licence Applications of approximately 500km² (see Figure 1). All of these applications were made in the name of Eden Energy.

A key factor in commercialisation is the distance from the geothermal wells to the nearest power grid: the further the distance, the greater the cost of connecting to the grid for distributing the electricity. In the case of the northern applications, the location of the nearest power transmission lines are shown on Figure 1.

Eden Energy’s strategy is to test the suitability of the target areas and drill test wells. If successful Eden will establish a power generation facility that can be used to generate electricity for sale into the grid. Alternatively, the power may be used to produce renewable hydrogen for use as a fuel or as an additive to methane/CNG to produce Hythane®, both of which are proposed to be marketed through the downstream technology developed by Brehon.

The Tasman / Brehon Relationship

The corporate structure of Tasman and its subsidiary entities and their relationship to Brehon is set out as follows:



Background to Brehon

Brehon has entered into a contract to purchase the US trademark, US and Canadian patents and goodwill of Hythane from Hydrogen Components Inc (established by Frank Lynch) which invented and developed Hythane.

Mr. Lynch is a pioneer of the hydrogen industry and hydrogen powered vehicles, having built his first hydrogen powered car in 1972 whilst a student at UCLA.

Since then he has built or converted more vehicles and stationary generators to operate on hydrogen or a mixed hydrogen fuel than possibly any other individual in the world. He has championed hydrogen as a fuel and is widely regarded as a world expert on this issue.

Additionally, through a team of world leading consultants (all of whom came out of or were associated with the NASA space program), coupled with a recently lodged patent application, Brehon has leading technology and expertise for the cryogenic storage of hydrogen.

Strategy

Brehon proposes to focus on the production, storage and use of alternate fuels, including Hythane®, compressed natural gas (CNG) and hydrogen.

Hythane® is a mixture of hydrogen and natural gas (methane) that delivers significant reductions in greenhouse and other emissions. Brehon's product strategy is to offer appropriate fuels and systems to each customer depending upon available infrastructure and market conditions. Proponents of the potential use of pure hydrogen as a primary fuel source for both internal combustion vehicles and fuel cell vehicles have not yet identified a strategy to enable the transition from a fossil fuel economy to a hydrogen economy.

Brehon believes the use of Hythane® provides this transition strategy and with the increasing possibility that global oil production has already peaked, or is close to its peak, a significant opportunity is rapidly emerging for the use of Hythane® and ultimately hydrogen on a broader scale. Additionally, significant governmental grants (particularly in Europe) and funding is available to fund the research and development and Brehon is currently making application in Wales for a grant for this purpose.

Hythane®

Hythane® is a cost-efficient, highly leveraged way to introduce hydrogen into the new energy economy and leads to the goal of the hydrogen economy for global use of a renewable zero-emission energy system.

Hythane® provides an immediately available bridge between fossil fuels and a hydrogen economy. Incremental amounts of hydrogen can be added to CNG up to a solution limit in excess of 75% hydrogen. Hydrogen facilitates complete combustion in CNG and significantly reduces emissions of greenhouse gases including CO₂ and NO_x. An addition of 5% hydrogen (by energy) into CNG, coupled with engine tuning to accommodate the mix, reduces CO₂ emissions by up to 20%. Further additions of hydrogen, with engine optimisation, can reduce CO₂ emissions by an overall 30%. This will result in potentially very significant carbon credits being generated which if created in a Kyoto Protocol Signatory country could be traded in the emerging carbon credit markets.

It is proposed the distribution of Hythane® will begin where existing CNG vehicle markets exist, where there is a lack of oil but availability of CNG, and in pollution sensitive regions that value reduced emissions. It will involve a simple engine conversion similar to LPG conversion systems (see Figures 4 and 5)

Brehon will seek to have Hythane® offered as an alternative fuel at vehicle fuelling stations in the same way that higher octane fuel, LPG and CNG are currently available (see Figure 6).

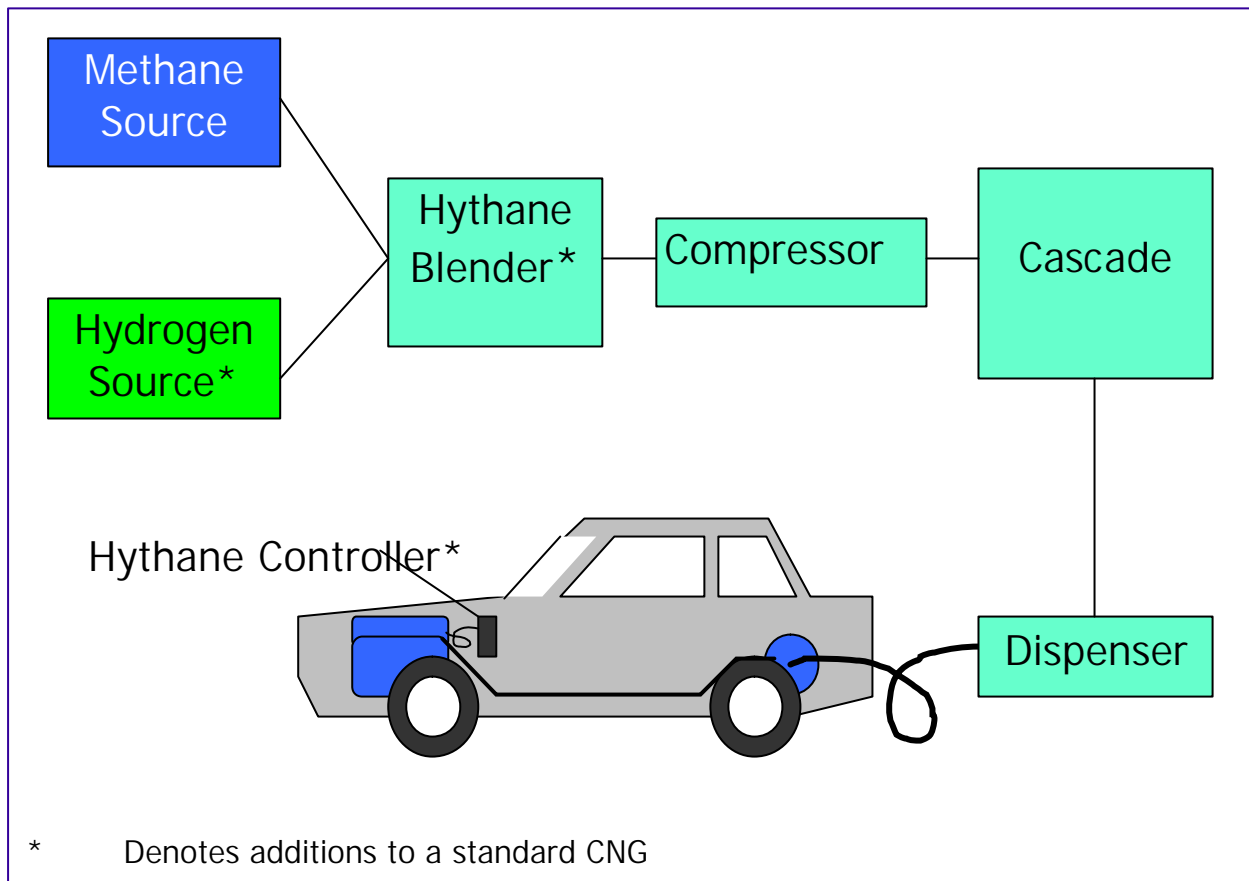


Figure 4: Hythane Operating system



Figure 5: Hythane engine conversion kit

Whilst hydrogen is more expensive than CNG, the marginal increase is projected to be offset by the benefits flowing from reduced emissions. Hythane has been developed, emission tested, and

agreed upon as the best transition strategy to the hydrogen economy.

In respect of the Hythane® market, Brehon will provide:

- Hythane storage tanks (for gaseous, liquid and supercritical Hythane®).
- Hythane fuel pumps and loading equipment.
- Equipment to be attached to engines to enable them to operate on Hythane®.
- Hythane® fuel mix.

Brehon and Brehon Far East propose to focus primarily on the marketing of Hythane® in the short term with a view to generating an early cash flow.



Figure 6: Hythane® (left) and CNG (right) refuelling bowsers

CNG

A significant market currently exists for CNG vehicles in many parts of the world (see Table 1) and in addition to marketing Hythane® into these markets, Brehon proposes to develop and market lightweight CNG storage tanks for these markets.

Table 1: Summary of Natural Gas vehicles and fuelling stations

Country	Nat Gas Vehicles	Fuelling Stations
Argentina	926,352	1,064
Brazil	550,000	565
Italy	434,000	414
Pakistan	380,000	415
India	137,000	116
USA	126,341	1,250
China	69,300	270
Venezuela	44,146	147
Egypt	44,064	75
Ukraine	41,000	13
Totals	2,752,203	4,329

Hydrogen

Globally there is governmental determination to reduce greenhouse gas emissions and ultimately to achieve zero emissions. Many countries are currently pushing to establish the necessary infrastructure and research and development facilities to enable this to occur.

In Germany, for instance, several hydrogen dispensing service stations are now operational and the German government has set a target of 10,000 hydrogen service stations by 2010.

Iceland is currently moving towards becoming the world's first hydrogen economy.

Brehon will initially concentrate on development of cryogenic storage tanks for hydrogen. Brehon recently lodged a patent application for a new cryogenic storage tank design that could potentially give Brehon a major protected worldwide advantage in this critical area of the hydrogen transition (see Figure 7).

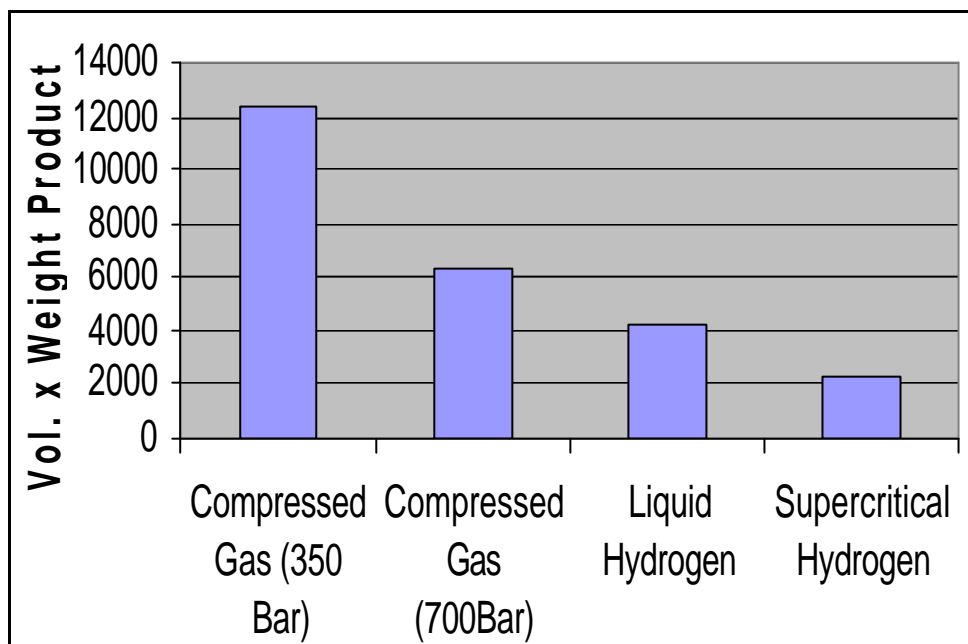


Figure 7: Hydrogen Storage Index

Research and development of the cryogenic storage will be done both in conjunction with the Welsh Hydrogen Valley initiative, which includes the proposed establishment of a Cryogenic Research Centre, and by Brehon itself for individual customers on a prototype design and construct basis.

Technology and Products

A summary of Brehon Products in the alternative fuels, tanks and systems market which will be marketed by both Brehon and Brehon Far-East are outlined in Table 2:

Table 2: Brehon products

	CNG (Methane)	Hythane®	Hydrogen
Application	Cars, Trucks, Buses, Rail, Ships	Cars, Trucks, Buses	Cars initially
Fuel		Hythane®	
Tanks	Methane CNG LNG light weight tanks	Hythane® Tanks Supercritical Liquid Compressed gas	Hydrogen Tanks Supercritical Liquid Compressed gas
Fuel Systems	Refuelling Pumps	Refuelling Pumps	Refuelling Pumps
	Conversion kits	Conversion kits	
		Reliquefaction	Reliquefaction,
			On board systems
R&D	Light weight tanks	Advanced Hythane®	Advanced hydrogen tanks Power distribution

Emerging Markets

In addition to the advanced discussions with European car manufacturers to produce cryogenic storage tanks, and various potential Hythane customers, Brehon has commenced discussions with potential distributors in various countries in South America, the Middle East and Asia (through Brehon Far-East) to market the Hythane products.

Consultants

Brehon has secured the services of a world-class team of hydrogen and cryogenic experts, all having come from or been associated with NASA's space programs over the last 40 years, which used hydrogen to fuel rockets. They provide an immense pool of knowledge and expertise that is considered critical to enable the numerous problems associated with the transition to an economical hydrogen economy to be overcome. Interestingly, without exception, all of these experts are motivated by a desire to assist wherever possible in this transition to a hydrogen economy, for the welfare of the entire planet.

Disclosure of Interest

Gregory Solomon and Douglas Solomon are both directors and (directly and through associated entities) shareholders of Tasman. Additionally, Gregory and Douglas Solomon collectively hold a minority interest in Brehon and Gregory Solomon is the Chairman of Brehon.

Gregory H. Solomon

Executive Chairman

NEWS

· RELEASE ·

FOR IMMEDIATE RELEASE
16 June 2004

TASMAN RESOURCES TARGETS FEDERAL GOVERNMENT

FUNDING WITH MOVE INTO 'GREEN ENERGY' MARKET

Perth-based Tasman Resources today announced a diverse move into the "Green Energy" market, which includes possible Federal Government funding under the Prime Minister's *Securing Australia's Energy Future* policy announced yesterday.

Tasman's green energy initiative – to be undertaken via a newly-formed subsidiary, Eden Energy Pty Ltd - centres on drilling "hot rocks" to tap energy stored deep underground in central Australia and to gain a key position in the emerging hydrogen economy of the future.

"Both the exploration and development of the geothermal licences and the potential development and marketing in Australia of hydrogen and Hythane® (a mixture of CNG/methane and hydrogen) products may qualify for Federal Government funding under the \$500 million fund announced by the Prime Minister on 15 June 2004," Tasman's Executive Chairman, Mr Greg Solomon, said today.

Mr Solomon said the main thrust of the Company's green energy initiative targeted several highly prospective and strategic sectors of the rapidly emerging green energy market and the enormous economic potential of the global transition from a hydrocarbon to a hydrogen based economy.

"US and European Governments have during the past 18 months committed in the order of US\$8 billion towards the development of the Hydrogen economy," he said.

"This commitment is aimed at reducing greenhouse gas emissions, and to break their reliance on increasingly expensive fossil fuel energy sources and in particular oil that is derived largely from the Middle East."

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Geothermal licence applications, Hythane® and Hydrogen initiatives

Mr Solomon said Eden Energy had already applied for seven geothermal licences in South Australia with a view to production of large quantities of clean, renewable energy that could be used to produce hydrogen.

“Additionally, Eden has secured a significant stake in UK-based Brehon Energy plc which has world leading technology involving the production and use of Hythane® and cryogenic storage of hydrogen,” he said.

Brehon owns or has rights to a range of leading edge Hydrogen and Hythane® technologies and patents. The technologies and patents address several of the major issues facing the transition to the Hydrogen economy;

Its technology, which was initially developed as part of the NASA space program, involves cryogenic (liquid and supercritical) storage of hydrogen and other gases. This enables far higher amounts of hydrogen to be stored in smaller sized tanks.

A world class team of consultants has been established by Brehon to assist in the research and development of both the Hythane® and hydrogen technologies.

Sales discussions

Mr Solomon said the US developed Hythane® technology, which had been developed over the past 15 – 20 years, had been successfully trialled in a wide range of applications and was ready for full scale commercialisation - particularly in rapidly expanding existing CNG vehicle markets.

“Brehon is in discussions in respect to sales with several substantial end users in Europe and the developing world,” he said.

Mr Solomon said the Brehon investment would also see Eden involved in the exclusive licence to market and distribute all hydrogen and Hythane® products owned or developed by Brehon throughout Asia, Australasia and the Pacific.

Near term sales in these regions will be targeted immediately,” he said.

The seven geothermal licences sought by Eden in South Australia have the potential to produce an enormous amount of green energy from deep-seated “hot rocks”.

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“This energy could be harnessed for conventional power generation or alternatively for the production of hydrogen without the generation of CO₂. This is a key factor in the global transition towards a Hydrogen based economy,” Mr Solomon said.

“Production of energy from geothermal licences would also produce significant tradeable carbon credits if Australia were to become a signatory to the Kyoto Protocol,” he said.

Tasman’s mineral search to continue

Tasman Resources also is about to start an accelerated drilling program on its copper-gold leases near WMC's Olympic Dam mine in South Australia's Far North, with the promising Titan prospect the focus of a two-hole program.

Mr Solomon said Tasman's move into the energy market would run in tandem with the current mineral exploration program.

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