



TASMANIA MINES LIMITED

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In reply please refer: mp/nd/245

21 October 2014

The Manager Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Capital Management

Dear Sir/Madam,

Following Shareholders comments at the Company's last Annual General Meeting and subsequent enquiry from Shareholders the Directors have continued to review the Company's Capital Management. This has included a consideration of a possible "off market Buy-back" of issued shares in the Company which in part could include attaching franking credits.

In view of the present depressed prices for iron ore and coal, the Directors consider that any outflow for a Share Buy-back would not be appropriate at this time. The Directors, however, will keep this matter of the Company's Capital Management under constant review.

Yours faithfully,

K.J. Broadfoot
Director and Secretary