



TASMANIA MINES LIMITED

ABN 45 009 491 990

Registered Office
Aurora Place
Level 33, 88 Phillip Street
Sydney NSW 2000
Australia

Telephone (02) 9251 4244
Facsimile (02) 9247 2322

23 April 2014

The Manager
Australian Stock Exchange Limited
GPO Box 100A
Hobart TAS 7001

Subject: March 2014 – Quarterly Activities Report

Dear Sir,

During the quarter, production of dense medium magnetite for use in coal washeries continued.

Mining

Mining from Kara No. 1 continued during the period with 90,822 tonnes of ore mined from the Kara No. 1 pit and delivered to the concentrator plant stockpiles. In addition, 62,183 tonnes of overburden was removed.

Comparative production figures are as follows:

<u>Period Ended</u>	<u>Ore Production Tonnes</u>
31 March 2014	90,822
31 December 2013	106,565
31 March 2013	85,835

Milling Operation

During the period, the concentrator plant treated 92,444 tonnes. A total production of 55,151 tonnes of dense medium magnetite were achieved.

Comparative production figures are as follows:

<u>Period Ended</u>	<u>Scheelite Tonnes</u>	<u>WO3 Content %</u>	<u>Dense Medium Magnetite Tonnes</u>	<u>Iron Ore Fines Tonnes</u>
31 March 2014	17	73	55,151	0
31 December 2013	16	74	46,415	0
31 March 2013	6	73	47,189	0

**Australian Stock Exchange Limited – Quarterly Activities Report
23 April 2014**

Sales

Sales during the period were 56,754 tonnes of dense medium magnetite for use in coal washeries.

Comparative sales figures are as follows:

<u>Period Ended</u>	<u>Dense Medium Magnetite Tonnes</u>	<u>Iron Ore Fines Tonnes</u>	<u>Scheelite M.T.U.</u>
31 March 2014	56,754	0	0
31 December 2013	50,158	0	3,146
31 March 2013	37,470	0	0

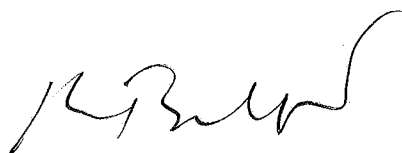
Exploration

Exploration drilling on the Kara Mine Lease recommenced during January of 2014. Spaulding's Drilling contractors mobilized to site and commenced work in early January.

Drilling commenced with some deep holes under Eastern Ridge and some strike extension holes to the north of Eastern Ridge. A total of 4 holes for 879.9m were completed (K1107 to K1110). The two deep holes closed off the mineralisation downdip below the Eastern Ridge resource. Exploration drilling confirmed the continuation of the magnetite skarn and scheelite mineralisation to the north of the resource. Further holes are planned for the future.

The rig moved to the Kara No 1 pit and commenced infill drilling of the Western Limb of the Kara 1 resource. Two holes were completed in the quarter for 214.2m (K1111 and K1112). Both holes intersected good magnetite mineralisation and K1111 intersected scheelite associated with the magnetite skarn. Drilling is ongoing into the second quarter of 2014.

Yours faithfully,
Tasmania Mines Limited



K.J. Broadfoot
Company Secretary