September 28, 2010

TASMAN METALS LTD.

TSX - TSM; Frankfurt – T61 (WKN A0Y GN1); Pinksheets - TASXF

'The Tasman Metals Rare Earth Story'

Dear Friends:

The following **interview with Mark Saxon, CEO of Tasman Metals** and on-the-record questions by Matthew Smith of **theinvestar.com** earlier this month provides an excellent overview of the Company and answers most of the questions that I receive daily from investors.

Below is a transcript of the on-the-record questions.

Enjoy,

Nick L. Nicolaas

Theinvestar.com: Tasman is a relatively new company in an industry just now beginning to be discovered by investors. So can you give us an overview of the sector in which you are operating?

Mark Saxon: Recognition of the rare earth element (REE) sector as an investment opportunity has occurred slowly, as it has taken investors time to understand the critical role played by these metals in every facet of modern society. While the metals can't be seen everyday like copper or gold, rare earth elements play a key role in almost every piece of high-tech equipment that surrounds us in our home and working lives.

The rare earth story is made more compelling by the supply imbalance that is causing consumers to drive REE prices higher. Metals like copper and gold are produced from numerous mines around the globe, so supply alternatives exist when political constraints intervene. In contrast, more than 95% of rare earth elements come from just a few mines in China, supply from which for western consumers is subject to quotas and tariffs. This lack of supply chain diversity is not adequately robust in the eyes of

consumers, so creating the opportunity for greatly expanded Western rare earth element production.

Theinvestar.com: Can you describe for us the business model of the company, and the role you play in the sector?

Mark Saxon: Tasman identified the growing opportunity in the rare earth element sector early on, and through the “first-mover” advantage gained 100% ownership of a number of heavy rare earth element projects across Sweden and Finland. These countries provide an excellent environment for investment in mining and exploration, with extensive high quality geotechnical data, second to none road, rail and power infrastructure, and a highly skilled population.

Tasman’s European portfolio provides the unique opportunity to supply domestically sourced rare earth elements to the EU, so reducing the regions reliance on Chinese supply.

While we are advancing numerous projects, Norra Karr in Sweden has received most of our attention and budget to date. The results have been very pleasing, as drilling returned many intersections of REE plus zirconium mineralization, often over thicknesses greater than 100m.

One key feature that makes Norra Karr stand out from its peers is the high proportion of the high value heavy rare earth elements for which supply is tight inside and outside China. Approximately 50% of our total rare earth elements are heavy, which is uniquely high in the rare earth sector.

Theinvestar.com: What are your drilling plans for the current year and 24 months out?

Mark Saxon: We are fortunate that most of our project areas have road access, so logistics for drilling is pretty straight forward for us. No helicopters, barges or float planes needed.

Over the 2010 northern summer we have focused our efforts on mapping and sampling, but I anticipate we will be in a position to drill for most of winter and spring on a number of project areas, and use the following summer/autumn to assess and advance with those results.

Theinvestar.com: Where does your treasury stand? Is it in cash, CDs, money market accounts or corporate paper? If corporate paper, could you explain as to what?

Mark Saxon: Tasman is currently well financed, with in excess of $4.4 million, spread principally between Bank Guaranteed Investment Certificates, Bankers' Acceptances, and bank savings accounts. We consider that all of these deposits and investments to be extremely liquid and of high quality. Tasman holds no corporate paper.

Theinvestar.com: Rare earth prices are rising across the board due to the quota cutting by China. Has this sparked interest by institutional and hedge fund buyers?

Mark Saxon: The rare earth market has certainly drawn plenty of attention over the last few months aided by the Chinese cut in export quotas and efforts to reduce black market export of these metals. While some cut was expected, the magnitude surprised market analysts, and has lead to a sharp run up in pricing. Concern has been expressed by REE consumers about security of supply, and the critical need for alternate REE sources.

Interest in Tasman and the niche we have to potentially supply REE's to Europe has certainly increased over the last few months. The profile of the company has been raised by our positive drilling results, which has lead on to discussion regarding financing and future metal supply opportunities. As Tasman was the first-mover in the

region, we have been able to acquire every project of significance, giving us a strong advantage over our competitors. We have regular contact with institutional groups, interested to learn about the projects and potential of Tasman.

Theinvestar.com: Not including options, what percentage of the company does management own?

Mark Saxon: Management currently owns approximately 27% of Tasman's outstanding shares.

Theinvestar.com: Is Tasman looking to add to its portfolio of properties or will you focus on exploring what you currently have?

Mark Saxon: Tasman runs an active project generation group, focused on identifying new REE projects in strategic locations. Furthermore we monitor closely the activities of our peers and competitors in all jurisdictions. We are always interested in reviewing new projects and ideas from any part of the globe.

All projects are reviewed against Tasman's current portfolio of highly prospective properties, which includes projects from greenfields to historic resource stage, in areas supported by excellent infrastructure.

With this challenging hurdle in mind, we will only add high quality projects that can compete within our current portfolio.

Theinvestar.com: Are you looking for JV partners?

Mark Saxon: We have recently Joint Ventured out seven non-core projects to ASX and AIM listed exploration companies, receiving cash and shares in compensation. We are

not actively seeking JV partners for our current portfolio, but are happy to discuss opportunities for strategic partnerships.

Theinvestar.com: Will Tasman be a European focused explorer, or could we see the company take on projects in say Canada, Africa or Australia?

Mark Saxon: Our current portfolio of projects in Scandinavia provides Tasman with the enviable combination of high geological prospectivity, excellent infrastructure, mining-friendly jurisdictions, and local REE end users. In addition, the EU has recently published extensive policy documents, actively supporting the mining of strategic metals including REE's in Europe.

We review projects from all parts of the world, and a decision to explore a new project shall be "project driven". Inclusion of a project in a new jurisdiction shall require high prospectivity, and fit with our belief that strategic metals must be in locations where secure supply of high quality product can be guaranteed.

Theinvestar.com: Could you tell us about the company's goals?

Mark Saxon: Tasman's management have established clear goals for the company: to focus on the exploration and development of high merit strategic metal projects in jurisdictions where long term supply of metals can be guaranteed, while providing a safe and healthy workplace, and operating in a manner that respects both the natural environment and stakeholders.

The Company's focus on the stable, mining friendly countries of Scandinavia fits well with this goal.

Theinvestar.com: How do you feel Tasman is valued? Undervalued, fairly valued, or overvalued and why?

Mark Saxon: Tasman is a well financed rare earth element explorer, with a spread of greenfields to former REE mines in stable mining friendly jurisdictions. The Company is less than 12 months old, and as the Company develops we believe we have great potential to add value to our projects, in a sector that is just beginning to gain market recognition.

Theinvestar.com: Where do you see the industry in 5 years from now? Such as overall market cap, and who do you think will be the consolidators, if any? Where does Tasman fit into all this?

Mark Saxon: Taking a 5-year view on the REE sector is tough, as 5 years ago the sector barely existed outside of China, and now a strong and growing exploration industry exists.

REE's are strategic metals used in small amounts in many modern applications. An increase in metal supply security will definitely increase research into uses of the metals, and flow through to increased consumption. The price outlook for heavy rare earths is particularly strong over the coming 5 years, as resources for these metals are low in China and quotas and export restrictions are anticipated to remain in place.

Consolidation is probable over 5 years, perhaps bringing together companies with light rare earth projects with those with heavy rare earth projects. We may also see REE consumers stepping up the supply chain more aggressively, to fund project development so ensuring the long term availability of these essential metals. With this view, the market capitalization of the sector will expand significantly.

Tasman's unique position with the only significant REE projects in mainland Europe provides great potential for us to play a lead role in securing REE supply for high-tech and green-tech industry within the EU.

Theinvestar.com: Will Tasman be raising any money in the next 12 months?

Mark Saxon: Tasman has a strong treasury, with adequate working capital for the company's medium term goals plus approximately $5 million in "in-the-money" warrants.

In order to secure work programs across all our highest priority projects, we shall take the opportunity to raise money in the next 12 months should market conditions allow.

Theinvestar.com: Based on current drill results, what are the characteristics of your flagship property (i.e., mineralization close to surface, large intercepts, etc.)?

Mark Saxon: Some of the key features of Tasman's Norra Karr project that encourages our management group to advance the project rapidly are:

- Mineralized from surface with a footprint that is hundreds of metres wide and long;
- Thick intersections of mineralization, often exceeding 100 metres, and remaining open at depth on all drill sections;
- Excellent infrastructure with existing road access to site plus power, water and skilled communities close by;
- Low uranium and thorium contents, therefore no mining, treatment or disposal issues that relate to radioactivity. This will greatly simplify future permitting processes for mining;
- An unusually high % of HREO, consistently exceeding 50% over greater than 100 metre intervals;
- ·A high proportion of Dy (dysprosium) and Y (yttrium) – metals in demand with good growth fundamentals and few new sources of supply;
- High grades of Zr (zirconium), and Hf (hafnium) over thicknesses greater than 100 metres, that may provide valuable byproducts;
- Simple access to existing high volume coastal ports.

Theinvestar.com: Any plans for an updated NI 43-101 report on Norra Karr, or is that a year or two out?

Mark Saxon: The next milestone for Norra Karr is the calculation of a first time resource estimate, which is currently under way under the leadership of Pincock Allen Holt. We anticipate this calculation will be completed during November 2010.

We are also initiating metallurgical test work to research concentrate preparation, which will generate further new technical data over the winter period.

Theinvestar.com: Mr. Saxon we thank you for your time and look forward to further news regarding your progress.

END

Again, Stay Tuned - - for the next Chapter in the Tasman Metals Rare Earth Story!!!

Regards,

Nick L. Nicolaas

Mining Interactive "Ahead of the Pack"

Acronyms used:

REE rare earth elements, lanthanum to lutetium by atomic weight plus yttrium
LREE light rare earth elements, lanthanum to samarium by atomic weight
HREE heavy rare earth elements, europium to lutetium plus yttrium
TREO rare earth elements, calculated as oxides, including lanthanum to lutetium plus yttrium
HREO heavy rare earth elements, as per HREE above, calculated as oxides
LREO light rare earth elements, as per LREE above, calculated as oxides

Strategic Metals, including Rare Earth Elements and their common usage:

	METAL	OXIDE	NAME	USAGE
	Sc		**Scandium**	X-ray tubes, catalysts for polymerisation, hardened Ni-Cr superalloys, dental porcelain.
	Zr	ZrO2	**Zirconium**	Zirconium is used as an alloying agent due to its high resistance to corrosion.
	Nb	Nb2O3	**Niobium**	Niobium is used mostly in alloys, the largest part in special steel such as that used in gas pipelines.
R E L	**La**	La2O3	**Lanthanum**	Ceramic glazes, high quality optical glass, camera lenses, microwave crystals, ceramic

				capacitors.
		Ce	Ce2O3	**Cerium**	Glass polishing, petroleum cracking catalysts, alloys - with iron for sparking flints for lighters, with aluminium, magnesium and steel for improving heat and strength properties, radiation shielding.
		Pr	Pr2O3	**Praseodymium**	Yellow ceramic pigments, tiles, ceramic capacitors. With neodymium in combination for goggles to shield glass makers against sodium glare, permanent magnets, cryogenic refrigerant.
		Nd	Nd2O3	**Neodymium**	Ceramic capacitors, glazes and coloured glass, lasers, high strength permanent magnets as neodymium-iron-boron alloy, petroleum cracking catalysts.
		Pm	Pm2O3	**Promethium**	Radioactive promethium in batteries to power watches, guided missile instruments.
		Sm	Sm2O3	**Samarium**	In highly magnetic alloys for permanent magnet as Samarium-Cobalt alloy; probably will be superseded by neodymium. Glass lasers. Reactor control and neutron shielding.
	HEAVY REE'S	**Eu**	Eu2O3	**Europium**	Control rods in nuclear reactors. Coloured lamps, cathode ray tubes. Red phosphor in TV tubes.
		Gd	Gd2O3	**Gadolinium**	Solid state lasers, constituent of computer memory chips, high temperature refractories.
		Tb	Tb2O3	**Terbium**	Cathode ray tubes, magnets, optical computer memories; hard disk components.
		Dy	Dy2O3	**Dysprosium**	Controls nuclear reactors. Alloyed with neodymium for permanent magnets. Catalysts.
		Ho	Ho2O3	**Holmium**	Controls nuclear reactors; catalysts; refractories.
		Er	Er2O3	**Erbium**	In ceramics to produce a pink glaze; infra-red absorbing glasses.
		Tm	Tm2O3	**Thulium**	X-ray source in portable X-ray machines.
		Yb	Yb2O3	**Ytterbium**	Practical values presently unknown. Research.
		Lu	Lu2O3	**Lutetium**	Deoxidiser in stainless steel production, rechargeable batteries, medical uses, red phosphors for colour television, superconductors.
		Y	Y2O3	**Yttrium**	Deoxidiser in stainless steel production, rechargeable batteries, medical uses, red phosphors for TV.
		Hf	HfO2	**Hafnium**	Hafnium is used in filaments, electrodes, and semiconductor fabrication processes for circuits