



28 April 2010

The Manager
Australian Stock Exchange Limited (ASX)
Company Announcements Office

Dear Sir/Madam

Wasabi Energy Limited is pleased to advise that significant progress has been made by its 96% subsidiary, Global Geothermal Limited (GGL), on the commercialization of the Kalina Power Cycle.

The developments include:

- The construction and commissioning of the first solar thermal Kalina power plant which will be used to power the Shanghai Corporate Pavilion at the EXPO 2010 in Shanghai opening on May 1st.
- The signing of an exclusive Memorandum of Understanding with the city of Husavik, Iceland, to acquire, refurbish, maintain and operate the 2MW Kalina Cycle plant at Husavik.
- The completion of factory testing of the first 50kw packaged geothermal power plant for Japan's Geothermal Energy Research and Development Organization (GERD) in readiness for deployment in Japan.
- The appointment of Robert (Bob) Dewing as an independent director of GGL.

The Chairman of Wasabi, Mr. John Byrne commented "These are all important building blocks in the development of Wasabi as a major international energy combine. Documentation for the merger with Australian Renewable Fuels is expected to be lodged with Australian Securities Commission shortly and the merger will complete the first stage of the Wasabi development. Over US\$100 million has been spent on the development of the Kalina Cycle and over A\$50 million on the construction of two biodiesel refineries by Australian Renewable Fuels. The proposed merger with Australian Renewable Fuels will broaden the Wasabi asset base and cash flow from existing facilities while GGL provides phenomenal potential for growth."

Wasabi directors advise that on completion of the merger it is their intention to apply for admission of the Company's securities to trading on the AIM market in London. The Chairman, Mr. John Byrne has been an executive director and chairman of a number of successful AIM traded companies, including Western Coal Corporation with a market capitalization of GBP£1.1 billion, which has grown to now be one of the largest and most successful companies on AIM. This understanding of the market and investor base in London will be utilised by Wasabi to assist in its future growth.

"We have an international audience for the Kalina Cycle and the market for our securities will be international also. The rise in international power prices over the past five years together with the introduction of incentives for renewable energy and energy efficiencies is focusing attention on the Kalina Cycle" Mr. Byrne said.

This Kalina Cycle technology is the first advance beyond the Rankine Cycle in over 150 years. It has proven effective with over 450 million kW-hrs of operation in the first generation of power plants built during the past ten years. It has proven more efficient in comparison with the conventional Rankine Cycle as used in almost all high temperature, steam driven, thermal power stations and, in lower temperature applications, it has a significant additional environmental advantage versus the Organic Rankine Cycle (ORC). Areas of use with lower temperature sources of heat cover a wide range of applications including binary geothermal, industrial waste heat such as steel reheat furnace and blast furnace applications, cement kilns waste heat recovery, gas turbine and engine exhaust combined cycle applications.

The efficiency advantage of the Kalina Cycle increases as heat source temperature is lowered due to known thermodynamic attributes of an ammonia-water (mixture) working fluid in comparison with the Rankine Cycle, which employs only single component working fluids such as water (steam) or in the case of Organic Rankine Cycle (ORC), refrigerants and hydrocarbons such as iso-pentane, butane, propane, etc. There are a number of third party studies that support the efficiency advantage of the Kalina Cycle.

The Kalina Cycle has the added advantage that ammonia has zero Oxygen Depletion Potential (ODP) and near zero Global Warming Potential (GWP) and is inflammable. All of the Organic Rankine Cycle working fluids used commercially today are orders-of-magnitude worse than ammonia in these critical environmental performance parameters and many are highly inflammable

Mr. Byrne added “We plan to own and operate geothermal and possibly solar thermal projects to produce electricity from renewable energy resources. We are particularly encouraged by the enthusiasm with which our Chinese licensee has taken up the technology and their plans for the future. Anyone visiting Expo will be impressed with the Chinese Kalina exhibit.”

Further information on GGL’s recent developments is as follows:

China

The exclusive Kalina Cycle licensee for China, Shanghai Shenghe New Energy, will be launching the first solar thermal Kalina Cycle power plant at EXPO 2010 in Shanghai, commencing May 1st. The 50kW unit takes water heated by the sun from the roof of the Shanghai Corporate Pavilion, and turns it into electricity to power the Shanghai Corporate Pavilion.

SSNE has also commenced the first Kalina Cycle waste heat recovery power plant in a cement facility, which is expected to be on line in 2011.

Husavik power station

GGL has signed an exclusive MOU with the City of Husavik, Iceland, to acquire, refurbish, maintain and operate the 2MW Kalina cycle plant in Husavik. The Husavik plant was the first and only example of a Kalina Cycle geothermal plant, prior to the commissioning of two plants by Siemens in Germany in 2009.

GERD 50 kW packaged Kalina Cycle power plant

The first packaged geothermal power plant for Global’s Japanese customer, Geothermal Energy Research & Development (GERD), has passed its functional factory performance test at Johnson Controls’ San Antonio facility. GERD received funding for its project from NEDO, Japan’s Department of Energy. The geothermal fluid powered Kalina Cycle technology unit is sized for 50 KW of continuous electrical output, and will be deployed at Japanese hot springs at Otari to offset power purchased from the local utility. A second order is being finalized in a large potential marketplace.

Board Appointments

Robert (Bob) Dewing has been appointed an independent director of Global Geothermal. Mr. Dewing, after 26 years with Citigroup developing and financing projects and businesses, currently teaches project finance at Columbia University and has a number of roles with private companies focusing on enterprise development. Mr. Dewing has an Engineering degree from Imperial College, London and an MBA from The University of Chicago.

John Byrne and Malcolm Jacques, directors of Wasabi, have also joined the Board of GGL.

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