

ASX Announcement

7 February 2011

Wasabi Energy Raises \$4,807,000¹ (£3,024,000) Through a Strategic Placement to Institutional Investors in the U.K.



- 112,000,000 new ordinary shares placed at 2.7p (\$0.0429¹) per share
- Placement strongly supported by institutional investors in the U.K.
- Funds raised intended to support Wasabi Energy's participation in Kalina Cycle® project opportunities

Wasabi Energy (ASX: WAS, AIM: WAS) (the "Company") is pleased to announce that it has raised \$4,807,000¹ (£3,024,000) before expenses through a strategic placing of 112,000,000 new ordinary shares in the Company to institutional investors in the U.K. at a price of 2.7p (\$0.0429¹) per share (the "Placing"). The Placing price represents the closing price of the Company's shares traded on AIM on 2nd February 2011, being the last trading day before dispatch of placing letters to the institutions who participated in the Placing.

The funds raised through the Placing are primarily intended to provide the Company with additional financial resources to continue the rapid commercialisation of the Kalina Cycle®². The Company continues to make significant commercial progress with the Kalina Cycle® technology, as well as having recently moved to a 100% ownership position in Global Geothermal Limited, the company that owns the rights to the technology's intellectual property. On the 10th of January this year, Wasabi announced the acquisition of its first power plant - the Husavik Kalina Cycle® geothermal power plant (*figure 1*), representing a key milestone in the establishment of the Company's power generation portfolio.

The Directors believe the additional funds raised through the Placing will provide the Company with increased flexibility when evaluating Wasabi's participation in Kalina Cycle® projects and/or development opportunities. In addition, the Placing satisfies increased demand from institutional investors.

The Company's share price has performed strongly since listing on AIM in early December 2010 and the board believes that the listing has been successful in enhancing the profile of the Company and its technologies as well as providing the Company with exciting opportunities, particularly in relation to its development as an Independent Power Producer (IPP).

The Company has made the Placing in accordance with Rule 7.1 of the ASX listing rules that allows the Company to issue up to 15% of its issued capital without shareholder approval.

An application has been made to the London Stock Exchange for the new ordinary shares, which will rank *pari passu* with the existing shares on issue, to be admitted to trading on AIM.

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¹ - Based on the prevailing exchange rate of 0.629:1 (GBP:AUD) on 4 February 2011.

² - Kalina Cycle® is a registered trademark of Global Geothermal Limited. The Kalina Cycle® is a patented power cycle technology owned by Global Geothermal Limited.

Comment from the Chairman

Executive Chairman of Wasabi Energy and Director of Global Geothermal Limited, Mr. John Byrne commented:

"We are delighted with the strong institutional support Wasabi has received in relation to this placement. Our ability to place a significant number of new shares to institutional investor at the same price as the prevailing market price (on AIM), highlights the level of interest in the development of Wasabi."

"We are reassured by the fact that our institutional shareholders recognise the magnitude and diversity of the opportunities available to Wasabi through our platform of core technologies, most notably, the Kalina Cycle®. The additional funds raised will assist Wasabi to capitalise on a number of these opportunities."

Yours Sincerely,



Mr. John Byrne
Executive Chairman

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Húsavík Kalina Cycle® Geothermal Power Plant - Recently acquired by Wasabi Energy



Corporate Information

General corporate information regarding Wasabi Energy and the companies Wasabi Energy holds a strategic investment in can be found in this section. Announcements regarding Wasabi Energy corporate developments are made to the Australian Securities Exchange (ASX) and the London Stock Exchange's, Alternative Investment Market (AIM), are also available on the Wasabi Energy website. Additional information regarding the investee companies can be found at their respective web sites, details below.



About Global Geothermal Limited

Global Geothermal Limited (GGL) holds an extensive Kalina Cycle® intellectual property portfolio and is focused on licensing the innovative technology into two core business streams, Enhanced Energy Efficiency (EEE) and Renewable Energy Generation (REG).

In 2007, Global Geothermal Limited, a private company incorporated in the United Kingdom, was established to consolidate the global Kalina Cycle® intellectual property interests, which involved the acquisition of U.S. based engineering firm, Recurrent Engineering LLC, now a wholly owned subsidiary. The initiation of new Kalina Cycle® projects generally requires Global Geothermal Limited issuing a Kalina Cycle® technology license to the project developer, and for Recurrent Engineering LLC to provide the power cycle engineering necessary for the design of the Kalina Cycle® power plant.

Wasabi Energy Limited has been progressively increasing its ownership interest in the Kalina Cycle® technology for over 5 years, through the acquisition of a range of commercial interests and substantial intellectual property portfolios. As of January 2011, Global Geothermal Limited is a wholly owned subsidiary of Wasabi Energy Limited.



About Wasabi Energy

Wasabi Energy Limited is an Australian Securities Exchange listed public company (ASX: WAS) with a secondary listing on the AIM market of the London Stock Exchange (AIM: WAS) that holds strategic investments in companies and projects it believes can provide solutions to the world's energy and environmental challenges. Wasabi Energy is actively involved in the management of the respective investee companies and assists in the achievement of critical business milestones, financing growth and ultimately the delivery of results that matter.

Wasabi Energy has recently focused its portfolio of investments into three core business streams, renewable power, sustainable water and renewable biofuels. Each of these core business streams is represented by a strategic corporate investment by Wasabi Energy (Global Geothermal Limited, Aqua Guardian Group and Australian Renewable Fuels, respectively) and has been strategically selected to provide solutions for the key sustainability challenges facing the world.

Additional information:

www.wasabienergy.com



Wasabi Energy Ownership: 100%

globalgeothermal.com



Wasabi Energy Ownership: 50%

aquaguardiangroup.com



Wasabi Energy Ownership: 23.3%

arfuels.com.au

Renewable power

Sustainable water

Renewable biofuels