

ASX

Announcement

7 March 2011

EXERCISE OF OPTIONS BY DIRECTOR

Wasabi Energy Limited (ASX:WAS, AIM:WAS) is pleased to note the exercise of 16,621,071 options by Mr Stephen Morris, an Executive Director of the Company.

Mr John Byrne, Executive Chairman of Wasabi commented, "The exercise of the options early by Mr Morris along with other option holders highlights the progress the Company is making on its main investments. We are encouraged by the results being achieved by Aqua Guardian and with the progress Australian Renewable Fuels is making in increasing its production and feedstock supply options. The board is confident that the commercialization of the unique Kalina technology will continue to make rapid progress in 2011."

Please find attached Appendix 3Y in relation to the holding of Mr Stephen Morris

For further information please contact:

Mr. John Byrne

Executive Chairman

(03) 9663 7132



About Wasabi Energy

Wasabi Energy Limited is an Australian Securities Exchange listed public company (ASX: 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.

Wasabi Energy Limited owns 50% of Aqua Guardian Group.

Additional information:

www.wasabienergy.com

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	WASABI ENERGY LIMITED
ABN	24 000 090 997

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Stephen Morris
Date of last notice	18 January 2011

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	
Date of change	7 March 2010
No. of securities held prior to change	16,436,267 Ordinary Shares 8,750,000 Options at 1 cent 10,000,000 Options at 1.6 cents
Class	Ordinary Shares Options
Number acquired	16,621,071 Ordinary Shares
Number disposed	8,750,000 options at 1 cent 7,871,071 options at 1.6 cents
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$213,437.14
No. of securities held after change	33,057,338 Ordinary Shares 2,128,929 Options at 1.6 cents

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Option Conversion
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Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	
If prior written clearance was provided, on what date was this provided?	

+ See chapter 19 for defined terms.