



**ASX RELEASE**  
**14<sup>th</sup> December 2009**

## **GEOHERMAL DRILLING GRANT**

Minister Martin Ferguson announced today the successful recipients of the Federal Government Geothermal Development Program (GDP) Grants.

KUTH was unsuccessful in its application for the grant funding to support its deep drilling program in Tasmania. Commenting on KUTH's unsuccessful application Managing Director David McDonald expressed some surprise at the decision given the unique position of Tasmania as Renewable Energy leaders in Australia. He said "Yes, we are obviously disappointed at not being successful in this round of the GDP grant funding especially given the opportunity that exists in Tasmania to host a suite of renewable energy technologies and a showcase of Australian expertise . I am sure the Tasmanian government will also be disappointed by this result recognising the many job opportunities and economic benefits that geothermal base load supply can bring to the state. The last two years has seen an increase in power export from the mainland to Tasmania through Bass Link and we have the perfect opportunity to reverse this trend with our geothermal projects. Already being leaders in Hydro generation and with emerging wind assets being constructed across the state I am sure all Tasmanians will feel a little left out by this decision."

Asked what effect the absence of the grant will have on KUTH Mr McDonald said "Grant funding always helps but was always only a part of the financing needed to implement the project. We will continue to engage in discussions with parties who can see the value proposition that our Tasmanian project offers . We also remain hopeful that the Tasmanian government will stand up where the Federal Government hasn't. The Tasmanian government is committed to the enhancement of Renewable Energy in the state and with their support we intend to push on with what we think is an exciting and unique opportunity that the Tasmania project holds not only for domestic supply in Tasmania but also more broadly into the National Electricity Market through Bass Link." He went on to further say that KUTH is also developing other project opportunities in Vanuatu and next year it hopes to start early exploration works on its Queensland tenements all of which provide interesting opportunities in their own right.

Ends

For more information contact:

David McDonald  
Managing Director  
KUTH Energy Ltd  
+61 2 92386865

KUTH Energy Limited ABN 33 125 694 920  
Level 57, MLC Centre, 19-29 Martin Place Sydney NSW 2000

**P** +61 2 9238 6865 **F** +61 2 9238 7633 **E** info@kuthenergy.com **W** www.kuthenergy.com

Power Down Under®

For personal use only