



**ASX RELEASE**  
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**Tasmanian Climate Change Report**

The Tasmanian government officially released a major climate change report on the 2<sup>nd</sup> of February analysing the opportunities for greenhouse gas emission reductions across the Tasmanian economy. The report was released by the Minister assisting the Premier on Climate Change Lisa Singh MP. Ms Singh commented in the release that “Tasmania was only the second state in the nation to legislate an emissions reduction target”.

The “Tasmanian Greenhouse Gas Emission Reduction Wedges Project” report was produced by McLennan Magasanik Associates (MMA) who have now prepared several reports on the renewable energy sector for , Federal and State governments. The report outlines findings and recommendations for CO<sub>2</sub> abatement potential. By 2050 the single largest influencing factor on carbon abatement is the export potential of renewable energy from Tasmania to displace emissions on the mainland.

The report goes on to further provide as one of its recommendations that, in the short term, the State government “*should assist in proving up and facilitating the development of Tasmania’s renewable energy resources, particularly the geothermal, ocean and biomass resources*” and we welcome such a proactive signal of support from the government .

KUTH applauds the initiative taken by the State government to commission this report and also welcomes the recognition of the potential for geothermal development in the State and the need for active government support to facilitate the early stage development. The report recommendations will now be considered by the Climate Action Council and KUTH looks forward to working closely with this group.

Commenting on the report Managing Director David McDonald pointed out that “Federal and State government support to the geothermal sector has been concentrated on mainland geothermal targets and it is good to finally see that the world class geothermal targets we have identified in Tasmania are being recognised for the potential they can deliver. In July 2009 we announced Australia’s second largest inferred geothermal resource in the central Midlands of Tasmania. Should just 1% of this resource be able to be converted into power we would have sufficient electricity generation capacity to produce approximately 280 MW or 25% of Tasmania’s current power demands. ”

Tasmania is in an enviable position whereby its cooler ambient temperatures are a key factor in enhancing geothermal power efficiency. Further, KUTh's targets are within close proximity to the main power transmission grids thus considerably reducing associated connection costs.

Tasmania is well positioned to become a major renewable energy hub and geothermal has the potential to be a significant component of the State's Renewable Energy mix. A base load 24 hour supply of geothermal energy could provide critical support to Hydro resources allowing better efficiencies in exporting power back to the mainland through the Bass Link interconnector. In recent years the state has witnessed an increase in imported power from Victoria through the Bass link interconnector from 13% of State requirements in 2007 to 25% of requirements in 2009. The successful development of geothermal base load energy would clearly provide an important contribution towards reversing this trend.

KUTh management look forward to working alongside the Tasmanian government to maximise the contribution that geothermal can make to the Tasmanian climate change agenda.

For more information contact:

David McDonald  
Managing Director  
KUTh Energy Ltd  
+61 2 92386865