



ASX RELEASE

KUTH APPOINTS NEW CHAIRMAN

11th March 2010

KUTH Energy Limited (KUTH) announced today that it had appointed Mr Bruce McKay to the Board as Non-Executive Chairman with effect from 15th March 2010. Current Chairman, Dr John Bishop said that the company was entering a phase whereby a Chairman with previous experience in the development of projects in the energy sector will bring significant advantages to KUTH as it goes forward.

Dr Bishop commented “I have thoroughly enjoyed my time at the helm of KUTH and recognise that the time is right for the company to enter a new development phase. Having just released its second inferred resource in Tasmania, this project now has two promising drill target options that are close to the transmission lines. Getting these targets “drill ready” is now our focus. Elsewhere, good progress is being made in Vanuatu with the results from the current geophysical (MT) survey likely to move the company into the next stage drilling program”.

“KUTH has now stamped its name on the geothermal sector and the company is very fortunate that it has attracted someone of Bruce’s calibre to take it through the next development phase. I am confident that the company is well placed to progress from exploration to proof-of-concept and finally to deliver the end goal of clean , base load geothermal power supply. The path to producer is a critical time for KUTH and Bruce is keen to get involved with the team on the ground to build enhanced shareholder value. There is no doubt that his skills will complement the existing Board”.

Bruce, who holds a Bachelor of Science (Hons) in Geology, comes from a background in oil and gas with over 40 years experience in professional, management and executive roles in the upstream petroleum industry. Since its public float in 1997, Bruce has been Non-Executive Chairman of AWE Limited which has achieved considerable success with its growth from start-up to a market capitalisation of approximately \$ 1.4 billion today.

Bruce is an Honorary Life Member of the Australian Petroleum Production and Exploration Association, a member of Petroleum Exploration Society of Australia and the American Association of Petroleum Geologists, a Fellow of the Institute of Engineers Australia and a Fellow of the Australian Institute of Company Directors. In addition to his role as Non-Executive Chairman of AWE, he is the Non-Executive Chairman of Epic Energy Holdings Pty Ltd and Digital Core Laboratories Pty Ltd. He also chairs the Advisory Board of the Australian

School of Petroleum at Adelaide University and provides executive coaching and mentoring services through the Stephenson Mansell Group.

“I am very much looking forward to helping build on the solid platform that has been established by the KUTh Board. The geothermal sector will play a crucial role in the renewable energy mix with the ability to provide affordable base load power being a major advantage and one that must be at the forefront of any future government renewable energy initiatives.

I take on this new role with a deal of enthusiasm and optimism but I am very clear on the considerable challenges that we face in pioneering this field. KUTh is well positioned with a range of geothermal plays and the Board’s early diversification strategy has established an excellent platform to deliver shareholder value” Mr McKay said.

Dr Bishop will remain on the KUTh Board as a non-executive Director.

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