

19:40 22 May 2012

## Wasabi Energy progresses Turkish plans as partner gives green light

Energy group Wasabi Energy (LON:WAS) has received approval to buy into an advanced geothermal power generator in Turkey from the current owner.

Wasabi's Turkish subsidiary Imparator Enerji signed an option to take a 50 per cent stake in the Tuzla Geothermal Power Project (TGPP) in April subject to partner and regulatory approval.

TGPP owner and operator Enda Enerji has now given its go-ahead, though the exercise of the option remains subject to the project lender's consent as well as regulatory approvals, Wasabi said.

The total consideration for the option is US\$11.75 million (including a US\$5 million loan note).

The project includes an operating 7.5 MWe geothermal power plant in Canakkale Turkey, with opportunities to expand further.

Historical studies indicate geothermal power generation potential of up to 80 MWe said Wasabi, which has started work on a pre-feasibility study for the development of a first stage 14 - 17.5 MWe build-out.

Wasabi will develop the project with Enda, which is an experienced power plant developer and operator in Turkey.

The TGPP covers an area of approximately 11sq km of a very shallow and relatively high temperature geothermal zone in North Western Turkey and hosts a recently installed and currently operating 7.5 MWe power plant.

The Tuzlageothermal field has also been extensively studied and drilling has confirmed the TGPP as a major regional geothermal resource.

Wasabi added the proposed 14 - 17.5 MWe first-stage build-out at the TGPP may utilise its Kalina Cycle technology, which has the potential to increase power generation at the project by 20 per cent.

Wasabi said the option and development work would be funded through asset sales and other capital raising initiatives.

John Byrne, Wasabi's executive chairman, said:

"The opportunity we have in Turkey, through our option over the Tuzla project (TGPP) looks compelling. As well as the potential geothermal resource we would be looking to utilize our proprietary technology.

"The Turkish power generation sector is receiving unprecedented interest from domestic and international investors and continues to be driven by the strong underlying demand for power in Turkey as a result of sustained economic growth.

"Should we decide to exercise the option, we would look to redeploy capital within the group and/or raise additional funds as appropriate to ensure the acquisition is value-accretive."

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