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resources limited

Extraordinary General Meeting April 2013

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Executive Summary

- **ASX Energy Company – reinvigorated with new investors and business plan;**
- **Seeking appropriate investment mix:**
  - Oil
  - Gas
  - Geothermal
- **Tough for Geothermal Pure Plays – not many exist now;**
- **Considerable restructuring within the business, now svelte and moving forward rapidly;**
- **Targeting energy resources in geologically and commercially favourable settings**
  - Development projects = countdown to significant cashflow
  - Financeability greatly enhanced by maturity of these projects
  - Conventional exploration
  - Unconventional exploitation
  - Low sovereign risks

Copahue

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- Discussions with JV partner yielded a positive – Geothermal One has taken back Copahue project in exchange for a settlement amount;
- Geothermal One took on all ‘current and future liabilities’ as at the execution date;
  - Multi jurisdictional legal advice supports enforceability;
  - EHR still a guarantor to a performance bond, implications still under review
- Legal advice following interference from a former representative
  - Allegations strongly refuted;
  - Possible court action by EHR pending in multiple jurisdictions;
  - Considering all venues at present

Reinvigorated Strategy

- Regain shareholder value via acquiring assets with proven investor appeal;
  - Short to medium term value drivers have been missing;
  - Long term value drivers not appealing to the market currently.
- Negotiating in fiscally attractive and low geological risk subsurface exploration and exploitation projects;
- Preference for liquids based hydrocarbon projects with an unconventional slant within existing infra-structure hubs;
- Preference for North American based opportunities that meet this criteria;
- Investor momentum needs to be underpinned by appropriate marketing strategies in support of the expanding business

Key Takeaways

- Expectations of short to medium term value drivers presenting themselves to investors over the coming months;
  - Currently negotiating agreements on several possible acquisitions;
  - No binding documentation is yet in place, but management is confident of delivering a material ‘blue ribbon asset’.
- EHR has restructured its team to maximise the value that each brings to the table;
  - Some former representatives will be dealt with to the extent possible under the legal systems in multiple jurisdictions
- EHR has restructured its business and divested Copahue;
  - Geothermal One Inc has taken ownership of all practical ‘current & future liabilities’ of staff, third parties and the project
- Expectations of continued cost management and extraction of value from existing portfolio as new initiatives balance out legacy priorities.

Contact Details

earthheat

Mr. Torey Marshall
Managing Director
+61 8 8223 1681
info@earthheat.com.au