



2 February 2007

The Manager
Australian Stock Exchange Limited ("ASX")
Company Announcements Office

Dear Sir

AIRBORNE SURVEYS AND INTERPRETATION COMPLETED

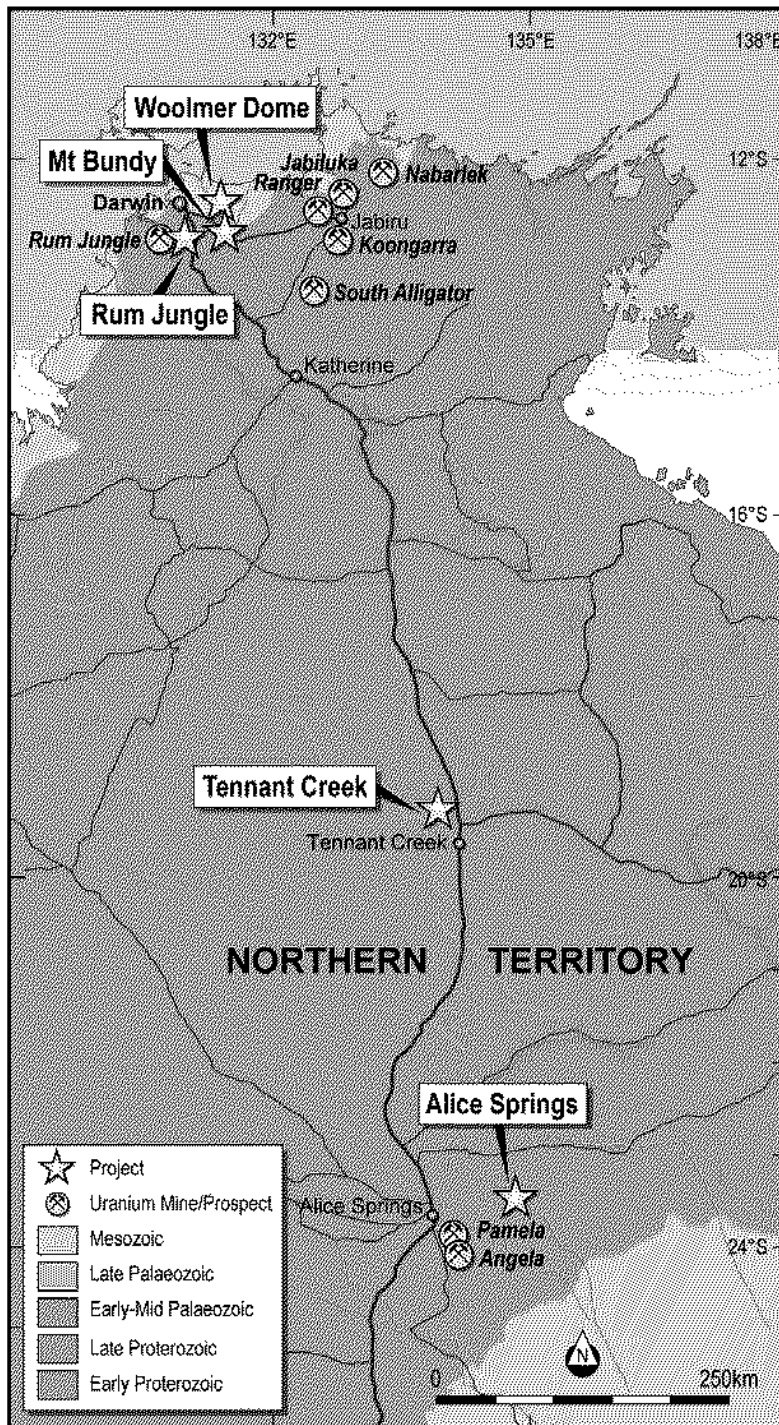
Airborne Surveys

Geophysical Contractors, Universal Tracking Systems (UTS), have completed an Aeromagnetic survey combining radiometric data and a preliminary interpretation has been completed by Southern Geoscience Consultants. A summary of the results is provided below. A survey over the Company's Alice Springs project is underway. Results of this survey interpretation will be released when completed.

Rum Jungle

As previously announced, Wasabi has entered into a joint venture with Crescent Gold Ltd over tenements at the Rum Jungle and Tennant Creek areas in the Northern Territory. The joint venture is through Wasabi's subsidiary, Rum Jungle Uranium Pty Ltd.

Rum Jungle Uranium is negotiating with veteran exploration geologist and former public company founder, Mr David Muller, M.Sc, M.B.A., F.A.I.M.M. to take on the role as managing director of Rum Jungle. It would also be Mr Muller's role to develop a wider shareholder base and seek a public listing for the company. Mr Muller, who retired from public company directorships in 2000, has since specialised in identifying and generating mineral prospects in the Northern Territory. Rum Jungle Uranium has agreed to acquire additional tenements with uranium potential from Mr Muller.



Project location map

Airborne Surveys and Interpretation of Mt Bundy and Woolner Dome

Mr Bruce Craven of Geophysical consultants, Southern Geoscience Consultants, has completed preliminary interpretation of the new detailed data. The programme has defined several priority targets for ground and drill exploration in the next field season. Excerpts of Mr. Craven's report follow:

Mt. Bundy:

The Mt. Bundy survey covers Wasabi tenements EL 25528, and part of EL 24939. The published geology indicates that the Proterozoic basement rocks in the survey area consist of the strongly deformed metasediments $\pm$ volcanics of the Mount Partridge Group and the overlying South Alligator Group. These are intruded by the Mt. Bundy Granite and Mount Goyder Syenite complex in the southeast corner of the survey. The metasediments have a prominent, northeasterly structural-stratigraphic grain. Cainozoic sediments cover the prospective Proterozoic basement rocks over a significant part of the area, particularly to the north and east.

Numerous, discrete uranium channel radiometric anomalies are apparent in the new Mt. Bundy airborne data. A number of these fall within or adjacent to the Wasabi tenements. The anomalies have been crudely sub-divided into strong and weak to moderate categories. Careful field checking $\pm$ ground radiometrics will be required to determine the sources of these anomalies. Depending on local ground conditions, the weak anomalies could be just as significant as the stronger anomalies.

Anomaly #1 is in the vicinity of a localized outcrop of the prospective Koolpin Formation near the northern edge of the Mount Goyder Syenite. This is considered a high priority anomaly for field checking because of its favourable geological setting; i.e. a potentially altered zone near the contact with the intrusive.

North Woolner:

The North Woolner survey covers the majority of the Woolner Dome (from the NTGS 1984 geological mapping and compilation for the Koolpinyah 1:100,000 scale map sheet). The prospective Archaean-Lower Proterozoic basement rocks are blanketed by Cainozoic cover, rendering the radiometrics ineffective for the targeting of uranium anomalism within the basement.

A preliminary interpretation of the magnetics, combined with the NTGS geology, confirms that the Woolner Dome and immediate surrounds show strong similarities to the Rum Jungle Complex. This includes the presence of the Archaean granite core to the dome, the strongly deformed metasediments around the flanks of the dome and prominent, northeasterly trending faults similar to the Giant's Reef Fault. At this preliminary interpretation stage, the similarities extend to analogies to the 'embayment' zone between the Rum Jungle and Waterhouse complexes. This zone hosts much of the significant base metal and uranium mineralization known in the Rum Jungle field, including the Brown's polymetallic deposit.

The Dirty Water Metamorphics, flanking the Woolner granite, include chloritic and graphitic schists, carbonate units and B.I.F., all of which can be favourable host rocks for uranium mineralization in the Arnhem Land province. The coincidence of these prospective lithologies and dilational structural settings are considered good targets for uranium, gold and possibly base metal mineralization. Several possible target areas of this type, plus inferred analogues to the Rum Jungle 'Embayment' zone are shown on the preliminary interpretation.

The NTGS interpretation shows the Mount Partridge Group unconformably overlying the Dirty Water Metamorphics and the Woolner Granite. If present, the lower Mount Partridge Group sequence, particularly the Coomalie Dolostone and the Whites Formation, are highly prospective for uranium mineralization in the Rum Jungle area. This should also be the case in the geologically similar situation on the western and southern flanks of the Woolner Dome.

The reconnaissance drilling completed by Geopeko in the early 1980s is too wide-spaced to be an effective test of the prospective zone along the flanks of the dome. Closer spaced drilling, targeting favourable units and structures interpreted using the new aeromagnetics and the existing geological framework is recommended.

About Wasabi Energy Ltd (ASX code – WAS)

Wasabi is a diversified investor in renewable energy and low greenhouse emission technologies, with interests in geothermal/waste heat, uranium exploration in Australia's Northern Territory and bio diesel investments in Victoria.

Yours faithfully

Tim Wise

Director

The information in this report that relates to Exploration Results, Minerals Resources or Ore Reserves is based on information compiled or reviewed by Mr. Bruce Craven, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Craven is a director of Southern Geoscience Consultants. Mr. Craven has sufficient experience in the type of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the December 2004 Edition of the Australasian Code for reporting of Exploration Results, Minerals Resources and Ore Reserves and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.