

ASX

ANNOUNCEMENT

23 April 2012

ASX : EHR

Change in Board Composition

Earth Heat Resources Limited ('Earth Heat' or 'the Company') wishes to advise that Mr Norman Zillman has tendered his resignation as a non-executive Director of the Company, effective from today.

In citing personal reasons for his resignation Norm expressed his on-going support and best wishes for the future success for the Company and in particular the Copahue Project where there has been significant recent advances.

The Company's Chairman, Dr Ray Shaw, said that Norm had made a valuable contribution to the emerging geothermal industry in Australia both generally and through his participation in Earth Heat as a founding director.

Dr Shaw added that Norm's input will be missed but fully appreciated his reasons for this decision.

At the same time the Board has welcomed the appointment of Mr Mal Lucas-Smith as a non-executive director. Mr Lucas-Smith is, and will remain, the Company Secretary. He has agreed to replace Mr Zillman on the Board as an interim measure.

Mal has been involved with the Earth Heat Group since 2008, originally as a director and company secretary until he stepped down as a director following the merger with Fall River Resources Ltd in 2010.

For further information please contact:

Torey Marshall, Managing Director, Earth Heat +618 8212 0579

Victoria Thomas, Director, Six Degrees Investor Relations+613 9674 0347

About Copahue

Earth Heat signed a Heads of Agreement to farm-in to the Copahue Geothermal Development Project in Argentina in May 2010, which comprises an identified initial 30 MW geothermal development with the potential for significant expansion. Development of Copahue is anticipated to provide first power production and revenue within four years and Earth Heat has the right to earn up to 87.5% of the Project by funding various stages of development.

Earth Heat Resources Ltd

Registered Offices

Australia

Level 7, Ferrari House,
28-30 Grenfell St,
Adelaide SA 5000

p +61 8 8212 0579

f +61 8 8212 2230

ABRN 86 115 229 984

Canada

711-675 West Hastings Street,
Vancouver, BC, Canada,
V6B 1N2

p +1 604 685 2222

f +1 604 685 3764

www.earthheat.com.au

The Copahue project area is located in the western part of Neuquén Province, approximately 300 km from the provincial capital and just a few kilometres from the Chilean border. The geothermal resource on which the project is based occurs on the North-East flank of the Copahue volcano; a young, historically active stratovolcano whose summit is on the international border with Chile. It is also situated within a broad caldera that is inferred to have formed by activity that pre-dates that of the Copahue volcano.

The project area has been the site of geothermal exploration and development activities since the 1970s. This work has included a number of superficial and shallow exploratory surveys (geology, geochemistry, geophysics and temperature gradient drilling).

Four deep wells, reaching depths of as much as 1,414m have also been drilled in the area. These wells have demonstrated the presence of a commercially exploitable, vapor-dominated geothermal reservoir within at least a part of the project area.

To date, EHR has increased the resources by 150%, completed an EIA, a pre-feasibility study and most recently signed Letters of Intent for offtake of the power to be produced well in excess of stage 1 and 2 development.

Earth Heat Resources Ltd

Registered Offices

Australia

Level 7, Ferrari House,
28-30 Grenfell St,
Adelaide SA 5000

p +61 8 8212 0579

f +61 8 8212 2230

ABRN 86 115 229 984

Canada

711-675 West Hastings Street,
Vancouver, BC, Canada,
V6B 1N2

p +1 604 685 2222

f +1 604 685 3764

www.earthheat.com.au