

Petratherm Ltd

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16 April 2007

ASX Announcement

Share Placement and Share Purchase Plan

Petratherm Limited (ASX:PTR) (the Company) is pleased to announce a share placement of 3.75 million ordinary shares at \$0.80 per share to raise \$3.0 million before expenses. The placement price of \$0.80 represents a discount of 7.5% on the 20 day volume weighted average price of 86.5 cents for the period 13 March 2007 to 11 April 2007.

The placement was managed by Taylor Collison Ltd.

The funds raised will be used to assist the Company in developing its Australian and Spanish operations through research, additional tenement acquisition and assessing the potential of geothermal sites.

The Company also announces the establishment of a share purchase plan (SPP) enabling shareholders to purchase up to \$5,000 worth of fully paid ordinary shares at the same discount price, regardless of the number of shares held in the Company at the Record Date. The SPP is underwritten by Taylor Collison Ltd to the extent of \$2.0m. Details of the SPP will be released under a separate notice.

The timetable for the implementation of the Share Purchase Plan is:

Record date to identify eligible shareholders (Registered by 5.00pm Adelaide time)	16 April 2007
Date of Offer	23 April 2007
Despatch of offer to shareholders	23 April 2007
Opening Date	24 April 2007
Closing Date	14 May 2007

The closing date may be extended or late applications may be accepted at the Company's discretion.

Further information required by Listing Rule 3.10.3 for the private placement accompanies this announcement.

LISTING RULE 3.10.3 INFORMATION

In accordance with Listing Rule 3.10.3, the Company provides the following details of the placement shares:-

- Class of Securities** : Fully paid ordinary shares.
- Number to be Issued** : 3,750,000
- Principal Terms of Securities** : The shares will carry standard rights applicable to quoted ordinary shares in the Company and will, from the date of issue, rank equally with fully paid quoted ordinary shares currently on issue.
- Issue Price** : \$0.80 per share.
- Purpose of Issue** : Funds raised will be used to assist the Company in developing its Australian and Spanish operations through research, additional tenement acquisition and assessing the potential of geothermal sites.
- Shareholder Approval** : The Company will not seek shareholder approval prior to the issue of the 3,750,000 placement shares, as approval for this issue is not required by the Listing Rules. The Company intends to subsequently seek approval of this issue at a general meeting pursuant to Listing Rule 7.4 (subsequent approval of issue of securities).
- Issue to Class** : The issue is not being made to a class of security holders.

As the issue will be to sophisticated or professional investors, it will not require disclosure under the Corporations Act.

For further information please contact:

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