

# ASX Release



**PETRATHERM LIMITED**  
ABN 17 106 806 884

## **\$7M Geothermal Drilling Program Grant Funding Agreement - Update**

Petratherm and its joint venture partners – Beach Petroleum and TRUenergy Geothermal – are pleased to advise that the conditions relating to the \$7M geothermal drilling program grant (GDP) funding agreement, signed on 29 May 2009, have been met in principle.

The conditions, previously advised, related to the following:

- Provision of an updated project budget and schedule.
- Confirmation of key contracts in relation to well design, site preparation and drilling rig.
- Confirmation of key contracts securing finance for the project, and
- The overlap between the Renewable Energy Demonstration Initiative (REDI) grant and the Geothermal Drilling Program grant is removed.

The existing REDI grant is to be terminated by mutual agreement.

The Federal Department of Resources, Energy and Tourism have advised that the conditions have been met in principle which allows funding payments to be made. Upon receipt of the final executed REDI Deed of Termination the conditions will be completely satisfied and unconditional.

The funding agreement provides for a \$7M contribution to costs associated with the Paralana Geothermal Project's drilling program commencing in June 2009.

The benefit of the grant will therefore be shared by all the Paralana Joint Venture partners equal to their equity participation (being Petratherm 69%, Beach Petroleum 21% and TRUenergy 10%). The funding agreement provides for an upfront payment of 60% or \$4.2 million prior to the completion of the first well. The effective date for eligible expenditures under the GDP commences from the date of signing the funding agreement – 29 May 2009.

**24 June 2009**

**ASX Code: PTR**

ABN 17 106 806 884

105-106 Greenhill Road  
Unley SA 5061

**T:** +61 8 8274 5000

**F:** +61 8 8272 8141

**W:** [www.petratherm.com.au/](http://www.petratherm.com.au/)

**E:** [admin@petratherm.com.au](mailto:admin@petratherm.com.au)

Yours faithfully



**Terry Kallis**  
Managing Director

### **ABOUT THE JOINT VENTURE PARTNERS:**

Beach Petroleum (ASX: BPT) is an oil and gas company headquartered in Adelaide that farmed-in to the Paralana Project in January 2007. Beach can earn up to 36% of the project for \$30 million plus its equity share of project costs. ([www.beachpetroleum.com.au](http://www.beachpetroleum.com.au)).

TRUenergy Geothermal is a wholly owned subsidiary of the CLP group, one of the largest publicly-listed power businesses in Asia Pacific ([www.truenergy.com.au](http://www.truenergy.com.au) and [www.clpgroup.com](http://www.clpgroup.com)). TRUenergy Geothermal farmed-in to the Paralana project in August 2008. TRUenergy Geothermal can earn up to 30% of the project for \$57 million.

### **MEDIA CONTACT:**

|                          |                         |              |
|--------------------------|-------------------------|--------------|
| Terry Kallis             | Petratherm Limited      | 08 8274 5000 |
| Kieran Hall / Tim Hughes | Hughes Public Relations | 08 8412 4100 |