

ASX Release

12 October 2010

ASX Code: PTR

ABN 17 106 806 884

Level 1, 129 Greenhill Road
Unley SA 5061

T: +61 8 8274 5000

F: +61 8 8272 8141

W: www.petratherm.com.au/

E: admin@petratherm.com.au



PETRATHERM LIMITED
ABN 17 106 806 884

Paralana Project Update

No blockages confirmed in Paralana 2 well - perforation and injectivity tests planned to recommence during October

Petratherm and its JV partners Beach Energy and TRUenergy are pleased to advise that wire-line operations performed last week found no blockages in the Paralana 2 deep well.

The operations performed over three days and using various size tools including a 6 inch gauge ring within the 7 inch cased well, confirmed that there were no blockages, with wire-line operations reaching depths of 3,688 metres (target depth for perforation) without obstruction.

The wire-line operations have confirmed the integrity of the Paralana 2 well.

While further investigation continues to determine the exact cause of the apparent blockage that occurred in late August, the JV partners expect the planned work program to recommence during this month.

A handwritten signature in black ink, appearing to read "T. Kallis".

Terry Kallis
Managing Director
Petratherm Limited

ABOUT THE JOINT VENTURE PARTNERS:

Beach Energy (ASX: BPT) is an oil and gas company headquartered in Adelaide that farmed-in to the Paralana Project in January 2007.

TRUenergy Geothermal is a wholly owned subsidiary of the CLP group, one of the largest publicly-listed power businesses in Asia Pacific. TRUenergy Geothermal farmed-in to the Paralana project in August 2008.

MEDIA CONTACT:

Terry Kallis

Kieran Hall

Petratherm Limited

Hughes Public Relations

08 8274 5000

08 8412 4100