

ASX Release

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PETRATHERM LIMITED
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Renewable Energy Grants Lapse

Petratherm advises that, despite a seven month time extension, the Company has been unable to secure the additional \$5 million in equity required to draw down on the \$13 million Emerging Renewables Program (ERP) Grant awarded by the Australian Renewable Energy Agency (ARENA).

Accordingly, ARENA has advised that no further time extensions will be made to source these funds and the ERP grant will be terminated with no funds having been paid to Petratherm.

As a consequence of the ERP grant lapse, the Company's \$24.5million Renewable Energy Development Program (REDP) grant conditions cannot be met. The REDP grant was designed to assist funding of up to 7MW geothermal power plant at Paralana, and was subject to a successful completion of the ERP.

A formal termination of both grants will be executed shortly with ARENA.

The ERP grant award was subject to two key contractual requirements;

- Beach Energy commits to fund its 21% equity share of the matching funding project costs, which was attained and that;
- Petratherm secures an additional \$5 million in equity (market and/or JV partner(s)).

Petratherm's Managing Director, Terry Kallis, stated;

“This is disappointing for the Company and its shareholders given the technical success the Paralana Project has achieved. Despite our best efforts in Australia and internationally we have been unable to raise the necessary funds to satisfy the ERP grant conditions. However, this is reflective of the difficulty in raising monies in the equity markets for small exploration and development companies. As outlined in our earlier announcements, the Company will continue to investigate new investment opportunities that will reward shareholders.”

Yours faithfully



Terry Kallis
Managing Director

About ARENA – ARENA was established by the Australian Government as an independent authority on 1st July 2012 to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. The ERP is a grant program that seeks to assist emerging renewable projects such as ocean, geothermal, hybrids and storage. More information is available at www.arena.gov.au

About the Joint Venture Participant:

Beach Energy Limited (ASX: BPT) is an oil and gas company headquartered in Adelaide that farmed-in to the Paralana Project in January 2007. Beach Energy holds a 21% interest in the project and can earn up to 36% subject to further funding at the development stage of the project.

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