

Petratherm Ltd

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26 August 2008

Mr J Nelson
Manager, Issuers (Adelaide)
ASX Limited
Level 1
89 King William Street
ADELAIDE SA 5000

Dear Justin,

Resignation of Dr Lloyd Taylor

Petratherm Ltd non-executive director, Dr Lloyd Taylor has notified the board of Directors of his intention to retire from his duties as a director of the Company effective 31 August 2008.

He has informed the board that his ongoing personal commitments mean that he will be unable to devote the required time and diligence to the Company.

Petratherm's Chairman, Mr. Derek Carter, thanked Dr Taylor for his considerable contribution as a source of both strategic and operational experience from which the Company has greatly benefitted over the past four years.

The Company will continue to review the composition of the board taking into consideration the experience and skill required to complement the Company's current and future operations.

Yours sincerely,

**DONALD STEPHENS
COMPANY SECRETARY**