



JOINT MEDIA RELEASE

The Hon Ian Macfarlane MP
Minister for Industry, Tourism and Resources

The Hon Malcolm Turnbull MP
Minister for the Environment and Water
Resources
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\$5M GEOTHERMAL ENERGY PROJECT IN SA

The Australian Government will provide a \$5 million grant to an innovative new geothermal energy project in the Flinders Ranges in South Australia. Resources Minister, Ian Macfarlane, and Environment and Water Resources Minister, Malcolm Turnbull, today announced the grant to Petratherm Ltd through the Howard Government's *Renewable Energy Development Initiative*.

The grant will enable the energy exploration company, Petratherm, to further develop its ground-breaking approach of using geothermal energy at its Paralana site in the Flinders Ranges. The project will create more than 200 jobs in its initial stage.

Mr Macfarlane said the new technique, known as 'Heat Exchanger Within Insulator', is a creative departure from existing approaches. Heat is collected from hot sedimentary rock layers at shallower depths of 3-4 kms, rather than harder granites at much greater depths.

"If this innovative approach is validated as a cost-effective option, it could significantly accelerate the building of sustainable, large-scale, geothermal electricity generation capacity in regional and remote areas, both here and overseas," Mr Macfarlane said.

"Australia has vast hot-rock energy resources and this project gives us a new path forward to use this energy source to make a very real contribution to Australia's future electricity requirements."

"The Howard Government's programmes and policies have directly supported or generated investment in renewables in excess of \$3.5 billion," Mr Turnbull said. "While existing renewable energy sources in Australia are unable to provide base load (24/7) electricity, geothermal does have potential base load capability and needs to be commercialised.

"This project has the potential to prove the viability of geothermal projects across the country, including a number of geothermal systems planned in South Australia."

"Large-scale geothermal power plants have the potential to substantially reduce Australia's carbon dioxide emissions. Geothermal could provide secure and reliable energy for up to 10 per cent of Australia's electricity consumption by 2050," Mr Turnbull said.

The Australian Government has now provided \$52 million to 25 innovative projects through the *REDI* Programme and has committed over \$1 billion to low emission and renewable energy research and projects, stimulating billions of dollars more in private sector investment.

"This programme is a key element of the Howard Government's long-term strategy for cleaner energy which involves a practical suite of technologies to ensure energy security, lower emissions and the protection of Australian jobs," Mr Macfarlane said.

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