



MEDIA RELEASE

MARTIN FERGUSON

Minister for Resources and Energy
Minister for Tourism

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GEOHERMAL PROJECT LAUNCHED IN SOUTH AUSTRALIA

The Minister for Resources and Energy, Martin Ferguson AM MP, today launched the deep-drilling phase of Petratherm's Paralana geothermal project; a proof-of-concept joint venture with Beach Petroleum and TRUenergy, assisted with \$7 million of Australian Government funding.

Minister Ferguson said: "Geothermal energy provides clean base-load power and is potentially a very important contributor to Australia's energy mix in a carbon-constrained world.

"According to Geoscience Australia, if just one per cent of Australia's geothermal energy was extracted it would equate to 26,000 times Australia's total annual energy consumption.

"The commercialisation of geothermal energy in Australia will help meet three of the Government's major energy-related goals: increasing energy security by diversifying energy supplies; reducing Australia's greenhouse gas emissions to 60 per cent below 2000 levels by 2050; and producing 20 per cent of Australia's electricity from renewable sources by 2020."

Petratherm received \$7 million in Round 1 of the Australian Government's Geothermal Drilling Program; a \$50 million program to help the geothermal industry meet drilling costs. Round 2 of the program closed on 4 August.

The Geothermal Drilling Program is one of a suite of measures the Government has introduced to support the development of renewable energy in Australia.

Announced in the 2009 Budget, the \$4.5 billion Clean Energy Initiative will complement the Carbon Pollution Reduction Scheme and Renewable Energy Target in supporting the commercial-scale deployment of low emission energy technologies in Australia.

Minister Ferguson said: "Australia's energy security is essential to our economic security. Through these clean energy funding measures and the work of companies such as Petratherm, Australia is well placed to diversify our energy sources into clean, renewable energy while maintaining security of supply."

Geothermal energy producers pump water below ground (sometimes as deep as 5km), where it is heated by 'hot rocks' and circulated through a closed system, with the heat energy used to generate electricity. Prospective geothermal resources have been identified in every Australian state.

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