

ASX Release

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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



PTR welcomes boost to Renewable Energy funding

Petratherm welcomes the significant boost to renewable energy funding recently announced as part of the Federal Budget by The Hon. Martin Ferguson AM, MP - Federal Minister for Resources and Energy, promising additional funding to support emerging renewable energy technologies, such as geothermal power. (Refer attached Media Release by Minister Ferguson)

An additional amount of \$60 million has been allocated to the new *Emerging Renewables* program bringing the funding program to \$100 million.

The *Emerging Renewables* program will be open to support geothermal, solar, wind and wave energy technologies, including hybrid applications such as Petratherm's Heliotherm project – that seeks to combine geothermal, solar and gas technologies to produce a base-load, lower cost competitive alternative to standalone intermittent energy technologies.

The *Emerging Renewables* program, which is administered by the Australian Centre for Renewable Energy (ACRE), is expected to be open for application in the coming months.

Petratherm plans to apply for capital grant funding for its Heliotherm project (refer PTR website for additional information on the project) to complement the existing \$1.5 million in grants already awarded by the South Australian government.

Further support for renewable energy was also announced in the Federal Budget with the \$100 million *Renewable Energy Venture Capital Fund*, aimed at supporting early stage renewable energy companies.

The additional capital funding included in the two programs announced in the Federal Budget is expected to provide the renewable energy industry and in particular the geothermal energy sector, with new opportunities for growth.

Yours faithfully

Terry Kallis
Managing Director

MEDIA CONTACTS:

Terry Kallis
Kieran Hall / Tim Hughes

Petratherm Ltd
Hughes Public Relations

08 8274 5000
08 8412 4100



Minister for Resources and Energy, Minister for Tourism

Supporting Emerging Renewable Energy Technology

10 May 2011

Renewable energy resources - such as solar, geothermal, wind and wave energy – will receive additional support in the 2011-12 Budget.

Australia is home to some of the world's best renewable resources and we know renewable energy will play a role in the transition to a low carbon economy which is why government investment in this emerging sector is crucial.

The renewable energy sector will receive support for two measures in the 2011-12 Budget:

- Funding for the *Emerging Renewables* program, and increasing this program from \$40 million to \$100 million.; and
- Funding for the \$100 million *Renewable Energy Venture Capital Fund* out to 2023-24 to assist early -stage renewable energy companies.

Along with a price on carbon, low-emissions and renewable energy technologies will help Australia to meet the bipartisan Renewable Energy Target and emissions reduction target by 2020.

Emerging Renewables program

The \$100 million *Emerging Renewables* program will help reduce the cost of renewable energy technologies to provide lower-cost, emissions-free energy for Australian businesses and the community.

It will introduce a more flexible approach to funding and program delivery for renewable energy projects, while developing skills and capacity building in the sector.

Applications for the \$100 million *Emerging Renewables* program are expected to open in the coming months.

The Australian Centre for Renewable Energy (ACRE) Board, which comprises some of the nation's leading renewable energy experts, will assess applications for the program.

The Gillard Government committed \$40 million to the establishment of *Emerging Renewables* during the election and has now supplemented this with unallocated ACRE funds, taking available *Emerging Renewables* funding from \$40 million to \$100 million

Renewable Energy Venture Capital Fund

The *Renewable Energy Venture Capital Fund* will assist Australian high-potential renewable energy start up companies by making critical early-stage equity investments.

The Government recognises that it plays an important role in providing the capital finance needed to grow fledgling companies and to help commercialise emerging renewable technologies.

Venture capital funding is critical for new companies that are at an early stage with limited operating history.

To deliver the fund's objectives the Government is seeking to appoint up to two renewable energy capital fund managers to direct investment.

The Fund will be administered by ACRE, and applications for up to two venture capital fund managers are now open.

Capital, interest and profit returns from the fund will be returned to ACRE to support future investments in renewable energy technology development.

The Fund was an election commitment by the Gillard Government.

For more information on each initiative, visit www.acre.gov.au

Media Contact:

Fiona Scott (Minister Ferguson) 0457 542 330