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Petratherm welcomes new \$126 million Emerging Renewables Energy Fund

- *New fund represents a strong commitment to emerging renewable energy – such as geothermal and hybrid technologies*
- *New fund to be targeted by Petratherm's innovative Heliotherm project – a joint development with the University of Adelaide*

Emerging Renewables Energy Fund

Petratherm welcomes the launch of the new \$126 million Emerging Renewables Energy Fund (EREF) announced earlier today by the Federal Minister for Resources and Energy, Martin Ferguson AM MP.

The launch of the new EREF program (refer attached media release) represents another demonstration of strong commitment by the Federal Government to emerging renewable energy technologies such as geothermal, solar and hybrid technologies.

The release highlights the importance of base-load and hybrid solutions, of which Petratherm's Paralana project and Heliotherm project, respectively, are excellent examples.

The announcement complements the government's recent Carbon Pricing Initiatives that include the introduction of a carbon price by July 2012, an emissions trading scheme by July 2015 and the \$13 billion Clean Energy Finance Corporation and the Australian Renewable Energy Company.

Petratherm as leading explorer and developer with its advanced Paralana project and unique Heliotherm project is well positioned to benefit from these recent initiatives.

Heliotherm – grant opportunities

The Heliotherm solar thermal technology development project is a 100 per cent owned subsidiary company of Petratherm Limited which has an exclusive development agreement with the University of Adelaide.

This innovative project is being pursued with the University's highly regarded Centre for Energy Technology (CET) led by Professor Gus Nathan. It aims to reduce the cost of solar thermal technology by up to 40 per cent through the integration of solar thermal, geothermal and combustion technologies.

Petratherm Managing Director Terry Kallis, a member of the CET advisory board, said “the work involves designing and developing an integrated solar, geothermal and combustion system to achieve high efficiency base load power generation. The key innovation is using an integrated boiler that exploits all of the energy sources in a way to reduce capital costs and achieve a critical breakthrough in cost and efficiency in solar thermal technology.”

Petratherm and the University of Adelaide plan to apply for further grant monies for up to \$5 million under the Federal Government’s \$100 million Australian Solar Institute Program (Round 3) and the recently announced \$126 million Emerging Renewables Energy Fund.

Applications for grants under those programs have now been called for both grant programs. Petratherm and the University of Adelaide are aiming to introduce a solar technology partner and an energy utility joint venturer to the Heliotherm project.

The Heliotherm technology, when developed, is expected to have considerable local, national and international market potential. The local South Australian market provides an ideal opportunity to fully test the technology at pilot and demonstration scale in the longer term.

Yours faithfully



Terry Kallis
Managing Director

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MEDIA RELEASE

MARTIN FERGUSON

Minister for Resources and Energy
Minister for Tourism

8 August 2011

APPLICATIONS OPEN FOR EMERGING RENEWABLES FUNDING

The Australian Government today opened its *Emerging Renewables* program to applications from promising renewable energy technology projects such as geothermal, solar and ocean.

The *Emerging Renewables* program aims to reduce the cost of new technologies, improve skills across the renewable energy industry and leverage finance from the private sector as well as state and territory governments.

“With this program the Government is taking on an innovative design for merit-based grant programs following the Australian Centre for Renewable Energy’s (ACRE) extensive consultation with the renewable energy industry and financiers,” the Minister for Resources and Energy, Martin Ferguson AM MP, said at this morning’s launch..

“It allows a flexible approach to funding across the technology innovation chain, in line with stakeholder feedback to improve the sector’s competitiveness.

“For emerging technologies this flexibility is critical. It will help ensure government support is tailored to the needs of industry as they evolve over time, while also putting in place the appropriate safeguards for taxpayer funded investments.

“On this basis we have also increased funding by \$26 million for the *Emerging Renewables* program with funds returned from the *Geothermal Drilling Program*.

“This takes the total program funding to \$126 million. Geothermal companies will benefit from the new program design with at least one-third of the total program funding expected to be available to support geothermal energy.”

The program design is based on the independent ACRE Board’s *Strategic Directions* and provides a streamlined applications process as well as the opportunity for greater collaboration amongst applicants. It employs a continuously open application model allowing companies to submit applications as and when they need to with no arbitrary cut off dates or set funding rounds.

ACRE will administer the program until the \$3.2 billion Australian Renewable Energy Agency (ARENA) is established.

“Opening the program now is important to keep up momentum in the industry and continue providing government support for renewable energy technologies as we introduce a price on carbon and establish ARENA and the \$10 billion Clean Energy Finance Corporation,” Minister Ferguson said.

The *Emerging Renewables* program will fund promising renewable energy and enabling technologies under two categories: ACRE Projects and ACRE Measures. More information on

these categories and a copy of the *Emerging Renewables Program Information Guide for Applicants* is available at www.acre.gov.au

Minister Ferguson opened the *Emerging Renewables* program at the launch of a new rooftop solar research project, supported by a \$3.2 million Australian Solar Institute grant. The project based at the Australian National University aims to improve the efficiencies of rooftop solar by providing a cost effective, all-in-one solar energy system for heating, cooling, hot water and electricity to supply households and businesses.

“Projects such as the hybrid system launched today demonstrate that there is still a huge amount of innovation potential in solar technology for researchers and companies to develop,” Minister Ferguson said.

“They will pave the way for the next generation in solar technology, and through the Government’s Clean Energy Future package these next generation projects will have access to more support than ever before.”

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