

ASX Release

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Heliotherm submits funding application to Australian Solar Institute (ASI)

Petratherm is pleased to advise that a full application for grant funding under the ASI Round 3 grant funding program was submitted yesterday for the Heliotherm solar thermal hybrid technology project.

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

A full application for funding was requested by the ASI after the project successfully passed through the short-listing Expression of Interest stage of their Round 3 grant funding program during September 2011.

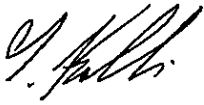
The project has attracted international attention with support and interest for the project from European-based global, solar and energy companies. The full application includes the participation of international technical specialists in key fields including boiler design and solar technology.

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 capital cost of solar thermal technology by up to 50 per cent primarily through the integration of solar thermal and combustion technologies and to incorporate geothermal resources where available. The University was recently awarded a \$750,000 Australian Research Centre linkage grant to assist in the development of the technology.

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."

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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