

ASX Release

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PETRATHERM LIMITED
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Australia Tenement Update

Petratherm announced today that it has relinquished the Callabonna Tenements (GEL 157, 179), 700 kilometres north of Adelaide. This comes after results from geophysical work and subsequent thermal modeling, indicate the Callabonna Site will not yield economically viable geothermal temperatures at depth, with respect the local market constraints.

Managing Director Terry Kallis said the company's project holdings were "constantly under a process of review, based on passing high technical and commercial merit criteria during the stages of exploration and development". In this case, despite good early indicators, the Callabonna Tenements did not meet the criteria," Mr. Kallis said.

Petratherm is committed to the exploration and development of emission free, geothermal energy projects that are commercially sustainable. This is the second project holding to be surrendered by the company following the surrender of the Ferguson Hill Project in December 2008.

The Company's Exploration and Commercial team are seeking to build a portfolio of quality projects both in Australia and Overseas.

Yours faithfully

Terry Kallis
Managing Director

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