



ABN 79 118 065 704

19 April 2007

Matthew Foy
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Fax: (08) 9221 2020

RESPONSE TO ASX LETTER

Dear Matthew,

In response to your letter dated 18 April 2007, we wish to address each of your queries regarding the response of Torrens Energy Limited ("the Company") to the ASX Price Query dated 17 April 2007 and the Company's announcement dated April 17 2007 regarding the Acquisition of Geothermal Licence 278 Torrens Project Area, South Australia ("Announcement").

1. The Company advises that the date on which it entered discussions with Primary Industries and Resources SA ("PIRSA") with the aim of securing the additional geothermal licence ("GEL") was 23 February 2007, being the date the application for the GEL was submitted to PIRSA.
2. The Company advises that GEL 278 was offered by PIRSA to the Company on 5 March 2007, subject to payment of the first Annual Rental. The Company accepted the offer on 13 March 2007 subject to PIRSA's acceptance of a variation to the work programme. The variation to the work programme was lodged on 10 April 2007 and payment authorised by PIRSA for the work programme variation and annual rental 11 April 2007. The cheque was sent to PIRSA 16 April 2007 and while we understand that it has been received, it has not yet been banked (as of 18 April 2007). Once the cheque is banked it is the understanding of the Company that PIRSA can then grant the tenement.

In addition to the above, it is a requirement of PIRSA that adjoining GELs have common anniversaries. Thus the granting of GEL 278 is to be delayed to allow all the contiguous GELs to have common anniversaries.

3. The Company advises that its Board of Directors and key management staff as well as PIRSA Petroleum Division personnel were privy to information concerning the offer and acceptance of GEL 278 prior to the Announcement.

Should you have any queries please do not hesitate to contact the Company on (08) 9420 9333.

Yours faithfully

Malcolm James
Chairman

**ASX**

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18 April 2007

Ms Jade Styants
Company Secretary
Torrens Energy Limited
31 Ord Street
WEST PERTH WA 6005

By Facsimile: (08) 9321 2477

Dear Jade

Torrens Energy Limited (the "Company")

We refer to the Company's response to the ASX Price Query dated 17 April 2007 (the "Response").

We also refer to the Company's announcement dated 17 April, titled 'Acquisition of Geothermal Exploration Licence 278 Torrens Project Area, South Australia' (the "Announcement").

Please respond to each of the following in a form suitable for release to the market.

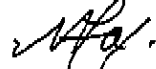
1. ASX requests that the Company advise the date on which it entered into discussions with Primary Industries and Resources SA ("PIRSA") with the aim of securing the additional geothermal exploration licence (the "GEL").
2. ASX requests that the Company advise when GEL 278 was offered by PIRSA to the Company and the date the Company accepted the offer.
3. ASX requests that the Company advise whom in the Company and PIRSA were privy to information concerning the offer and acceptance of GEL 278 prior to the announcement.

Your response should be sent to me by e-mail at matthew.foy@asx.com.au or by facsimile on **facsimile number 08 9221 2020**. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, by not later than **5.00 P.M. W.S.T. on Thursday, 19 April 2007.**

If you have any queries regarding any of the above, please contact me on 9224 0014.

Yours sincerely,



Matthew Foy

Adviser, Issuers (Perth)