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INVEST IN OUR EARTH
INVEST IN PANAX GEOTHERMAL

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PANAX GEOTHERMAL

ABOUT PANAX

PANAX GEOTHERMAL

- We are an Australian-based geothermal exploration and development company.
- Panax identifies, explores, and develops geothermal resources and converts them into reserves for power generation.
- We are pursuing projects in Indonesia, Australia and India that use proven, conventional geothermal technology – reducing the overall risk for all stakeholders.

Panax is meeting the world's growing demand for cleaner energy.

Using naturally occurring geothermal energy we can generate economical, reliable zero-emission baseload power.

STRATEGY

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- Targeting conventional geothermal resources that have been commercially proven around the world.
- Minimising project exploration risk and targeting attractive power tariffs.
- Securing and developing additional projects in the Asia Pacific region.

Our strategy will move Panax closer to its long-term vision of becoming a major participant in the geothermal power generation industry, in the Asia Pacific region.

INDONESIA

- Indonesia is a world geothermal “hotspot” with about 28,000 megawatts potential.
- The Indonesian Government plans to expand capacity by 240% over four years to 4,000 MW by 2014.
- Guaranteed feed-in tariff of US$97 per megawatt hour.
- Panax has established relationships with local partners (PT Bakrie Power) and there is strong local government and community support for geothermal projects.

Commercially attractive tariffs, abundant geothermal resources, incentives for geothermal generators and investment certainty.

INDONESIA – Panax Portfolio of Projects

Project	Location	Status	Panax Interest	Gross megawatts	Approximate net megawatts to Panax
Sokoria	Flores	Near term development	45%	30	15
Dairi Prima	Northern Sumatra	Near term development	51%	30	15
Ngebel	Java	Near term development	earning in to 35%	165	60
Jambi	Central Sumatra	Advanced Exploration	95%	80	75
TOTAL				**305**	**165**

- Four advanced stage projects;
- Panax share of >165 megawatts;
- Significant upside potential;
- Portfolio based approach.

SOKORIA

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- Extensive exploration database, including three exploration wells.
- Potential of 90–145 megawatts.
- Power price of US$125 per megawatt hour for the first 30 megawatts plus carbon credits.
- Work commenced on well site selection.

Project could provide region with access to power 24 hours a day.

Location	Flores Island, Republic of Indonesia
Panax Equity	45%, Panax as Operator for completion of all works up to feasibility study stage
Resource Type	Conventional volcanic geothermal play
Drilling Depth	Approximately 2,000 metres
Temp Range	200°C to 230°C
Project Stage	Advanced exploration/development – substantial prior exploration and study works completed over the last 20 years
Key Features	• Strong government and community support • Excellent infrastructure

NGEBEL

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- Extensive prior exploration work;
- Commercially attractive power tariff – guaranteed;
- Large project 165 megawatts;
- Joint Venture with Bakrie Power, Panax earning 35%;
- Significant volume of data also being acquired.

Location	East Java, Indonesia
Panax Equity	Earning 35%, Panax as Operator
Resource Type	Conventional volcanic geothermal play
Drilling Depth	Less than 2,000 metres
Temp Range	More than 200°C
Project Stage	Advanced exploration/development, substantial prior exploration works completed
Key Features	• Good power tariff – commercially attractive; • Grid connected, close to infrastructure.

DAIRI PRIMA

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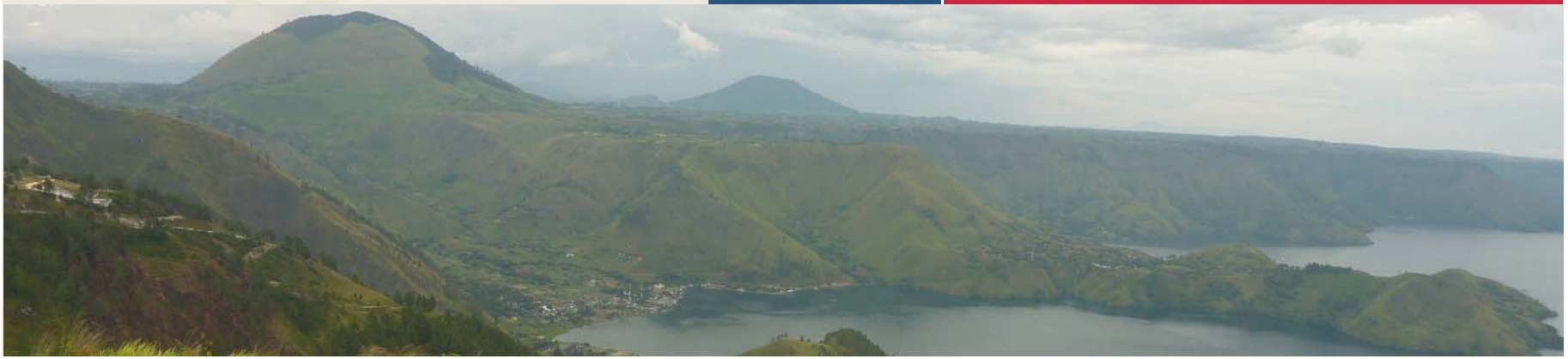
- Binding Terms Sheet Agreement for a Power Purchase Agreement for a 30 megawatt development.
- Direct and off-grid power supply for underground mining operations.
- Advanced discussions to jointly develop spare capacity of Sibayak geothermal reserves.
- Agreement to provide power requirements of future mine expansions.

Location	Northern Sumatra, Republic of Indonesia
Panax Equity	51%, Panax as Operator
Resource Type	Conventional volcanic geothermal play
Drilling Depth	Approximately 2,000 metres
Temp Range	200°C to 230°C
Project Stage	Advanced exploration/development – operating geothermal field in area and two other advanced geothermal prospects
Key Features	• Up to 25 megawatt of power for a proposed zinc/lead mine • Electricity tariff of US$150 per megawatt hour for 8 years and US$125 per megawatt hour plus 50% of carbon credits



LIMESTONE COAST

- Four troughs in the Otway Basin with higher than average temperatures.
- One of only three Measured Geothermal Resources in Australia – two are held by Panax.
- Unique and extensive database – increased certainty on temperatures and quality of target reservoir rocks.

Total Inferred, Indicated and Measured geothermal resource potential is large and estimated at 332,000PJ.

Location	Limestone Coast, South Australia
Licence Area	>3,500 km² (350,000 ha)
Panax Equity	100%
Resource Type	Hot Sedimentary Aquifer
Drilling Depth	3,500m to 4,000 metres
Temp Range	140°C to 200°C
Project Stage	Current focus on Penola Project
Key Features	• Excellent infrastructure • Close to grid • Comprehensive database from prior petroleum exploration activities • Potential > 1,500 megawatts

PENOLA

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- Potential to generate power at AUD$83 per megawatt hour.
- Deepest well is 4,000m – intersected more than 1,100m of target reservoir.
- **Salamander-1** – first deep geothermal well in Otway Basin completed in record time and first to demonstrate conventional geothermal energy in Australia.

The largest of only three Measured Geothermal Resources currently reported in Australia.

Location	Limestone Coast, South Australia
Licence Area	>3,500 km² (350,000 ha)
Panax Equity	100%
Resource Type	Hot Sedimentary Aquifer
Drilling Depth	3,500m to 4,000 metres
Temp Range	171.4°C at 4,025 metres
Project Stage	Reservoir assessment after drilling, pre-feasibility study and well testing
Key Features	• Excellent infrastructure, close to grid • Comprehensive database • Measured Geothermal Resource >1,000 metres of clean reservoir sandstones intersected

INDIA - PUGA

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- Advanced, low risk 60 megawatt project with temperatures that could exceed 260°C.
- Joint venture partner – Geosyndicate Power Private.
- 100km transmission line, from Puga to Leh, has commenced to within 30 to 40 kilometres of the project.
- Power will be supplied to Leh, the capital of the Indian Himalaya's, which relies on diesel power which is costly and has low reliability.

Location	Himalayan region, Northern India
Licence Area	100km² (10,000ha)
Panax Equity	Panax right to earn 49%, as operator
Resource Type	Conventional geothermal play
Drilling Depth	Approximately 2,000 metres
Temp Range	220°C to 260°C
Project Stage	Advanced exploration/development
Key Features	• High geothermal gradients • Geothermal reservoir delineated at 2,000m • US$110 per megawatt hour plus carbon credits • Transmission connection close • Good local infrastructure • Extreme high heat flow zone

MANAGEMENT TEAM

Kerry Parker
Managing Director and CEO

Kerry Angel
Chief Financial Officer and Company Secretary

David Jenson
General Manager Geothermal Engineering

Chris Matthews
Chief Geologist

John Bruce
Senior Commercial Advisor

Sjaiful Bhari
Country Manager Indonesia

- Panax has invested in skilled and talented employees who are experts in their field.
- Our management team has extensive experience in the resources sector, geothermal energy, commercial development, engineering and financial management.

COMPANY HIGHLIGHTS

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Company

- Strategic appointments and expansion of management team.
- Positive company media coverage.
- Strengthening market and shareholder support.
- Government support for geothermal development and commercialisation.

Expanded portfolio of projects in Indonesia

- Developed strong alliance with joint venture partner, PT Bakrie Power, a local power development company with a strong local presence.
- Secured position in four advanced geothermal development projects.
- Secured attractive power tariffs under PPAs.
- Heads of Agreement for $10 million in development funding with Molten Power.
- Completed significant initial works on Sokoria Geothermal Project.

Australia

- Completed drilling and production testing of Salamander-1.
- Significant Measured Geothermal Resource on Limestone Coast – enough to power more than 500,000 homes.

FUTURE MILESTONES

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Corporate	• Finalise agreement with Molten Power for $10 million in development funding for Indonesia. • Corporate transactions.
Sokoria	• Execute formal power purchase agreement. • Complete drilling and testing of appraisal wells. • Commercial development.
Dairi Prima	• Finalise negotiation on reserve areas. • Select production well sites and commence development.
Ngebel	• Execute Shareholders Agreement with PT Bakrie Power. • Negotiate and execute PPA. • Commence required appraisal wells.
Jambi	• Initial scope of works and apply for licences. • Advanced exploration.
Penola	• Continue assessment of Salamander-1 results and advancement of required remedial works. • Secure joint venture partner for development.
Hutton	• Secure joint venture partner for development. • Continue regional study works and field investigations.


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