

## Petratherm Ltd

105 Tusmore Ave, Tusmore, 5065, South Australia  
Tel: +61 8 8304 8200 Fax: +61 8 8304 8201  
Website [www.petratherm.com.au](http://www.petratherm.com.au)  
Email [admin@petratherm.com.au](mailto:admin@petratherm.com.au)  
A.C.N. 106 806 884



**petratherm**

2<sup>nd</sup> June 2006

### **Paralana Geothermal Drilling Update**

Drilling operations at the Paralana Geothermal Test Well 130 kilometres east of the main electricity grid at Leigh Creek are progressing ahead of schedule. The well is currently at 1040 metres depth. With continued good daily progress of approximately 60 metres per day, it is expected that the well will reach a depth of 1500 metres within a week.

The Geothermal Test Well at Paralana will be drilled to a minimum depth of 1500 metres and is designed to measure temperature gradients and determine rock properties at intermediate depths above the inferred geothermal reservoir. Subject to positive results, a deep well may be drilled with lower risk than would otherwise be the case, to confirm the existence of the thermal reservoir at a depth of 3.5-4.0 kilometres.

The temperature of the circulating drilling mud at the base of the Geothermal Test Well indicates temperatures are increasing in a manner that is broadly consistent with the anticipated geothermal gradient at the site. Accurate determination of the temperature gradient cannot be achieved until drilling has ceased and the well has had time to reach thermal equilibrium with the surrounding rock. It is envisaged that thermal equilibrium will take approximately 3 weeks after drilling is completed, following which temperature logging will occur.

Rocks encountered so far indicate that satisfactory insulating properties exist, giving encouragement for the continuation of the gradient.

