

ASX Release



PETRATHERM LIMITED
ABN 17 106 806 884

Share Purchase Plan closing Friday 14 October 2011

Petratherm Limited (ASX Code: PTR) is currently offering a Share Purchase Plan to eligible shareholders (Offer). The Offer is scheduled to close at **5pm (Adelaide Time) Friday 14 October 2011**.

The Share Purchase Plan is an offer by Petratherm Limited to all eligible shareholders at the record date of Tuesday 26 July 2011, to purchase up to A\$15,000 worth of new ordinary Petratherm Limited shares direct from the Company at \$0.125 (twelve point five cents) per share which represents a discount to the closing price of the Company's shares on the ASX on the 26th July 2011 (the day before the announcement of the SPP) of 21.875% and is the same price as the recent Placement.

In July of this year, Petratherm successfully completed large scale fracture stimulation works at the Paralana 2 well. The primary aim of the fracture stimulation was achieved and preliminary analysis suggests that the stimulated zone extends approximately 900 metres to the east of the Paralana 2 well at a depth from 3,500 metres to 4,000 metres.

On 12 October, Petratherm announced that the flow test operation for the Paralana 2 Deep Geothermal Well had been successfully completed. The Well was allowed to flow continuously over a seven day period and a total of 1.28 million litres of fluid was produced. After flowing for 6 days, the bottom hole flowing fluid temperature at the perforated interval 3679-85 metres was recorded as 171 degrees Celsius, in line with expectations.

The funds raised from the SPP will be applied to the ongoing development of the Paralana project and working capital.

The joint venture partners have identified a natural geothermal system at Paralana. Future work will further enhance the development of this system. This may significantly lower development risks of establishing a commercial flow for power production.

When considering the Offer, shareholders should read the [Share Purchase Plan documents dated 5 August 2011](#) and refer to [Petratherm's latest ASX releases](#).

13 October 2011

ASX Code: PTR

ABN 17 106 806 884

Level 1, 129 Greenhill Road
Unley SA 5061

T: +61 8 8274 5000

F: +61 8 8272 8141

W: www.petratherm.com.au/

E: admin@petratherm.com.au

Petratherm Limited has established a BPAY® facility for those shareholders wishing to participate in the Offer and preferring the convenience of electronic payment. You can also pay by cheque, bank draft, or money order. All payments need to be received by Computershare Investor Services Pty Limited no later than **5pm (Adelaide Time) Friday 14 October 2011.**

If you have any questions relating to the Share Purchase Plan, please don't hesitate to contact Petratherm's Shareholder Information Line on 02 8256 3372 while the Offer is open. If you have already participated in the Share Purchase Plan, thank you very much for your continued support.

Regards,

A handwritten signature in black ink, appearing to read 'Derek Carter', with a stylized, cursive script.

Derek Carter
Chairman

MEDIA CONTACTS:

Terry Kallis
Kieran Hall / Tim Hughes

Petratherm Ltd
Hughes Public Relations

08 8274 5000
08 8412 4100