



\$7m boosts hot project

By IAN KIRKWOOD

A COMPANY drilling for geothermal or "hot rock" energy in the Hunter Valley has won \$7 million in assistance from a Federal Government geothermal drilling program.

Geodynamics Ltd, a Queensland company listed on the Australian Securities Exchange, is one of five companies to get \$7 million grants from Resources and Energy Minister Martin Ferguson.

A spokesman for Mr Ferguson said Geodynamics would receive \$7 million in dollar-for-dollar assistance for a drilling program at its Bulga exploration areas near Singleton.

The money would be used to help cover the cost of hiring drilling rigs, probably from

overseas, to drill two 4500-metre holes, followed by "stimulation and flow testing".

The spokesman said Geodynamics believed its Bulga resource had "the potential to support a 200-megawatt [power] plant".

The other "dollar-for-dollar" grants of \$7 million would go to Hot Rock in Victoria's Otway Basin, GRE Geothermal near Perth, Greearth Energy near Geelong and Torrens Energy in South Australia.

Geodynamic has been drilling in the Hunter since at least 2000, when a two-kilometre test drill was described as Australia's first deep geothermal research hole.

Yesterday's \$7 million is the second federal windfall for Geodynamics.

Early last month, Mr Ferguson announced the company would receive \$90 million to help build a 25-megawatt geothermal power station in the Cooper Basin in South Australia.

Geodynamics managing director Gerry Grove-White said then the company had been "delighted" over the \$90 million in funding.

"The company believes funding of this nature is vital in ensuring that companies are able to bridge the gap between proving a concept and commercial demonstration of emerging technologies," Mr Grove-White said.

