



Energy consortium announces it has the tools to begin drilling for geothermal wells underneath Anglesea, DENIS CRAVEN reports

Firm eyes drill date for power

GREENEARTH Energy has secured a drill for the first stage of its geothermal power project near Anglesea.

But the company will need to land a \$7 million Federal Government grant and raise its own capital before the drill can swing into action.

Managing director Mark Miller told the Australian Stock Exchange yesterday the drill would enable the company to complete its proof-of-concept drilling and testing program.

Greenearth had secured a 2000 HP drilling rig 828 from Weatherford Drilling International by paying a non-refundable deposit, he said.

Greenearth Energy and WDI are completing a formal contract for the drilling of two deep geothermal wells into a hot sedimentary aquifer located 11km northwest of Alcoa's Anglesea brown coal power station.

Greenearth Energy expected to start its Geelong Geothermal Well No. 1 in mid-2010 and planned to start Geelong Geothermal Well No. 2 as soon as the first production well

was completed, Mr Miller said.

"This back to back program will afford Greenearth Energy a cost effective means to rapidly advance its proof-of-concept geothermal power scheme to commercial demonstration stage," he said.

Greenearth Energy intended to apply for \$7 million in funding from the second round of the Federal Government's Geothermal Drilling Program to assist with the proof-of-concept stage, Mr Miller said.

The Federal Government in April rejected a bid by Greenearth Energy for a multi-million dollar grant to kick-start the Anglesea project, which the company hopes will develop into Australia's first geothermal power station.

The Department of Resources, Energy and Tourism knocked back Greenearth's first-round bids to harness geothermal energy beneath greater Geelong and Gippsland.

But the company will use the results of significant work carried out

after the company submitted its first bids in the second round.

Greenearth has conducted tests in Anglesea and on the Bellarine Peninsula to a depth of 3450 metres.

The study found there should be sufficient heat flow to build an operating geothermal power plant.

Mr Miller believes Geelong is one of Australia's most carbon exposed industrial cities.

"If there was ever an ideal set of circumstances for the development of base-load renewable energy to demonstration stage then to our way of thinking this opportunity in the Greater Geelong region is it," Mr Miller said this year.

Greenearth, which is a joint venture between Melbourne-based petroleum firm Lakes Oil and the Perth-based Victoria Petroleum, raised more than \$10 million for its February listing on the stock exchange.



HOT ROCKS: Greenearth Energy hopes to start drilling two geothermal wells near Anglesea in 2010