

ASX ANNOUNCEMENT AND MEDIA RELEASE, 4 November 2010

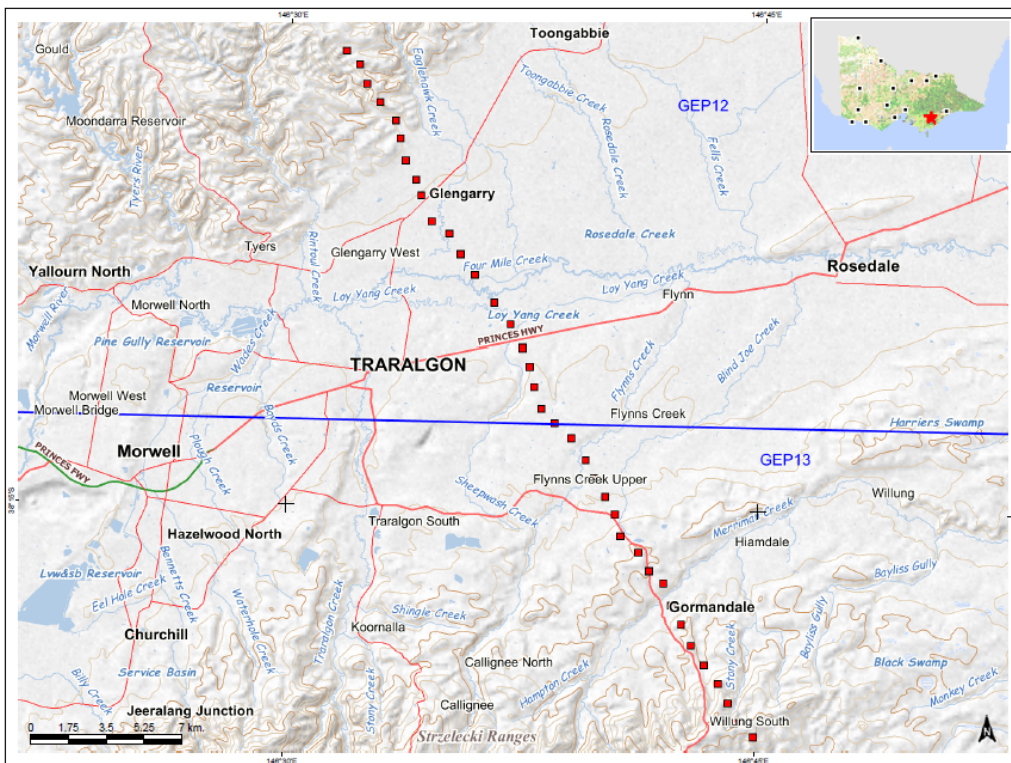
MAGNETO-TELLURIC (MT) SURVEY COMMENCES IN VICTORIA'S LATROBE VALLEY REGION

Greenearth Energy Limited (ASX: GER) wish to advise that the company's magneto-telluric (MT) ground geophysical survey in the Latrobe Valley and onshore Gippsland Basin areas (GEP 12 & 13) has commenced.

The MT survey consists of approximately 40 survey points and will traverse the Latrobe Valley between Glengarry North and Willung South at 1 km intervals.

Greenearth Energy has contracted Perth based Moombarriga Geoscience Pty Ltd to carry out the MT survey. Moombarriga Geoscience is highly experienced in this type of geophysical survey.

The MT geophysical method is a passive technique that uses a series of coils and electrodes buried at shallow depths in the ground to record naturally occurring electric (telluric) currents that flow through the earth that are induced by natural variations in the earth's magnetic field. These variations may be used to calculate the resistivity of the ground which may vary depending on the local geology. At each station (site) measuring equipment is installed for approximately 24 hours, after which the equipment is removed and the site fully rehabilitated.



Latrobe Valley MT Survey Sites

The interpretation of the MT results may enable Greenearth Energy to better understand the geology of the Latrobe Valley and to define the depth of older basement rocks beneath the sediments that fill the Latrobe Valley. Knowledge of the basement depth and structure may act as an indirect method for determining the location of potential hot sedimentary aquifer geothermal systems.

Previous work has indicated that the Latrobe Valley is highly prospective for Hot Sedimentary Aquifer style geothermal systems that utilise existing permeable aquifers at depth beneath thick sedimentary sequences. The thick coal layers throughout the Latrobe Valley provide excellent thermal insulation which helps trap heat beneath and enhances the temperature at depth.

Managing Director of Greenerth Energy, Mark Miller, said “The Latrobe Valley is ideally placed to become a significant geothermal production region. It is Victoria’s main power generation hub, is home to a number of high energy consuming and large CO₂ producing industries, and currently 22% of Australia’s greenhouse gas emissions emanate from this strategically important region. As we seek to develop our future energy security in a carbon constrained world, new “clean” energy sources such as geothermal which is base load and emissions free must be explored and developed. The thick coal measures found within the Latrobe Valley are unique, and provide for excellent thermal insulation which increases the prospectivity of the area for geothermal resource development.”

Greenerth Energy holds the exclusive rights to explore for and develop geothermal resources in the Latrobe Valley (GEP12) and onshore Gippsland (GEP13) regions of Victoria.



Mark Miller
Managing Director
Greenerth Energy Limited