

**ASX ANNOUNCEMENT AND MEDIA RELEASE, 13 September 2010**

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**GREENEARTH ENERGY SIGNS \$7M  
COMMONWEALTH FUNDING AGREEMENT**

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Greenearth Energy Limited (ASX:GER) are pleased to announce that the company has finalised negotiations with the Australian Government and signed a contract for its \$7 million Geothermal Drilling Program (GDP) grant for the company's flagship Victorian geothermal energy project, the Geelong Geothermal Power Project.

The GDP funding agreement signed between Greenearth Energy and the Department of Resources, Energy and Tourism (DRET) allows an initial drawdown of funds in support of the company's hot sedimentary aquifer (HSA) geothermal energy project located in the Wensleydale - Gherang area northwest of Anglesea, Victoria.

Greenearth Energy is also negotiating contracts with the Victorian State Government further to being awarded \$25 million in late 2009 under the Energy Technology Innovation Strategy (ETIS) program for large scale, pre-commercial, sustainable energy demonstration projects for its Geelong Geothermal Power Project.

The Victorian Government awarded the Geelong Geothermal Power Project \$5 million for the Stage 1 Proof of Resource and, upon successful completion of Stage 1, a further \$20 million for the Stage 2, 12MW<sub>e</sub> geothermal energy demonstration plant.

Greenearth Energy's Managing Director Mark Miller commented "Greenearth Energy is very pleased to have completed this process in regards to our flagship project. The Geelong Geothermal Power Project Stage 1 Proof of Concept is in a unique position, being supported by both State and Commonwealth funding totalling \$12 million".



**Mark Miller**  
**Managing Director**  
**Greenearth Energy Limited**