

ASX ANNOUNCEMENT AND MEDIA RELEASE, 23 March 2009

Greenearth Energy Limited (ASX: GER) announces Roadmap for Geothermal Power Plant development at Geelong in Geothermal Exploration Permit (GEP) 10, Victoria.

Greenearth Energy Limited (Greenearth Energy) is pleased to announce that further work carried out by Hot Dry Rocks Pty Ltd (HDRPL), has lead to the development of a Hot Sedimentary Aquifer (HSA) commercial model for geothermal based electricity generation southwest of Geelong.

This model assumes that a portion of the inferred geothermal HSA resource of 40,000PJ present in Geothermal Exploration Permit (GEP) 10, as per the Greenearth Energy ASX release of 4 December 2008, is available to be utilized for power generation.

This HDRPL study modelled the costs and outcomes that may reasonably be expected for developing a 10.7 megawatt (MW) geothermal power plant. Similarly the study modelled an expansion to establish a 48 MW geothermal power plant.

There are several possible sites for a geothermal power plant in GEP 10, but for the purpose of the HDRPL study, a hypothetical site was selected approximately 3 kilometres north-northeast of the old Wensleydale Coal Mine, 9.5 kilometres from the Anglesea– Point Henry electricity transmission line.

The HDRPL study shows that a target geothermal resource temperature of 170 degrees centigrade at the modest target depth of 3,450 metres with an assumed flow rate of 100 litres per second should yield sufficient heat flow to build an operating geothermal power plant.

The HDRPL study shows that over a 20 year life for the proposed geothermal power plant:

- The levelised cost of electricity (LOCE) would be in the range of \$96-114 per MW hour.
- Generation of attractive pre-tax revenue and discounted cash flows for the project.
- Result in the displacement of at least 1.2 million tonnes and up to 7.3 million tonnes of Carbon Dioxide “greenhouse gases” emitted by conventional power stations.

Greenearth Energy Managing Director, Mark Miller, said “We are pleased to have this roadmap study from HDRPL on the possible economics of establishing a commercial geothermal power plant in the Geelong area, close to the existing electricity power and adjoining industrial markets.”

“If further drilling continues to confirm the positive geothermal characteristics of the site chosen for a future geothermal power station, then we are very excited about the plans for a future geothermal power plant in the permit, in close proximity to major industrial and urban centres in the Geelong area.”

“It is good to know that given the presence of the large inferred geothermal resource in the permit, the modelling shows a positive opportunity and way forward for the development of several exciting geothermal prospects in the Geelong area.”

The next step in the development of potential geothermal power plants in the permit is the assessment by the Federal Government of our January 2009 application to the Geothermal Drilling Program for \$7million. Success here would provide us with the injection of funds to enable drilling to further characterise our known geothermal resource.

Mr Miller went on to say “We are also mindful that as geothermal exploration is still at an early stage, generalised costings from public sources and HDRPL’s experience have been used in this model. Greenerth Energy will further develop this economic project model as fuller costing research comes available, but we are extremely encouraged with the model results we have seen so far.”

“As the heat resource required for such a notional geothermal power plant, even at its expanded scale, represents a very minor portion of Greenerth Energy’s inferred geothermal resource in GEP10, it should be feasible to consider replicating the development of such power plants many times over within our permit area”.

“The Federal and Victorian governments have as a key priority, the development of renewable, sustainable, base load and emission free electricity generation. Greenerth Energy is proud to be associated with this aim.”



Mark Miller
Managing Director
Greenerth Energy Limited

For more information, please contact Mark Miller on 03 8625 0500 or 0407 035 800

About Greenerth Energy Limited

Greenerth Energy Limited is an Australian Geothermal energy company that aims to explore for and develop geothermal resources in Australia, New Zealand and the wider Pacific Rim.

Geothermal energy is being increasingly recognised as having the potential to deliver, clean, reliable and renewable energy that is capable of a wide range of uses with very low or no greenhouse gas emissions.

Greenerth Energy currently holds three key strategic Geothermal Exploration Permits (GEP’s) in onshore Gippsland (GEP13), the La Trobe Valley (GEP12) and the Bellarine Peninsula (GEP10) all of which are located in close proximity to major power consuming / CO₂ emitting industries, communities and the national electricity transmission network. Greenerth Energy’s primary focus is on hot sedimentary aquifer systems (HSA’s) that tend to be widespread in nature, generally exist at shallower depths and can utilize proven, commercially available conventional binary plant technology. Greenerth Energy will also explore hot fractured rock (HFR) opportunities within it’s permit areas where these prove commercially viable.

The company listed on the Australian Stock Exchange on the 4 February 2008 with the stock code of **GER**.

For further information on Greenerth Energy Limited geothermal projects visit the Greenerth Energy Website: www.greenerthenergy.com.au



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