

ASX ANNOUNCEMENT AND MEDIA RELEASE, 13 August 2009

GREENEARTH ENERGY SUCCESSFULLY MEETS FIRST GDP HURDLE

Greenearth Energy Limited ("GER") is pleased to announce that it has received notification from the Federal Government's Department of Resources, Energy and Tourism that the company's application to the Federal Government's Geothermal Drilling Program (GDP) for their Geelong Geothermal Power Project has been checked for completeness and eligibility against the GDP eligibility criteria and has been assessed as eligible and as such will now undergo a full merit assessment.

Greenearth Energy's GDP application for \$7M is for a proof-of-concept couplet comprising two deep geothermal wells into a hot sedimentary aquifer (HSA) for the drilling and geothermal fluid flow testing program of its flagship geothermal power project at Geelong, Victoria.

Greenearth Energy expects to spud its Geelong Geothermal Well No.1 mid 2010 and plans to spud its Geelong Geothermal Well No.2 immediately upon successful completion of the first production well. 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.

The \$50M GDP will assist companies seeking to develop geothermal energy by supporting the cost of proof-of-concept projects. The GDP is a competitive merit based grants program provided as a dollar for dollar subsidy, capped at \$7M per proof-of-concept project. A project proof-of-concept occurs at the stage after a potential geothermal resource has been located, drilled and flow tested.

An announcement regarding the awarding of GDP grants by the Minister is anticipated mid November.

For more information, please contact Mark Miller on (03) 9620 7299 or 0407 035 800



Mark Miller
Managing Director
Greenearth Energy Limited

Greenearth Energy Ltd.
Level 14,
500 Collins Street
Melbourne Vic 3000
(03) 9620 7299

www.greenearthenergy.com.au

