

**INDEX OF DOCUMENTS HELD ON THE PUBLIC REGISTER FOR  
GEOTHERMAL EXPLORATION LICENCE GEL 207**

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| 1.  | 19 July 2005      | Memorandum entering GEL 207 on the public register.  |
| 2.  | 19 July 2005      | Geothermal Exploration Licence GEL 207<br><br>Interest:<br>Proactive Energy Developments Ltd                      100% |
| 3.  | 21 July 2005      | Gazettal of Grant of GEL 207   |
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| 5.  | 10 August 2007    | Memorandum entering variation of GEL 207 on the public register.   |
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| 10. | 24 July 2008      | Gazettal of suspension of GEL 207.   |
| 11. | 9 December 2008   | Memorandum entering variation of GEL 207 on the public register.   |
| 12. | 9 December 2008   | Variation of Geothermal Exploration Licence GEL 207.   |
| 13. | 11 January 2010   | Surrender of licence, with effect from 23 December 2009  |
| 14. | 14 January 2010   | Gazettal of Surrender  |
| 15. | 19 January 2010   | Discharge of Security  |

**Petroleum and Geothermal Energy Act 2000**

**S.115**

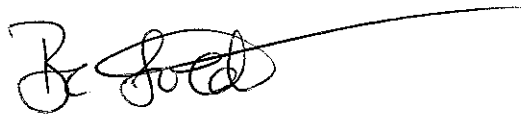
**S.117**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE**

**GEL 207**

1. Discharge of Security is hereby entered on the public and commercial registers.

A handwritten signature in black ink, appearing to read 'B. Goldstein', with a long horizontal line extending to the right.

**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources**  
**Development**

Date: 19 January 2010

Ref: 27/2/336

## PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

*Surrender of Geothermal Exploration Licence—GEL 207*

NOTICE is hereby given that I have accepted the surrender of the abovementioned Geothermal Exploration Licence under the provisions of the Petroleum and Geothermal Energy Act 2000, pursuant to delegated powers dated 1 October 2009.

No. of Licence	Licensee	Locality	Date of Surrender	Reference
207	Granite Power Limited	Roxby Downs	23 December 2009	27/2/336

*Description of Area*

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 30°36'00"S GDA94 and longitude 136°35'00"E GDA94, thence east to longitude 136°41'06"E GDA94, south to latitude 30°41'30"S GDA94, east to longitude 136°50'00"E GDA94, south to latitude 30°48'00"S GDA94, west to longitude 136°35'00"E GDA94 and north to point of commencement.

Area: 386 km<sup>2</sup> approximately.

Dated 11 January 2010.

B. A. GOLDSTEIN,  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development

***Petroleum and Geothermal Energy Act 2000***  
**S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE  
GEL 207**

1. Surrender of the abovementioned Geothermal Exploration Licence, with effect from 23 December 2009 is hereby entered on the public register.



**BARRY A GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

Date: 11 January 2010

Ref: 27/2/336

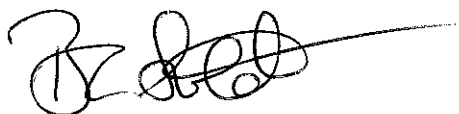
## ***Petroleum and Geothermal Energy Act 2000***

### **SURRENDER OF GEOTHERMAL EXPLORATION LICENCE GEL 207**

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources, in the State of South Australia, pursuant to the provisions of section 89(2) of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 1 October 2009 –

- a) hereby accept surrender of Geothermal Exploration Licence GEL 207, in the name of Granite Power Limited with effect from 23 December 2009.

Dated: 11 January 2010



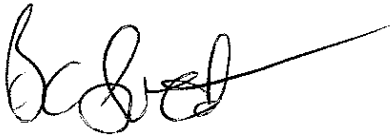
**BARRY A. GOLDSTEIN  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources  
Development**

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCES  
GELs 207 and 291**

1. Variation of licence conditions is hereby entered on the public register.



**BARRY A. GOLDSTEIN  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development**

Date: 9 December 2008

Ref: 27/2/458  
27/2/336

# Petroleum Act 2000

## VARIATION OF GEOTHERMAL EXPLORATION LICENCE GEL 207

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources in the State of South Australia, pursuant to section 25 of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 28 March 2002, Gazetted 11 April 2002, page 1573 vary the conditions of the above-mentioned geothermal exploration licence, held by -

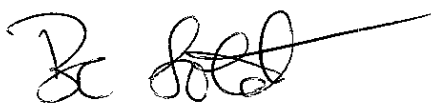
**Granite Power Limited**  
ABN 90 112 714 440

Condition 1 of the licence is omitted and the following substituted:

" During the term of the licence, the Licensee shall carry out or cause to be carried out, exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations are guaranteed, and any subsequent licence year work program becomes guaranteed upon entry into any such licence year. These exploratory operations shall include but not necessarily be limited to:-

Year of Term of Licence	Minimum Work Requirements
One	<ul style="list-style-type: none"><li>• Geological and geophysical studies.</li></ul>
Two	<ul style="list-style-type: none"><li>• Geological and geophysical studies; and</li><li>• Environmental studies</li></ul>
Three	<ul style="list-style-type: none"><li>• Geological and geophysical studies.</li></ul>
Four	<ul style="list-style-type: none"><li>• Geological and geophysical studies;</li></ul>
Five	<ul style="list-style-type: none"><li>• Geological and geophysical studies; and</li><li>• Drill one heat flow hole (or deepen existing hole for heat flow purposes) to depth of up to 1,000 metres; and</li><li>• Undertake thermal conductivity measurements on sampled core and follow-up thermal modelling.</li></ul>

Dated: 9 December 2008



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

## PETROLEUM ACT 2000

*Suspension of Geothermal Exploration Licence—GEL 207*

PURSUANT to section 90 of the Petroleum Act 2000, notice is hereby given that the abovementioned Geothermal Exploration Licence has been suspended under the provisions of the Petroleum Act 2000, from and including 3 July 2008 until 2 January 2009, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573.

The expiry date of Exploration Licence GEL 207 is now determined to be 18 January 2011.

Dated 18 July 2008.

B. A. GOLDSTEIN,  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral  
Resources Development

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***Petroleum Act 2000***  
**S.90**

**SUSPENSION OF  
GEOTHERMAL EXPLORATION LICENCE  
GEL 207**

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources, in the State of South Australia, pursuant to the provisions of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 28 March 2002, Gazetted 11 April 2002, page 1573 –

- (a) suspend geothermal exploration licence GEL 207 for the period from and including 3 July 2008 to 2 January 2009.
1. No regulated activities are permitted to be carried out during the period of the suspension.
  2. The expiry date of GEL 207 is now determined to be 18 January 2011.

Dated: 18 July 2008

A handwritten signature in black ink, appearing to read 'B. A. Goldstein', with a long horizontal line extending to the right.

**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE  
GEL 207**

1. Suspension of licence from and including 3 July 2008 to 2 January 2009 is hereby entered on the public register.
2. The expiry date of GEL 207 is now 18 January 2011.



**BARRY A. GOLDSTEIN**  
**Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

Date: 18 July 2008

Ref: 27/2/336

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE  
GEL 207**

1. Notation of receipt of security is hereby entered on the public register.



**BARRY A. GOLDSTEIN  
Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources  
Development**

Date: 28 September 2007

Ref: 27/2/336

# Petroleum Act 2000

## VARIATION OF GEOTHERMAL EXPLORATION LICENCE GEL 207

I, CYRIL DAVID COCKSHELL, Acting Director Petroleum and Geothermal, Minerals and Energy Resources, Department of Primary Industries and Resources in the State of South Australia, pursuant to section 25 of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegated powers dated 28 March 2002, Gazetted 11 April 2002, page 1573 vary the conditions of the above-mentioned geothermal exploration licence, held by -

**Granite Power Limited**  
ABN 90 112 714 440

Condition 1 of the licence is omitted and the following substituted:

" During the term of the licence, the Licensee shall carry out or cause to be carried out, exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations are guaranteed, and any subsequent licence year work program becomes guaranteed upon entry into any such licence year. These exploratory operations shall include but not necessarily be limited to:-

Year of Term of Licence	Minimum Work Requirements
One	<ul style="list-style-type: none"><li>• Geological and geophysical studies.</li></ul>
Two	<ul style="list-style-type: none"><li>• Geological and geophysical studies;</li><li>• Environmental studies.</li></ul>
Three	<ul style="list-style-type: none"><li>• Drill one stratigraphic hole (or deepen existing stratigraphic hole) to a depth of 1,000 metres;</li><li>• Conduct down-hole seismic induction probes, cross-well tomography, and gamma, resistivity and temperature logging;</li><li>• Acquire 10 kilometres of 2D seismic;</li><li>• Geological and geophysical studies.</li></ul>
Four	<ul style="list-style-type: none"><li>• Drill one pilot well to a depth of 4,000 metres;</li><li>• Conduct well tests and fracture stimulation</li></ul>
Five	<ul style="list-style-type: none"><li>• Drill second well to a depth of 4,000 metres;</li><li>• Conduct circulation testing between the two wells;</li><li>• Commence planning review of pilot plant</li></ul>

"

Dated: 10 August 2007

A handwritten signature in black ink, appearing to read 'C. D. Cockshell', written in a cursive style.

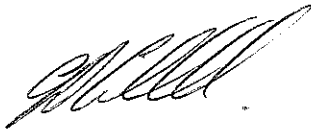
**C. D. COCKSHELL**  
**A/Director Petroleum and Geothermal**  
**Minerals and Energy Resources**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE  
GEL 207**

1. Variation of licence conditions is hereby entered on the public register.



**C. D. COCKSHELL  
A/Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development**

Date: 10 August 2007

Ref: 27/2/336

***Petroleum Act 2000***  
**S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCES  
GEL 207, GEL 251 AND GEL 252**

1. Notation of change of company name –

From: Proactive Energy Developments Limited  
To: Granite Power Limited

is hereby entered on the public register of licences.



**ELINOR ALEXANDER  
A/Director Petroleum and Geothermal  
Minerals and Energy Resources  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources  
Development**

Date: 3 April 2007

File: 27/2/336  
27/2/410  
27/2/411

KEVIN LYNN  
11 Rodborough Avenue  
NORTH SYDNEY NSW 2060



## Certificate of Registration on Change of Name



This is to certify that

**PROACTIVE ENERGY DEVELOPMENTS LTD**

**Australian Company Number 112 714 440**

did on the nineteenth day of February 2007 change its name to

**GRANITE POWER LIMITED**

**Australian Company Number 112 714 440**

The company is a public company.

The company is limited by shares.

The company is registered under the Corporations Act 2001 and is taken to be registered in New South Wales and the date of commencement of registration is the thirty-first day of January, 2005.

Issued by the  
Australian Securities and Investments Commission  
on this nineteenth day of February, 2007.

A handwritten signature in black ink, appearing to read 'Jeffrey Lucy'.

Jeffrey Lucy  
Chairman

CERTIFICATE



## PETROLEUM ACT 2000

*Grant of Geothermal Exploration Licence—GEL 207*

NOTICE is hereby given that the undermentioned Geothermal Exploration Licence has been granted under the provisions of the Petroleum Act 2000, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573.

No. of Licence	Licensee	Locality	Area in km <sup>2</sup>	Reference
GEL 207	Proactive Energy Developments Ltd	Near Roxby Downs, South Australia	386	27/02/336

*Description of Area—GEL 207*

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 30°36'00"S GDA94 and longitude 136°35'00"E GDA94, thence east to longitude 136°41'06"E GDA94, south to latitude 30°41'30"S GDA94, east to longitude 136°50'00"E GDA94, south to latitude 30°48'00"S GDA94, west to longitude 136°35'00"E GDA94, and north to the point of commencement.

Area: 386 km<sup>2</sup> approximately.

Dated 19 July 2005.

B. A. GOLDSTEIN, Director Petroleum  
Minerals and Energy Division  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources Development

**Petroleum Act 2000  
S.115**

**MEMORANDUM**

**GEOHERMAL EXPLORATION LICENCE  
GEL 207**

1. This Licence granted on 19 July 2005 is hereby entered on the public register.
2. Interests in the licence are:-

Proactive Energy Developments Ltd

100%.



**BARRY A. GOLDSTEIN  
Director Petroleum  
Minerals and Energy Division  
Primary Industries and Resources SA  
Delegate of the Minister for Mineral Resources  
Development**

Date: 19 July 2005

Ref: 27/2/336

# **PETROLEUM ACT 2000**

## **GEOHERMAL EXPLORATION LICENCE**

### **GEL 207**

I, BARRY ALAN GOLDSTEIN, Director Petroleum, Minerals and Energy Division, Primary Industries and Resources, in the State of South Australia pursuant to the provisions of the *Petroleum Act 2000* and all other enabling powers, for and on behalf of Paul Holloway, Minister for Mineral Resources Development (Minister), pursuant to delegation dated 28 March 2002, (refer Government Gazette dated 11 April 2002 page 1573), HEREBY GRANT to:

#### **Proactive Energy Developments Ltd**

ACN: 112 714 440

(hereinafter referred to as the Licensees) an Exploration Licence in relation to a source of geothermal energy in respect of the area set out below, to have effect for a period of five years and to expire on 18 July 2010 but carrying the right of renewal under the *Petroleum Act 2000*. *SAG*

#### **DESCRIPTION OF AREA**

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto:

#### **CONDITIONS**

1. During the term of the licence, the Licensees shall carry out or cause to be carried out, exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations are guaranteed, and any subsequent licence year work program becomes guaranteed upon entry into any such licence year. These exploratory operations shall include but not necessarily be limited to:-

<b>Year of Term of Licence</b>	<b>Minimum Work Requirements</b>
<b>One</b>	<ul style="list-style-type: none"><li>• Geological and geophysical studies.</li></ul>
<b>Two</b>	<ul style="list-style-type: none"><li>• Geological and geophysical studies.</li><li>• Deepening of existing stratigraphic holes.</li></ul>
<b>Three</b>	<ul style="list-style-type: none"><li>• Conduct down-hole seismic induction probes, cross-well tomography, and gamma, resistivity and temperature logging.</li><li>• Drill one deep well to test the temperature gradient within the target granite host rock reservoir.</li></ul>

<b>Four</b>	<ul style="list-style-type: none"> <li>• Drill one deep well (within 1000 metres of the year three well) and conduct circulation testing between the two wells.</li> </ul>
<b>Five</b>	<ul style="list-style-type: none"> <li>• Construction of a 25MW pilot power station.</li> </ul>

2. The Licensees must take all reasonable precautions to minimise the risks of its activities resulting in a significant loss of petroleum reserves or a significant reduction in the recovery of petroleum reserves.
3. The Licensees must:
  - (a) upon commencement of regulated activities under this licence, maintain in force during the term of this licence public liability insurance to cover regulated activities under this licence (including sudden and accidental pollution) in the name of the Licensee for a sum not less than twenty million dollars (\$20,000,000.00) or such greater sum as specified by the Minister and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (b) maintain in force during the drilling of any well or operation in any well, control of well insurance in the name of the Licensees for a sum not less than ten million dollars (\$10,000,000.00) or such greater sum as specified by the Minister and make such amendments to the terms and conditions of the insurance as the Minister may from time to time require;
  - (c) upon request by the Minister, provide the Minister with a cover note or certificate of currency of each insurance policy referred to in paragraphs (a) and (b).
4. The Minister in specifying the levels of insurance accepts no liability for the completeness of their listing, the adequacy of the sum insured, the limit of liability, the scoped coverage, the conditions or exclusions of these insurances in respect to how they may or may not respond to any loss, damage or liability.
5. The Licensees will ensure, when preparing an Environmental Impact Report under Part 12 of the *Petroleum Act 2000*, that the report also includes an assessment of the potential economic consequences for other licensees under the *Petroleum Act 2000* or *Mining Act 1971* and owners of land, arising out of proposed regulated activities to be carried out in the licence area.
6. The Licensees must keep confidential any measurements made in a well which would enable the estimation of petroleum reserves ("Confidential Information") and must not disclose the Confidential Information without first obtaining the written consent of the licensee of the overlapping compatible licence, unless:
  - (a) it is a disclosure required under the Act, this licence or any other law;
  - (b) it is a disclosure which is for the purposes of prosecuting or defending any legal proceedings; or
  - (c) it is information which is or becomes public knowledge other than by breach of this licence condition.

7. A contract or agreement entered into by the licensees to transfer or accept liability for any well or facility constructed for the purpose of undertaking a regulated activity under the *Petroleum Act 1940* or *2000* cannot transfer, limit or exclude liability under the *Petroleum Act 2000* unless written consent of the Minister is obtained.
8. In the event that the Licensee's during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which the licence comes into force) fails to comply with the work program requirements of this licence, it is an express term of this licence that the Minister then may use discretion to either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
9. The Licensees shall during periods determined by the Minister, lodge and maintain with the Minister, for the satisfaction of obligations arising under the Act or this licence, a security of \$50,000 (fifty thousand dollars) or such greater sum as specified by the Minister from time to time.  
(“the Security”).
  - 9.1 The Security shall be lodged in the form of either;
    - (a) cash; or
    - (b) an unconditional, irrevocable bank guarantee or letter of credit in a form, and from a financial institution, approved by the Minister,
  - 9.2 Interest will not be payable by the Minister to the Licensees on any cash Security.
  - 9.3 All charges incurred by the Licensees in obtaining and maintaining the Security, shall be met by the Licensees.
  - 9.4 If upon expiry, this Licence is not renewed and the Minister is satisfied that there are no further obligations under this Licence or the Act, the Minister will return the Security to the Licensees.

Date: 19 July .....2005



.....  
**BARRY A. GOLDSTEIN**  
**Director Petroleum**  
**Minerals and Energy Division**  
**Primary Industries and Resources SA**  
**Delegate of the Minister for Mineral Resources Development**

**Signed by the said LICENSEE**

Date: 13 July.....2005

*David Hawley*  
.....  
Authorised Representative

DAVID HAWLEY  
.....  
Name

MANAGING DIRECTOR  
.....  
Position

PROACTIVE ENERGY DEVELOPMENT  
.....  
Company

*Teegan Judd*  
.....  
Witness

Teegan Judd  
.....  
Name

Office Manager  
.....  
Position

Servcorp  
.....  
Company

# **GEOHERMAL EXPLORATION LICENCE**

**GEL 207**

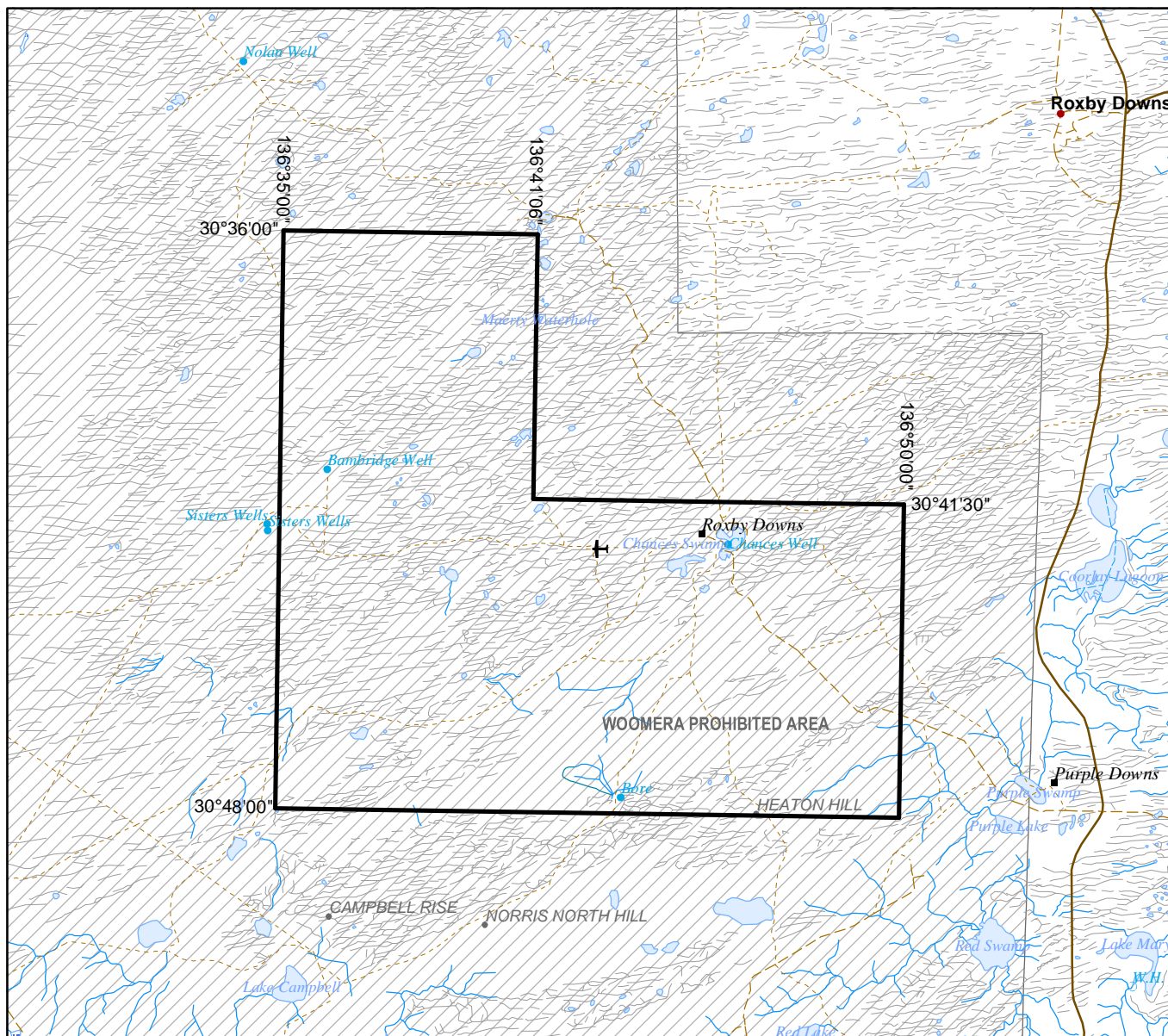
## **THE SCHEDULE**

### **Description of Area**

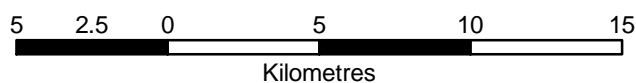
All that part of the State of South Australia, bounded as follows:-

Commencing at a point being the intersection of latitude 30°36'00"S GDA94 and longitude 136°35'00"E GDA94, thence east to longitude 136°41'06"E GDA94, south to latitude 30°41'30"S GDA94, east to longitude 136°50'00"E GDA94, south to latitude 30°48'00"S GDA94, west to longitude 136°35'00"E GDA94, and north to point of commencement.

AREA: **386** square kilometres approximately.



SCALE 1:250 000



Note: There is no warranty that the boundary of this licence is correct in relation to other features of the map. The boundary is to be ascertained by reference to the Geocentric Datum of Australia (GDA94) and the schedule.

THE PLAN HEREINBEFORE REFERRED TO

**GEOHERMAL EXPLORATION LICENCE NO: 207**