

INDEX OF DOCUMENTS HELD ON THE PUBLIC REGISTER FOR GEOTHERMAL EXPLORATION LICENCE GEL 156

1. 23 November 2004 Memorandum entering GEL 156 on the public register.
2. 23 November 2004 Geothermal Exploration Licence GEL 156
Interests: MNGI Pty Ltd 100%
3. 25 November 2004 Gazettal of Grant of GEL 156
4. 25 January 2005 Memorandum entering Notation of receipt of security on the public register.
5. 17 January 2006 Variation of Work Program
6. 17 January 2006 Memorandum entering Variation on public register
7. 23 November 2006 Variation of Work Program
8. 23 November 2006 Memorandum entering Variation on public register
9. 30 November 2006 Gazettal of Variation
10. 28 June 2007 Notation of Paralana Energy Farmin Agreement dated 3 April 2007 between MNGI Pty Ltd and Beach Petroleum Limited is hereby entered on the public register.
Ref: SA 2007-22
11. 26 March 2008 Variation of Work Program
12. 26 March 2008 Memorandum entering Variation on public register
13. 26 March 2008 Gazettal of Variation
14. 11 September 2008 Notation of Deed of Variation - Paralana Energy Farmin Agreement dated 11 August 2008 between MNGI Pty Ltd and Beach Petroleum Limited is hereby entered on the public register.
Ref: SA 2008-22
15. 11 September 2008 Notation of Paralana Joint Venture Joint Operating and Production Agreement dated 11 August 2008 between Beach Petroleum Limited, MNGI Pty Ltd and Petratherm Limited is hereby entered on the public register.
Ref: SA 2008-23

16. 22 January 2009 Notation of Paralana Energy Farmin Agreement dated 15 January 2009 between MNGI Pty Ltd and TRUenergy Geothermal Pty Ltd is hereby entered on the public register.
Ref: SA 2009-01
17. 22 January 2009 Notation of Paralana Tripartite Agreement dated 19 January 2009 between Beach Petroleum Limited, MNGI Pty Ltd, Petrathern Limited and TRUenergy Geothermal Pty Ltd is hereby entered on the public register.
Ref: SA 2009-02
18. 21 September 2009 Memorandum entering notation of extension of time to 31 October 2009 by which the licensee must apply for the renewal of licence.
19. 23 December 2009 Variation of licence conditions.
20. 23 December 2009 Memorandum entering variation of licence conditions on the public register.
21. 8 February 2010 Consolidation of licence with GELs 178 and 180 with effect from 21 November 2009.

Licence area of GEL 156 is now approximately 1,496 km².
22. 8 February 2010 Memorandum entering consolidation of licence with GELs 178 and 180 with effect from 21 November 2009 on the public register.
23. 7 April 2010 Renewal of Geothermal Exploration Licence GEL 156

Interests:

MNGI Pty Ltd 100%

Expiry date: 22 November 2014
24. 7 April 2010 Memorandum entering renewal of GEL 156 on the public register.
25. 9 September 2010 Memorandum entering notation of the following registrable dealing on the public register.

Deed of Variation No. 2 – Paralana Energy Farmin Agreement dated 23 August 2010 between MNGI Pty Ltd and Beach Energy Limited.

Ref: SA 2010-48

26. 1 November 2010 Memorandum entering notation of the following registrable dealing on the public register.
- Paralana Energy Deed of Assignment dated 20 September 2010 between MNGI Pty Ltd and Beach Energy Limited.
- Ref: SA 2010-49
- Interests in the licence are:
- | | |
|----------------------|-----|
| MNGI Pty Ltd | 79% |
| Beach Energy Limited | 21% |
27. 7 August 2012 Suspension of licence for the period from and including 30 July 2012 to 29 July 2013.
- GEL 156 is now due to expire on 22 November 2015.
28. 7 August 2012 Memorandum entering suspension of licence on the public register.
29. 7 August 2012 Variation of licence conditions.
30. 7 August 2012 Memorandum entering variation of licence conditions on the public register.
31. 16 August 2012 Gazettal of suspension of licence.
32. 5 October 2012 Memorandum entering notation of the following registrable dealing on the public register.
- Paralana Termination Deed dated 31 August 2012 between Beach Energy Ltd, MNGI Pty Limited, Petratherm Limited and TRUenergy Geothermal Pty Limited.
- Ref: SA 2012-52
33. 27 March 2015 Variation of licence conditions.
34. 27 March 2015 Memorandum entering variation of licence conditions on the public register.
35. 15 December 2015 Renewal of Geothermal Exploration Licence GEL 156
- Interests in the licence are:
- | | |
|----------------------|-----|
| MNGI Pty Ltd | 79% |
| Beach Energy Limited | 21% |
- Expiry date: 22 November 2020

36. 15 December 2015 Memorandum entering renewal of GEL 156 on the public register.

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCE
GEL 156

1. Renewal of this licence effective from 23 November 2015 is hereby entered on the public register.
2. Interests in the licence are:

MNGI Pty Ltd	79%
Beach Energy Limited	21%



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of State Development
Delegate of the Minister for Mineral Resources and Energy

Date: 15 December 2015

File: 27/2/261

Petroleum and Geothermal Energy Act 2000

SECOND RENEWAL OF GEOTHERMAL EXPLORATION LICENCE GEL 156

I, BARRY ALAN GOLDSTEIN, Executive Director, Energy Resources Division, Department of State Development, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister), pursuant to delegated powers dated 21 March 2012, HEREBY GRANT to:

MNGI Pty Ltd
ACN 091 525 361

Beach Energy Limited
ACN 007 617 969

(hereinafter referred to as the Licensee) an Exploration Licence in relation to a source of geothermal energy in respect of the area set out below, to have effect from 23 November 2015 and to expire on 22 November 2020 subject to the provisions of the *Petroleum and Geothermal Energy Act 2000*.

DESCRIPTION OF AREA

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

CONDITIONS

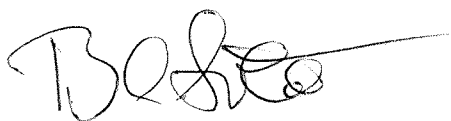
1. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. Year one exploratory operations are guaranteed, and any subsequent 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">• Geological and Geophysical studies
Two	<ul style="list-style-type: none">• Geological and Geophysical studies
Three	<ul style="list-style-type: none">• Geological and Geophysical studies
Four	<ul style="list-style-type: none">• Geological and Geophysical studies
Five	<ul style="list-style-type: none">• Drill 1 Geothermal well

2. In the event that the Licensee during any year of the term of this licence fails to comply with the work program requirements of this licence, it is an express term of this licence that the Minister may, at his discretion, either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
3. All regulated activities authorised by this Licence are classified as requiring high level official surveillance unless the Licensee satisfies the Minister that in view of the Licensee's demonstrated competence to comply with the requirements of the Act and the conditions of this Licence, the activities should be classified as requiring low level official surveillance.
 - 3.1 The Minister's prior written approval is required for activities requiring high level official surveillance in accordance with the Regulation 19 of the Regulations to the Act.
4. The Licensee 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"). 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,
 - 4.1 Interest will not be payable by the Minister to the Licensee on any cash Security.
 - 4.2 All charges incurred by the Licensee in obtaining and maintaining the Security shall be met by the Licensee.
 - 4.3 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 Licensee.
5. The Licensee 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 Licensee 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).
6. 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.

7. The Licensee will ensure, when preparing an Environmental Impact Report under Part 12 of the *Petroleum and Geothermal Energy Act 2000*, that the report also includes an assessment of the potential economic consequences for other Licensees under the *Petroleum and Geothermal Energy Act 2000* or *Mining Act 1971* and owners of land, arising out of proposed regulated activities to be carried out in the licence area.
8. The Licensee 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.
9. The Licensee 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.
10. A contract or agreement entered into by the licensee 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 the *Petroleum and Geothermal Energy Act 2000* cannot transfer, limit or exclude liability under the *Petroleum and Geothermal Energy Act 2000* unless written consent of the Minister is obtained.

Date: 15 December 2015

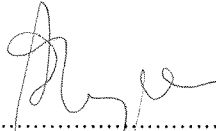


.....
BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of State Development
Delegate of the Minister for Mineral Resources and Energy

EXECUTED BY THE LICENSEES:

EXECUTED by MNGI Pty Ltd (ACN 091 525 361)
in accordance with Section 127 of the
Corporations Act 2001


.....
Signature of Director

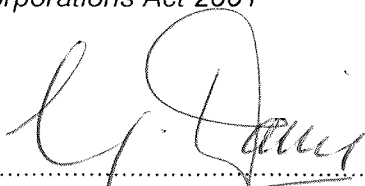

.....
Signature of Director/~~Secretary*~~

DONALD STEPHENS
.....
[Print Name of Director]

SIMON O'LEARY
.....
[Print Name of Director/~~Secretary*~~]
(*delete the inapplicable)

.....
Date

EXECUTED by Beach Energy Limited (ACN 007 617 969)
in accordance with Section 127 of the
Corporations Act 2001


.....
Signature of Director


.....
Signature of Director/Secretary*

Glenn Davis
Director

Cathy Oster
Company Secretary

.....
[Print Name of Director]

.....
[Print Name of Director/Secretary*]
(*delete the inapplicable)

14-12-15
.....
Date

THE SCHEDULE

GEOTHERMAL EXPLORATION LICENCE

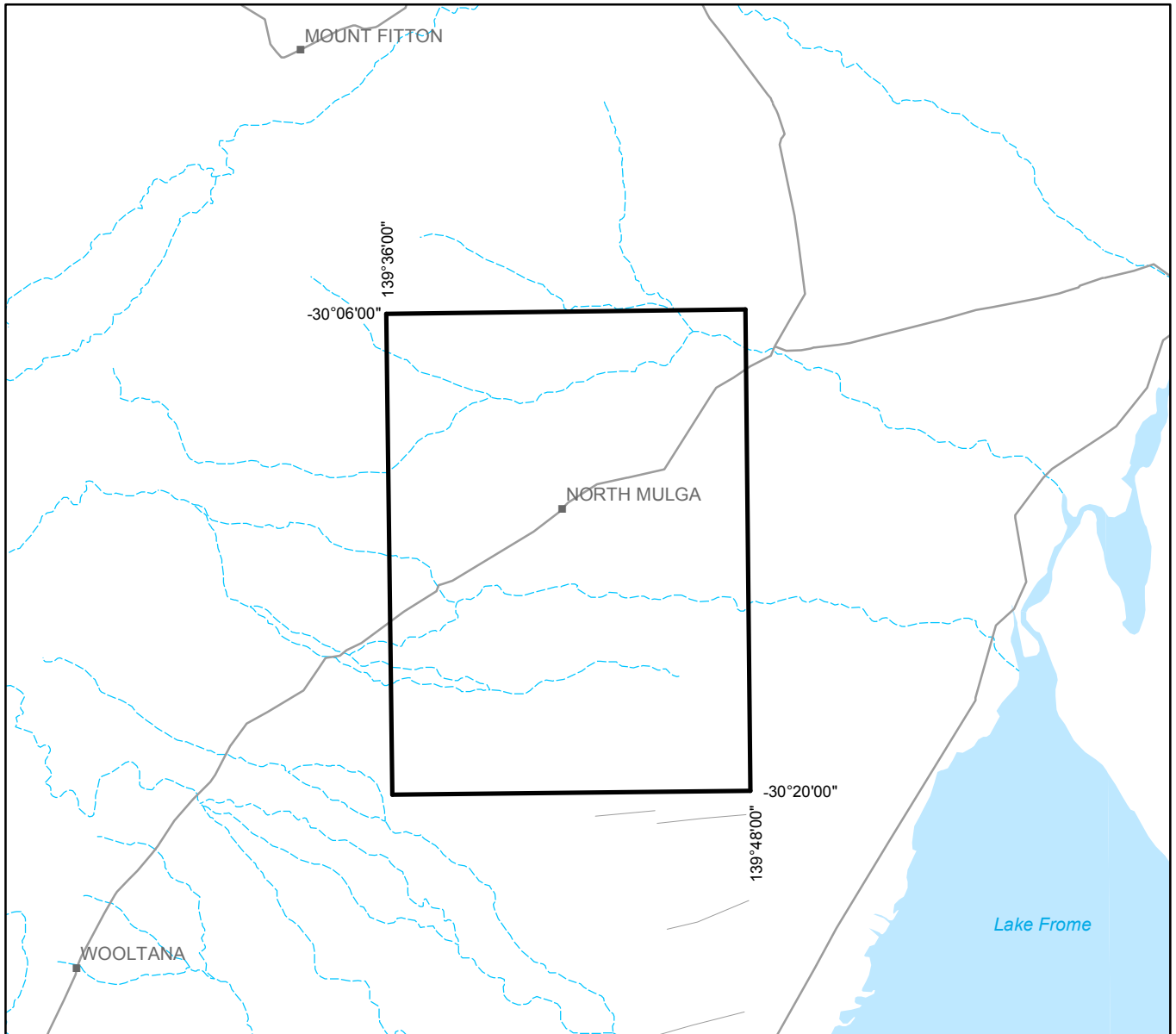
GEL 156

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°06'00"S GDA94 and longitude 139°36'00"E GDA94, thence east to longitude 139°48'00"E GDA94, south to latitude 30°20'00"S GDA94, west to longitude 139°36'00"E GDA94 and north to the point of commencement.

AREA: **497.88** square kilometres approximately.



SCALE 1:350 000



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

GEOTHERMAL EXPLORATION LICENCE NO: 156



Government of South Australia
Department of State Development

SR 27/2/261

AREA: 497.88 sq km (approx)

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCE
GEL 156

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



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of State Development
Delegate of the Minister for Mineral Resources and Energy

Date: 27 March 2015

Ref: 27/2/261

Petroleum and Geothermal Energy Act 2000
S25(4)

**VARIATION OF
GEOTHERMAL EXPLORATION LICENCE
GEL 156**

I, BARRY ALAN GOLDSTEIN, Executive Director, Energy Resources Division, Department of State Development, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister), pursuant to delegated powers dated 21 March 2012 vary the conditions of the above-mentioned licences, held by -

MNGI Pty Ltd
ACN 091 525 361

Beach Energy Limited
ACN 007 617 969

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">• Geological and geophysical studies.
Two	<ul style="list-style-type: none">• Geological and geophysical studies.
Three	<ul style="list-style-type: none">• Geological and geophysical studies. <p><i>Year 3 work program to be conducted anywhere within the boundaries of GELs 156, 254 and 336.</i></p>
Four	<ul style="list-style-type: none">• Geological and geophysical studies.
Five	<ul style="list-style-type: none">• Geological and geophysical studies.

Dated: 27 March 2015



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department of State Development
Delegate of the Minister for Mineral Resources and Energy

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCES
GELs 156, 254 and 336

SA 2012-52 Notation of registrable dealing as evidenced by Paralana Termination Deed dated 31 August 2012 between Beach Energy Limited, MNGI Pty Limited, Petrathern Limited and TRUenergy Geothermal Pty Limited is hereby entered on the public register.



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
Delegate of the Minister for Mineral Resources and Energy

Date: 5 October 2012

Ref: 27/2/261
27/2/413
27/2/504

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

*Suspension of Geothermal Exploration Licences—
GELs 156, 254 and 336*

PURSUANT to Section 90 of the Petroleum and Geothermal Energy Act 2000, notice is hereby given that the abovementioned Geothermal Exploration Licences have been suspended for the period from and including 30 July 2012 until 29 July 2013, under the provisions of the Petroleum and Geothermal Energy Act 2000, pursuant to delegated powers dated 21 March 2012.

The expiry date of GEL 156 is now determined to be 11 November 2015.

The expiry date of GELs 254 and 336 is now determined to be 11 November 2013.

Dated 7 August 2012.

B. A. GOLDSTEIN,
Executive Director,
Energy Resources Division
Department for Manufacturing, Innovation,
Trade, Resources and Energy
Delegate of the Minister for Mineral
Resources and Energy

PETROLEUM AND GEOTHERMAL ENERGY ACT 2000

Suspension of Petroleum Exploration Licence—PEL 138

PURSUANT to Section 90 of the Petroleum and Geothermal Energy Act 2000, notice is hereby given that the abovementioned Petroleum Exploration Licence has been suspended for the period from and including 24 August 2012 until 23 August 2013, under the provisions of the Petroleum and Geothermal Energy Act 2000, pursuant to delegated powers dated 21 March 2012.

The expiry date of PEL 138 is now determined to be 15 April 2017.

Note: This notice supersedes the PEL 138 suspension notice dated 27 July 2012 and published in the *South Australian Government Gazette* on 2 August 2012.

Dated 9 August 2012.

B. A. GOLDSTEIN,
Executive Director,
Energy Resources Division
Department for Manufacturing, Innovation,
Trade, Resources and Energy
Delegate of the Minister for Mineral
Resources and Energy

ROADS (OPENING AND CLOSING) ACT 1991

Section 37

NOTICE is hereby given pursuant to Section 37 (1) of the Roads (Opening and Closing) Act 1991, that:

WHEREAS it is considered that JOSEPH THEODOR BOTTROFF of Caurnamont Farmer was entitled to a Certificate of Title over the closed road 'B' in Road Plan No. 272 in exchange for portion of Section 107, Hundred of Ridley, opened as road and being the whole of the land numbered '1' in Road Plan No. 272, deposited in the Office of the Surveyor-General at Adelaide *vide* notice of confirmation of road order published in the *Government Gazette* of 25 October 1888, at page 1054;

AND whereas no Certificate of Title was issued in respect of the said closed road and the said JOSEPH THEODOR BOTTROFF is believed to be dead or unknown;

AND whereas application is made by WERINA NOMINEES PTY LTD of Private Bag 47, Mannum, S.A. 5238 for the issue of a Certificate of Title over the said closed road by virtue of possession;

AND whereas I am satisfied that the applicant is in possession of the said closed road and that there is apparently no other known person entitled to possession thereof;

TAKE NOTICE that unless objection by any person claiming any interest in the said land is made in writing to me within 28 days from the date of this notice, I propose to issue a Certificate of Title for the said land to the said applicant.

Objections should be addressed to the Surveyor-General, Department of Planning, Transport and Infrastructure, G.P.O. Box 1354, Adelaide, S.A. 5001.

Dated 16 August 2012.

P. M. KENTISH, Surveyor-General

DPTI 12/0033

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

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELs 156, 254 and 336**

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



**BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
Delegate of the Minister for Mineral Resources and Energy**

Date: 7 August 2012

Ref: 27/2/261
27/2/413
27/2/504

Petroleum and Geothermal Energy Act 2000

VARIATION OF GEOTHERMAL EXPLORATION LICENCE GEL 156

I, BARRY ALAN GOLDSTEIN, Executive Director, Energy Resources Division, Department for Manufacturing, Innovation, Trade, Resources and Energy, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister), pursuant to delegated powers dated 21 March 2012 vary the conditions of the above-mentioned licences, held by -

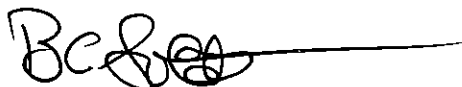
MNGI Pty Ltd
ACN 091 525 361

Condition 1 of each 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">• Geological and geophysical studies.
Two	<ul style="list-style-type: none">• Geological and geophysical studies.
Three	<ul style="list-style-type: none">• Geological and geophysical studies. <i>(Year 3 work program may be conducted anywhere within the boundaries of GELs 156, 254 and 336).</i>
Four	<ul style="list-style-type: none">• Drill one well; and• Geological and geophysical studies.
Five	<ul style="list-style-type: none">• Geological and geophysical studies.

Dated: 7 August 2012



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
Delegate of the Minister for Mineral Resources and Energy

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

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELs 156, 254 and 336**

1. Suspension of licences is hereby entered on the public register.



**BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
Delegate of the Minister for Mineral Resources and Energy**

Date: 7 August 2012

Ref: 27/2/261
27/2/413
27/2/504

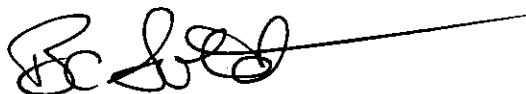
Petroleum and Geothermal Energy Act 2000
S.90

**SUSPENSION OF
GEOTHERMAL EXPLORATION LICENCES
GELs 156, 254 and 336**

I, BARRY ALAN GOLDSTEIN, Executive Director Energy Resources Division, Department for Manufacturing, Innovation, Trade, Resources and Energy, in the State of South Australia, pursuant to the provisions of the *Petroleum and Geothermal Energy Act 2000* and all other enabling powers, for and on behalf of Tom Koutsantonis, Minister for Mineral Resources and Energy (Minister), pursuant to delegated powers dated 21 March 2012 hereby -

- (a) suspend geothermal exploration licences GELs 156, 254 and 336 for the period from and including 30 July 2012 to 29 July 2013.
1. No regulated activities are permitted to be carried out during the period of the suspension.
 2. The expiry date of GEL 156 is now determined to be 22 November 2015.
 3. The expiry date of GELs 254 and 336 is now determined to be 22 November 2013.

Dated: 7 August 2012



BARRY A. GOLDSTEIN
Executive Director
Energy Resources Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
Delegate of the Minister for Mineral Resources and Energy

Petroleum and Geothermal Energy Act 2000
S.115

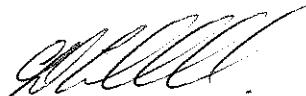
MEMORANDUM

GEOHERMAL EXPLORATION LICENCES
GELs 156 and 254

SA 2010-49 Notation of registrable dealing as evidenced by Paralana Energy Deed of Assignment dated 20 September 2010 between MNGI Pty Ltd and Beach Energy Limited is hereby entered on the public register.

Interests in these licences are:

MNGI Pty Ltd	79%
Beach Energy Limited	21%



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: 1 November 2010

Ref: 27/2/261
27/2/413

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCES
GELs 156, 254 and 336

SA 2010-48 Notation of registrable dealing as evidenced by Deed of Variation No. 2 – Paralana Energy Farming Agreement dated 23 August 2010 between MNGI Pty Ltd and Beach Energy Limited 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 September 2010

Ref: 27/2/261
27/2/413
27/2/504

Petroleum and Geothermal Energy Act 2000
S.115

MEMORANDUM

**RENEWAL OF
GEOTHERMAL EXPLORATION LICENCE
GEL 156**

1. Renewal of this licence, effective from 23 November 2009 is hereby entered on the public register.

Expiry date: 22 November 2014

2. Interests in the licence are:

MNGI Pty Ltd 100%



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: 7 April 2010

File: 27/2/261

Petroleum and Geothermal Energy Act 2000

FIRST RENEWAL OF GEOTHERMAL EXPLORATION LICENCE GEL 156

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Resources, Primary Industries and Resources, in the State of South Australia pursuant to the provisions 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, HEREBY GRANT to:

MNGI Pty Ltd
ACN 091 525 361

(hereinafter referred to as the Licensee) an Exploration Licence in relation to a source of geothermal energy in respect of the area set out below, to have effect from 23 November 2009 and to expire on 22 November 2014.

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 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">• Geological and geophysical studies.
Two	<ul style="list-style-type: none">• Geological and geophysical studies.
Three	<ul style="list-style-type: none">• Drill one deep well; and• Geological and geophysical studies.
Four	<ul style="list-style-type: none">• Geological and geophysical studies.
Five	<ul style="list-style-type: none">• Geological and geophysical studies.

2. In the event that the Licensee 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 this 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 may, at his discretion, either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
3. The Licensee shall during periods determined by the Minister lodge and maintain with the Minister in the form acceptable to 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.
4. The Licensee 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 Licensee 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).
5. 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.
6. The Licensee will ensure, when preparing an Environmental Impact Report under Part 12 of the *Petroleum and Geothermal Energy Act 2000*, that the report also includes an assessment of the potential economic consequences for other Licensee under the *Petroleum and Geothermal Energy Act 2000* or *Mining Act, 1971* and owners of land, arising out of proposed regulated activities to be carried out in the licence area.
7. A contract or agreement entered into by the Licensee 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 the *Petroleum and Geothermal Energy Act 2000* cannot transfer, limit or exclude liability under the *Petroleum and Geothermal Energy Act 2000* unless written consent of the Minister is obtained.

Date: 7 April 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

Signed by the said LICENSEE

Date: 29/3/10

W Blackley
Authorised Representative

Wendy Blackley
Name

Tenement Compliance Officer
Position

MNAI Pty Ltd
Petrotherm Ltd
Company

GEOTHERMAL EXPLORATION LICENCE

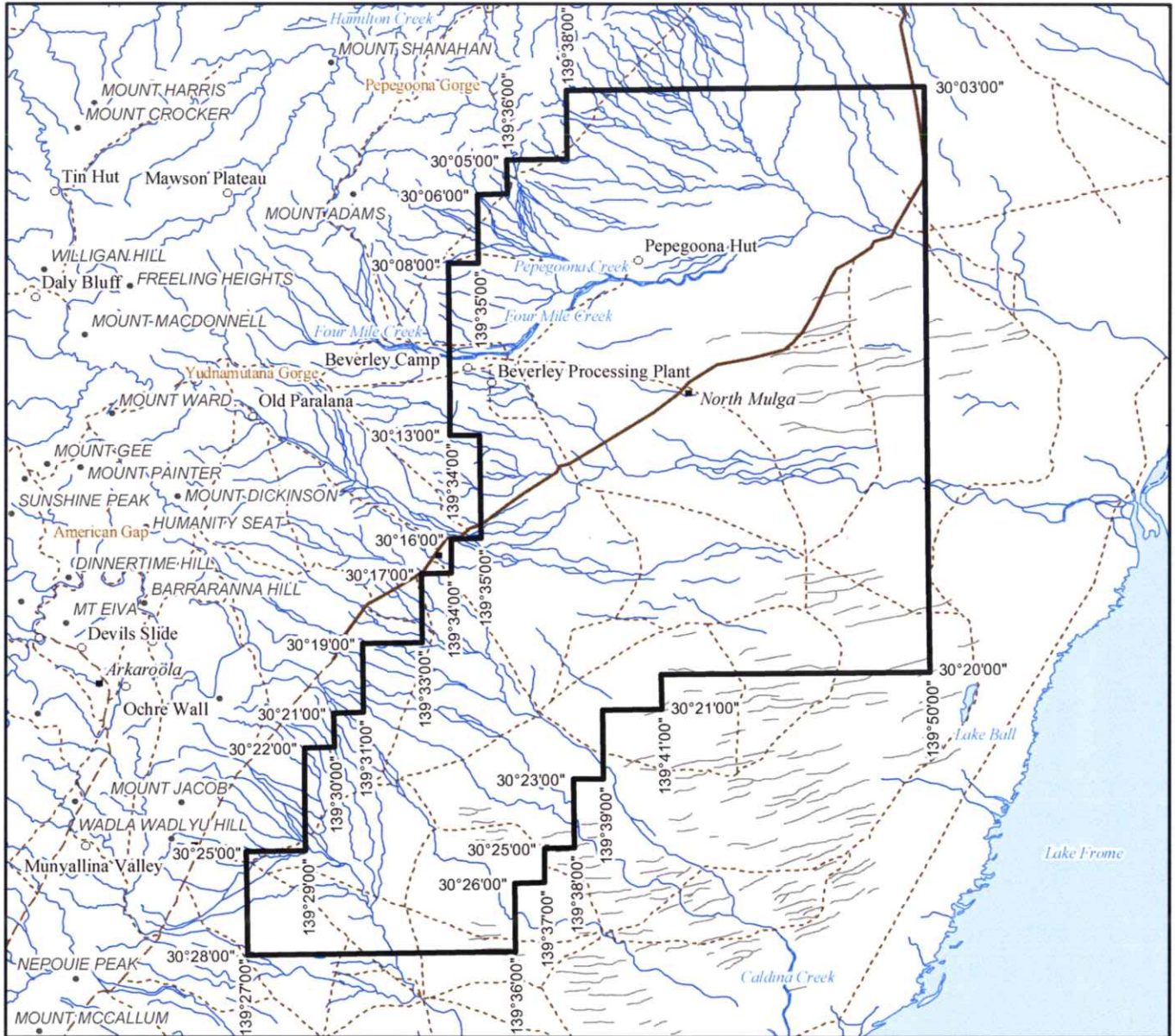
GEL 156

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°03'00"S GDA94 and longitude 139°38'00"E GDA94, thence east to longitude 139°50'00"E GDA94, south to latitude 30°20'00"S GDA94, west to longitude 139°41'00"E GDA94, south to latitude 30°21'00"S GDA94, west to longitude 139°39'00"E GDA94, south to latitude 30°23'00"S GDA94, west to longitude 139°38'00"E GDA94, south to latitude 30°25'00"S GDA94, west to longitude 139°37'00"E GDA94, south to latitude 30°26'00"S GDA94, west to longitude 139°36'00"E GDA94, south to latitude 30°28'00"S GDA94, west to longitude 139°27'00"E GDA94, north to latitude 30°25'00"S GDA94, east to longitude 139°29'00"E GDA94, north to latitude 30°22'00"S GDA94, east to longitude 139°30'00"E GDA94, north to latitude 30°21'00"S GDA94, east to longitude 139°31'00"E GDA94, north to latitude 30°19'00"S GDA94, east to longitude 139°33'00"E GDA94, north to latitude 30°17'00"S GDA94, east to longitude 139°34'00"E GDA94, north to latitude 30°16'00"S GDA94, east to longitude 139°35'00"E GDA94, north to latitude 30°13'00"S GDA94, west to longitude 139°34'00"E GDA94, north to latitude 30°08'00"S GDA94, east to longitude 139°35'00"E GDA94, north to latitude 30°06'00"S GDA94, east to longitude 139°36'00"E GDA94, north to latitude 30°05'00"S GDA94, east to longitude 139°38'00"E GDA94, and north to the point of commencement.

AREA: **998** square kilometres approximately.



SCALE 1:350 000



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: 156



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

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELs 156, 178 and 180**

1. Consolidation with effect from 21 November 2009, of the adjacent licence areas of GELs 156, 178 and 180 whereby the consolidated licence area is now designated as GEL 156 is hereby entered on the public register.

The total area of GEL 156 is now 1,496 square kilometres approximately.

2. Revocation of GELs 178 and 180 with effect from 21 November 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: 8 February 2010

Ref: 27/2/261
27/2/301
27/2/305

Petroleum and Geothermal Energy Act 2000

Consolidation of licence areas Geothermal Exploration Licences GELs 156, 178 and 180

Revocation of licences Geothermal Exploration Licences GELs 178 and 180

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 82 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, hereby;

1. consolidate with effect from 21 November 2009, the adjacent areas of Geothermal Exploration Licences GELs 156, 178 and 180 held by –

MNGI Pty Ltd
ACN 091 525 361

The consolidated licence area shall be designated as:

Geothermal Exploration Licence GEL 156

DESCRIPTION OF CONSOLIDATED AREA

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

Commencing at a point being the intersection of latitude 30°03'00"S GDA94 and longitude 139°29'00"E GDA94, thence east to longitude 139°50'00"E GDA94, south to latitude 30°20'00"S GDA94, west to longitude 139°41'00"E GDA94, south to latitude 30°21'00"S GDA94, west to longitude 139°39'00"E GDA94, south to latitude 30°23'00"S GDA94, west to longitude 139°38'00"E GDA94, south to latitude 30°25'00"S GDA94, west to longitude 139°37'00"E GDA94, south to latitude 30°26'00"S GDA94, west to longitude 139°36'00"E GDA94, south to latitude 30°28'00"S GDA94, west to longitude 139°35'00"E GDA94, south to latitude 30°31'00"S GDA94, west to longitude 139°24'00"E GDA94, north to latitude 30°27'00"S GDA94, east to longitude 139°26'00"E GDA94, north to latitude 30°26'00"S GDA94, east to longitude 139°27'00"E GDA94, north to latitude 30°24'00"S GDA94, east to longitude 139°28'00"E GDA94, north to latitude 30°23'00"S GDA94, east to longitude 139°29'00"E GDA94, north to latitude 30°22'00"S GDA94, east to longitude 139°30'00"E GDA94, north to latitude 30°21'00"S GDA94, east to longitude 139°31'00"E GDA94, north to latitude 30°19'00"S GDA94, east to longitude 139°33'00"E GDA94, north to latitude 30°17'00"S GDA94, east to longitude 139°34'00"E GDA94, north to latitude 30°16'00"S GDA94, east to longitude 139°35'00"E GDA94, north to latitude 30°13'00"S GDA94, west to longitude 139°32'00"E GDA94, south to latitude 30°15'00"S GDA94, west to longitude 139°29'00"E GDA94,

south to latitude 30°17'00"S GDA94, west to the National Estate Register boundary, then north and west along the said boundary to longitude 139°22'00"E GDA94, then north to latitude 30°10'00"S GDA94, east to longitude 139°25'00"E GDA94, north to the National Estate Register boundary, then east, north and west along the said boundary to longitude 139°25'00"E GDA94, north to latitude 30°08'00"S GDA94, east to longitude 139°27'00"E GDA94, north to latitude 30°05'00"S GDA94, east to longitude 139°29'00"E GDA94 and north to the point of commencement.

AREA: **1,496** square kilometres approximately.

2. consequently revoke Geothermal Exploration Licences GELs 178 and 180, with effect from 21 November 2009.

As a consequence of the consolidation, the work program forming 'condition 1' of the consolidated GEL 156 comprises:

Year of Term of Licence	Minimum Work Requirements
One	<ul style="list-style-type: none"> • Geological and geophysical review; • Modelling and interpretation of geophysical data; • Historical bore hole thermal data collection (where possible) and analysis; • Shallow geothermal gradient test well (500m depth); and • Down hole temperature gradient and wireline logging.
Two	<ul style="list-style-type: none"> • Commercial negotiations for funding; • Magneto-tellurics trial survey; • Diamond tail extension to geothermal gradient test well (1500m TD approximately); • Down hole temperature and wireline logging; and • Injection well design process underway.
Three	<ul style="list-style-type: none"> • Geological and geophysical review.
Four and Five	<ul style="list-style-type: none"> • Complete injection well design; and • Drill 1st injection well.

Dated: 8 Feb '10




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

The following signature evidences the consent of the licensee to the consolidation of GELs 156, 178 and 180 as set out in this document and made pursuant to Section 82 of the *Petroleum and Geothermal Energy Act 2000*.

Signed for and on behalf of **MNGI Pty Ltd** by its authorised representative:

Date: 28/1/10



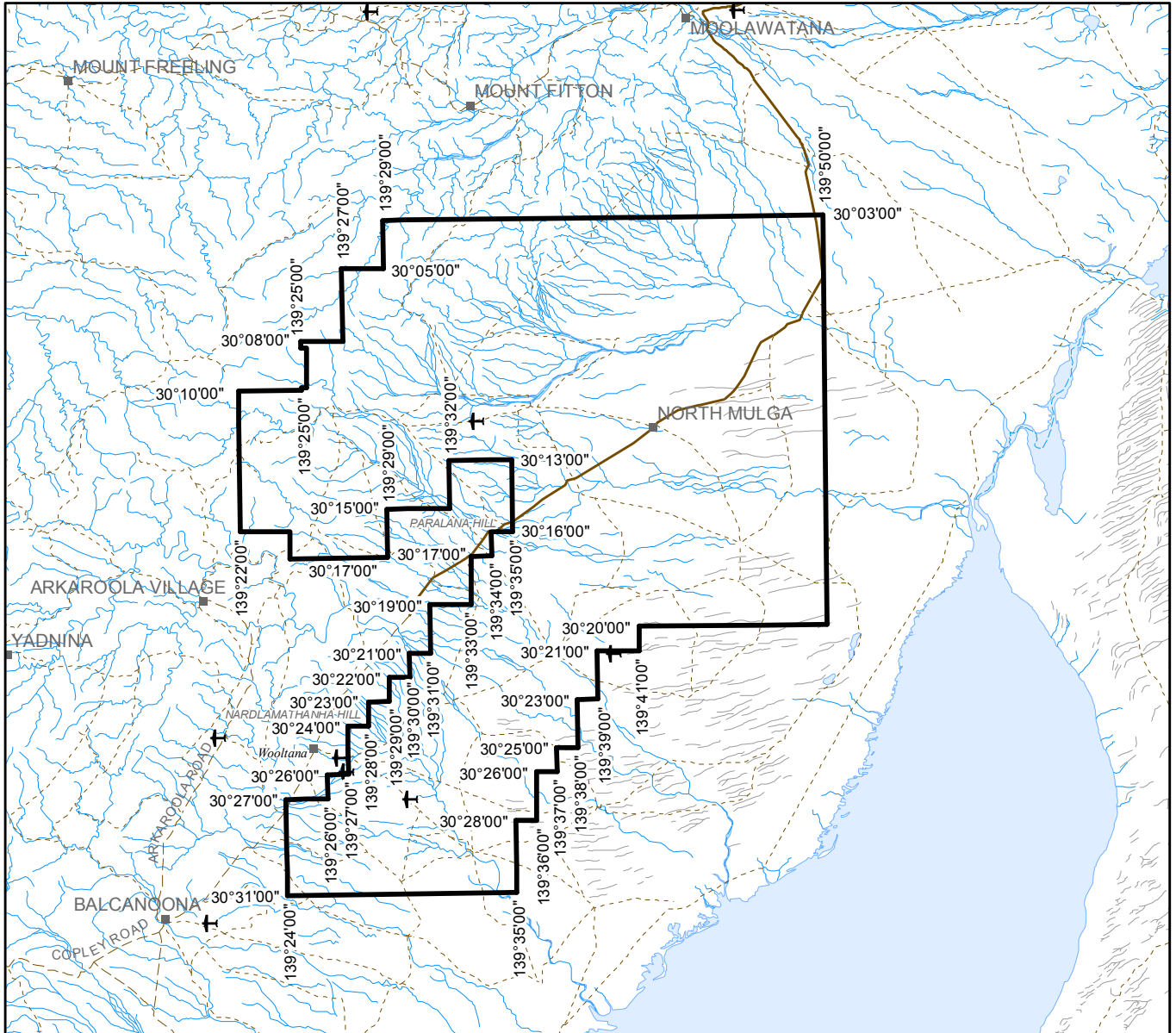
Authorised Representative

Peter Reid

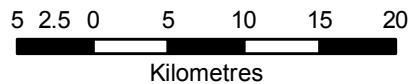
Name

Exploration Manager

Position



SCALE 1:500 000



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.

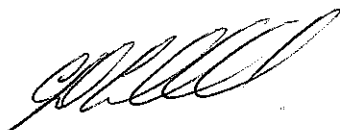
THE PLAN HEREINBEFORE REFERRED TO
GEOHERMAL EXPLORATION LICENCE NO: 156

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

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELs 156, 178, 180, 254 AND 336**

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: 23 December 2009

Ref: 27/2/261
27/2/302
27/2/305
27/2/413
27/2/504

Petroleum and Geothermal Energy Act 2000

VARIATION OF GEOTHERMAL EXPLORATION LICENCES GELs 156, 178 AND 180

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 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, vary the conditions of geothermal exploration licences GELs 156, 178 and 180 held by -

MNGI Pty Ltd
ACN 091 525 361

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

- “ 1. 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. Years one to five exploratory operations are guaranteed. 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">• Geological and Geophysical Review;• Modelling and interpretation of geophysical data;• Historical bore hole thermal data collection (where possible) and analysis;• Shallow geothermal gradient test well (500m depth); and• Down hole temperature gradient and wireline logging.
Two	<ul style="list-style-type: none">• Commercial negotiations for funding;• Magneto-tellurics trial survey;• Diamond tail extension to geothermal gradient test well (1500m TD approximately);• Down hole temperature and wireline logging; and• Injection well design process underway
Three	<ul style="list-style-type: none">• Geological and Geophysical Review
Four and Five	<ul style="list-style-type: none">• Complete injection well design; and• Drill 1st injection well. <p><i>Year 4 and 5 work program may be conducted anywhere within the boundaries of GELs 156, 178, 180, 254 and 336</i></p>

Dated: 23 December 2009



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.134

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELs 156, 178 AND 180**

1. Notation of extension of time to 31 October 2009, by which the licensee must apply for the renewal of GELs 156, 178 and 180 is entered on the public register of licences.



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: 21 September 2009

File: 27/2/261
27/2/301
27/2/305

Petroleum Act 2000
S.115

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GEL 156; GEL 178; GEL 180; GEL 254; GEL 336**

- SA 2009-01 Notation of registrable dealing as evidenced by Paralana Energy Farmin Agreement dated 15 January 2009 between MNGI Pty Ltd and TRUenergy Geothermal Pty Ltd, is hereby entered on the public register.
- SA 2009-02 Notation of registrable dealing as evidenced by Paralana Tripartite Agreement dated 19 January 2009 between Beach Petroleum Limited, MNGI Pty Ltd, Petrathern Limited and TRUenergy Geothermal Pty Ltd, is hereby entered on the public register.



MICHAEL MALAVAZOS
Acting Director Petroleum and Geothermal
Minerals and Energy Resources
Primary Industries and Resources SA
Delegate of the Minister for Mineral Resources
Development

Date: 22 January 2009


27/2/261
27/2/301
27/2/305
27/2/413
27/2/504

Petroleum Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCES
GEL 156; GEL 178; GEL 180; GEL 254; GEL 336

- SA 2008-22 Notation of registrable dealing as evidenced by Deed of Variation - Paralana Energy Farmin Agreement dated 11 August 2008 between MNGI Pty Ltd and Beach Petroleum Limited is hereby entered on the public register.
- SA 2008-23 Notation of registrable dealing as evidenced by Paralana Joint Venture Joint Operating and Production Agreement dated 11 August 2008 between Beach Petroleum Limited, MNGI Pty Ltd and Petratherm Limited 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 September 2008

27/2/261
27/2/301
27/2/305
27/2/413
27/2/504

PETROLEUM ACT 2000

SECTION 25 (5) (b)

*Variation of Petroleum Exploration Licence—
GELs 156, 178 and 180*

NOTICE is hereby given that under the provisions of the Petroleum Act 2000, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573, the conditions of the abovementioned Exploration Licences have been varied as follows:

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

‘1. 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. Years one to five exploratory operations are guaranteed. These exploratory operations shall include but not necessarily be limited to:

Year of Term of Licence	Minimum Work Requirements
One	Geological and Geophysical Review. Modelling and interpretation of geophysical data. Historical bore hole thermal data collection (where possible) and analysis. Shallow geothermal gradient test well (500 m depth). Down hole temperature gradient and wireline logging.
Two	Commercial negotiations for funding. Magneto-tellurics trial survey. Diamond tail extension to geothermal gradient test well (1 500 m TD approximately). Down hole temperature and wireline logging. Injection well design process underway.
Three	Geological and Geophysical Review.
Four and Five	Injection well design completed. Drill 1st injection well. Down hole thermal analysis. Down hole stress analysis. Reservoir development and modelling. Drill 1st production well (3.5 km). Circulation testing. Commercial feasibility and development study. Commercial negotiation for further funding. Drill 2nd production well to complete triplet (3.5 km). Reservoir stimulation. Circulation testing. Commercial feasibility and development study. (The year four and five work program may be conducted anywhere within the boundaries of GELs 156, 178, 180, 254 and 336).

Dated 26 March 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

**Petroleum Act 2000
S.115**

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCE
GELs 156, 178, 180, 254 & 336**

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: 26 March 2008

Ref: 27/2/261
27/2/302
27/2/305
27/2/413
27/2/504

Petroleum Act 2000

VARIATION OF GEOHERMAL EXPLORATION LICENCES GELs 156, 178 and 180

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 geothermal exploration licences GELs 156, 178 and 180 held by -

MNGI Pty Ltd

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

- “ 1. 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. Years one to five exploratory operations are guaranteed. 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"> • Geological and Geophysical Review • Modelling and interpretation of geophysical data • Historical bore hole thermal data collection (where possible) and analysis • Shallow geothermal gradient test well (500m depth) • Down hole temperature gradient and wireline logging.
Two	<ul style="list-style-type: none"> • Commercial negotiations for funding • Magneto-tellurics trial survey • Diamond tail extension to geothermal gradient test well (1500m TD approximately) • Down hole temperature and wireline logging • Injection well design process underway.
Three	<ul style="list-style-type: none"> • Geological and Geophysical Review
Four and Five	<ul style="list-style-type: none"> • Injection well design completed • Drill 1st injection well • Down hole thermal analysis • Down hole stress analysis • Reservoir development & modelling • Drill 1st production well (3.5 km) • Circulation testing • Commercial feasibility & development study • Commercial negotiation for further funding • Drill 2nd production well to complete triplet (3.5 km) • Reservoir stimulation • Circulation testing • Commercial feasibility and development study <p>(The year four and five work program may be conducted anywhere within the boundaries of GELs 156, 178, 180, 254 and 336).</p>

Dated: 26 March 2008

A handwritten signature in black ink, appearing to read 'BAG', with a long horizontal flourish 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

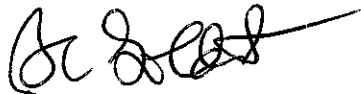
**Petroleum Act 2000
S.115**

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GEL 156; GEL 178; GEL 180; GEL 254**

SA 2007-22

Notation of registrable dealing as evidenced by Paralana Energy Farming Agreement dated 3 April 2007 between MNGI Pty Ltd and Beach Petroleum Limited 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 June 2007

27/2/261
27/2/301
27/2/305
27/2/413

PETROLEUM ACT 2000

SECTION 25 (5) (b)

Variation of Geothermal Exploration Licences—GELs 156, 178 and 180

NOTICE is hereby given that under the provisions of the Petroleum Act 2000, pursuant to delegated powers dated 28 March 2002, *Gazetted*, 11 April 2002, page 1573, the conditions of the abovementioned Geothermal Exploration Licences have been varied as follows:

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

‘1. 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 becomes guaranteed upon entry into that 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"> • Geological and Geophysical Review • Modelling and interpretation of geophysical data • Historical bore hole thermal data collection (where possible) and analysis • Shallow geothermal gradient test well (500 m depth) • Down hole temperature gradient and wireline logging
Two	<ul style="list-style-type: none"> • Commercial negotiations for funding • Magneto-tellurics trial survey • Diamond tail extension to geothermal gradient test well (1 500 m TD approximately) • Down hole temperature and wireline logging • Injection well design process underway
Three	<ul style="list-style-type: none"> • Injection well design completed • Drill first injection well • Down hole thermal analysis <p>(The year three work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>
Four	<ul style="list-style-type: none"> • Reservoir development • Reservoir modelling • Drill first production well (3.5 km) • Circulation Testing • Commercial feasibility and development study • Commercial negotiation for further funding <p>(The year four work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>
Five	<ul style="list-style-type: none"> • Drill second production well to complete triplet (3.5 km) • Reservoir stimulation • Circulation testing • Commercial feasibility and development study <p>(The year five work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>

Dated 23 November 2006.

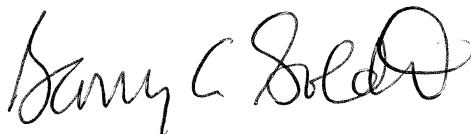
B. A. GOLDSTEIN,
 Director Petroleum and Geothermal
 Minerals and Energy Resources
 Primary Industries and Resources SA
 Delegate of the Minister for Mineral
 Resources Development

**Petroleum Act 2000
S.115**

MEMORANDUM

**GEOHERMAL EXPLORATION LICENCES
GELS 156, 178 AND 180**

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: 23 November 2006

Ref: 27/2/301
27/2/305
27/2/261

Petroleum Act 2000

VARIATION OF GEOTHERMAL EXPLORATION LICENCES GELS 156, 178 AND 180

I, BARRY ALAN GOLDSTEIN, Director Petroleum and Geothermal, Minerals and Energy Division, 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 geothermal exploration licences GELs 156, 178 and 180, held by -

MNGI Pty Ltd

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

- “ 1. 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">• Geological and Geophysical Review• Modelling and interpretation of geophysical data• Historical bore hole thermal data collection (where possible) and analysis• Shallow geothermal gradient test well (500m depth)• Down hole temperature gradient and wireline logging
Two	<ul style="list-style-type: none">• Commercial negotiations for funding• Magneto-tellurics trial survey• Diamond tail extension to geothermal gradient test well (1500m TD approximately)• Down hole temperature and wireline logging• Injection well design process underway
Three	<ul style="list-style-type: none">• Injection well design completed• Drill 1st injection well• Down hole thermal analysis <p>(The year three work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>
Four	<ul style="list-style-type: none">• Reservoir development• Reservoir modelling• Drill 1st production well (3.5 km)• Circulation Testing• Commercial feasibility and development study• Commercial negotiation for further funding <p>(The year four work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>

Five	<ul style="list-style-type: none">• Drill 2nd production well to complete triplet (3.5 km)• Reservoir stimulation• Circulation testing• Commercial feasibility and development study <p>(The year five work program may be conducted anywhere within the boundaries of GELs 156, 178, 180 and 254)</p>
------	--

Dated: 23 November 2006



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 156, 178 and 180**

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



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

Date: 17 January 2006

Ref: 27/2/261
27/2/301
27/2/305

Petroleum Act 2000

VARIATION OF GEOTHERMAL EXPLORATION LICENCES GELs 156, 178 and 180

I, BARRY ALAN GOLDSTEIN, Director Petroleum, 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 hereby vary the conditions of Geothermal Exploration Licences GELs 156, 178 and 180 held by -

MNGI Pty Ltd

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

- " 1. 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 may be undertaken anywhere within the area covered by GELs 156, 178 or 180 and shall include but not necessarily be limited to:-

Year of Term of Licence	Minimum Work Requirements
One	<ul style="list-style-type: none">• Geological and Geophysical review• Modelling and interpretation of geophysical data• Historical bore hole thermal data collection (where possible) and analysis• Shallow geothermal gradient test well (500m depth)• Down hole temperature and wireline logging
Two	<ul style="list-style-type: none">• Commercial negotiations for funding• Magneto-tellurics trial survey• Diamond tail extension to geothermal gradient test well (1500m TD approximately)• Down hole temperature and wireline logging• Injection well design process underway
Three	<ul style="list-style-type: none">• Injection well design completed• Drill 1st injection well• Down hole thermal analysis• Down hole stress analysis
Four	<ul style="list-style-type: none">• Reservoir development• Reservoir modelling• Drill 1st production well (3.5 km)• Circulation Testing• Commercial feasibility and development study• Commercial negotiations for further funding

Five	<ul style="list-style-type: none">• Drill 2nd production well to complete triplet (3.5 km)• Reservoir stimulation• Circulation Testing• Commercial feasibility and development study
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Dated: 17 January 2006

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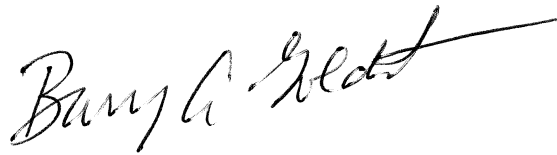
BARRY A. GOLDSTEIN
Director Petroleum
Minerals and Energy Resources
Primary Industries and Resources SA
Delegate of the Minister for Mineral Resources
Development

Petroleum Act 2000
S.115

MEMORANDUM

GEOHERMAL EXPLORATION LICENCES
GELs 156, 157, 158, 178, 180

1. Notation of receipt of Security on 24 January 2005 is entered on the public register.



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

Date: 25 January 2005

File: 27/2/261
27/2/262
27/2/267
27/2/301
27/2/305

PETROLEUM ACT 2000

Surrender of Geothermal Exploration Licences—GEL 156 and GEL 157, dated 21 January 2004 and GEL 178 and GEL 180, dated 31 August 2004

Grant of Geothermal Exploration Licences—GEL 156, GEL 157, GEL 178 and GEL 180, effective from 23 November 2004

NOTICE is hereby given that the undermentioned Geothermal Exploration Licences have been granted under the provisions of the Petroleum Act 2000, pursuant to delegated powers dated 28 March 2002, *Gazetted* 11 April 2002, page 1573. These licences supersede those of the same designation, granted on 21 January 2004 and 31 August 2004 and *Gazetted* 29 January 2004, page 282 and 9 September 2004, page 3606, which have been surrendered concurrently with the grant of the undermentioned Geothermal Exploration Licences effective from 23 November 2004.

No of Licence	Licencees	Locality	Area in km ²	Reference
GEL 156	MNGI Pty Ltd	Arrowie Basin of South Australia	498	27/02/261
GEL 157	MNGI Pty Ltd	Arrowie Basin of South Australia	496	27/02/262
GEL 178	MNGI Pty Ltd	Arrowie Basin of South Australia	498	27/02/301
GEL 180	MNGI Pty Ltd	Arrowie Basin of South Australia	500	27/02/305

Description of Area—GEL 156

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 30°03'00"S GDA94 and longitude 139°29'00"E GDA94, thence east to longitude 139°41'00"E GDA94, south to latitude 30°07'00"S GDA94, west to longitude 139°40'00"E GDA94, south to latitude 30°10'00"S GDA94, west to longitude 139°37'00"E GDA94, south to latitude 30°12'00"S GDA94, west to longitude 139°34'00"E GDA94, south to latitude 30°13'00"S GDA94, west to longitude 139°32'00"E GDA94, south to latitude 30°15'00"S GDA94, west to longitude 139°29'00"E GDA94, south to latitude 30°17'00"S GDA94, west to the eastern boundary of the Arkaroola Gorge (National Estate Register), thence northerly and westerly along the boundary of the said Arkaroola Gorge to longitude 139°22'00"E GDA94, north to latitude 30°10'00"S GDA94, east to longitude 139°25'00"E GDA94, north to the southern boundary of the Freeling Heights Mythological Site (National Estate Register), thence easterly, northerly and westerly along the boundary of the said Mythological Site to longitude 139°25'00"E GDA94, north to latitude 30°08'00"S GDA94, east to longitude 139°27'00"E GDA94, north to latitude 30°05'00"S GDA94, east to longitude 139°29'00"E GDA94 and north to the point of commencement, but excluding Yudnamutana Gorge and Paralana Hot Springs areas (National Estate Register).

Area: 498 km² approximately.

Description of Area—GEL 157

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 29°36'00"S GDA94 and longitude 139°41'00"E GDA94, thence east to longitude 139°43'00"E GDA94, north to latitude 29°34'00"S GDA94, east to longitude 139°47'00"E GDA94, north to latitude 29°33'00"S GDA94, east to longitude 139°52'00"E GDA94, north to latitude 29°32'00"S GDA94, east to the western boundary of Strzelecki Regional Reserve, thence generally southerly along the boundary of the said Regional Reserve and the western boundary of Lake Callabonna Fossil Reserve (G.G. 5.12.1901) to latitude 29°42'00"S GDA94, west to longitude 139°42'00"E GDA94, north to latitude 29°41'00"S GDA94, west to longitude 139°41'00"E GDA94 and north to the point of commencement.

Area: 496 km² approximately.

Description of Area—GEL 178

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 30°03'00"S GDA94 and longitude 139°41'00"E GDA94, thence east to longitude 139°50'00"E GDA94, south to latitude 30°17'00"S GDA94, west to longitude 139°35'00"E GDA94, north to latitude 30°13'00"S GDA94, west to longitude 139°34'00"E GDA94, north to latitude 30°12'00"S GDA94, east to longitude 139°37'00"E GDA94, north to latitude 30°10'00"S GDA94, east to longitude 139°40'00"E GDA94, north to latitude 30°07'00"S GDA94, east to longitude 139°41'00"E GDA94 and north to the point of commencement.

Area: 498 km² approximately.

Description of Area—GEL 180

All that part of the State of South Australia, bounded as follows: Commencing at a point being the intersection of latitude 30°16'00"S GDA94 and longitude 139°34'00"E GDA94, thence east to longitude 139°35'00"E GDA94, south to latitude 30°17'00"S GDA94, east to longitude 139°50'00"E GDA94, south to latitude 30°20'00"S GDA94, west to longitude 139°41'00"E GDA94, south to latitude 30°21'00"S GDA94, west to longitude 139°39'00"E GDA94, south to latitude 30°23'00"S GDA94, west to longitude 139°38'00"E GDA94, south to latitude 30°25'00"S GDA94, west to longitude 139°37'00"E GDA94, south to latitude 30°26'00"S GDA94, west to longitude 139°36'00"E GDA94, south to latitude 30°28'00"S GDA94, west to longitude 139°35'00"E GDA94, south to latitude 30°31'00"S GDA94, west to longitude 139°24'00"E GDA94, north to latitude 30°27'00"S GDA94, east to longitude 139°26'00"E GDA94, north to latitude 30°26'00"S GDA94, east to longitude 139°27'00"E GDA94, north to latitude 30°24'00"S GDA94, east to longitude 139°28'00"E GDA94, north to latitude 30°23'00"S GDA94, east to longitude 139°29'00"E GDA94, north to latitude 30°22'00"S GDA94, east to longitude 139°30'00"E GDA94, north to latitude 30°21'00"S GDA94, east to longitude 139°31'00"E GDA94, north to latitude 30°19'00"S GDA94, east to longitude 139°33'00"E GDA94, north to latitude 30°17'00"S GDA94, east to longitude 139°34'00"E GDA94 and north to the point of commencement.

Area: 500 km² approximately.

Dated 23 November 2004.

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 LICENCES
GELs 156, 157, 178 & 180**

1. These Licences granted on 23 November 2004 are hereby entered on the public register.
2. Interests in the licence are:-

MNGI Pty Ltd	100%
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**BARRY A. GOLDSTEIN
Director Petroleum
Minerals and Energy Division
Primary Industries and Resources SA
Delegate of the Minister for Mineral Resources
Development**

Date: 23 November 2004

Ref: 27/2/261
27/2/262
27/2/301
27/2/305

PETROLEUM ACT 2000

GEOHERMAL EXPLORATION LICENCE

GEL 156

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:

MNGI Pty Ltd
ACN 091 525 361

(hereinafter referred to as the Licensee) 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 22 November 2009 but carrying the right of renewal under the *Petroleum Act 2000*.

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 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. 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">• Geological and Geophysical review• Modelling and interpretation of geophysical data• Historical bore hole thermal data collection (where possible) and analysis• Theoretical modelling of thermal and fault stress regimes
Two	<ul style="list-style-type: none">• Commercial negotiations for funding• Magneto-tellurics trial survey• Final target selection
Three	<ul style="list-style-type: none">• Drill and complete three shallow (500-2000m) holes to test shallow HDR potential• Down hole thermal analysis• Down hole stress analysis• Reservoir modelling
Four	<ul style="list-style-type: none">• Commercial feasibility and development study• Commercial negotiations for further funding

Five	<ul style="list-style-type: none"> • Drill and complete one HDR test hole under >1km cover • Down hole thermal analysis • Down hole stress analysis • Reservoir modelling
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2. The Licensee 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 Licensee 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 Licensee 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 Licensee 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 Licensee 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 licensee 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 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 Licensee 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 Licensee on any cash Security.
 - 9.3 All charges incurred by the Licensee in obtaining and maintaining the Security shall be met by the Licensee.
 - 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 Licensee.

Date:

23 November

2004



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: 19/11/2004 ~~2003~~

..... *PLR1*
Authorised Representative

..... Peter Reid
Name

..... CEO
Position

..... Petratherm Ltd
Company

..... *Derek Carter*
Authorised Representative

..... DEREK CARTER
Name

..... DIRECTOR
Position

..... PETRATHERM LTD
Company

GEOTHERMAL EXPLORATION LICENCE

GEL 156

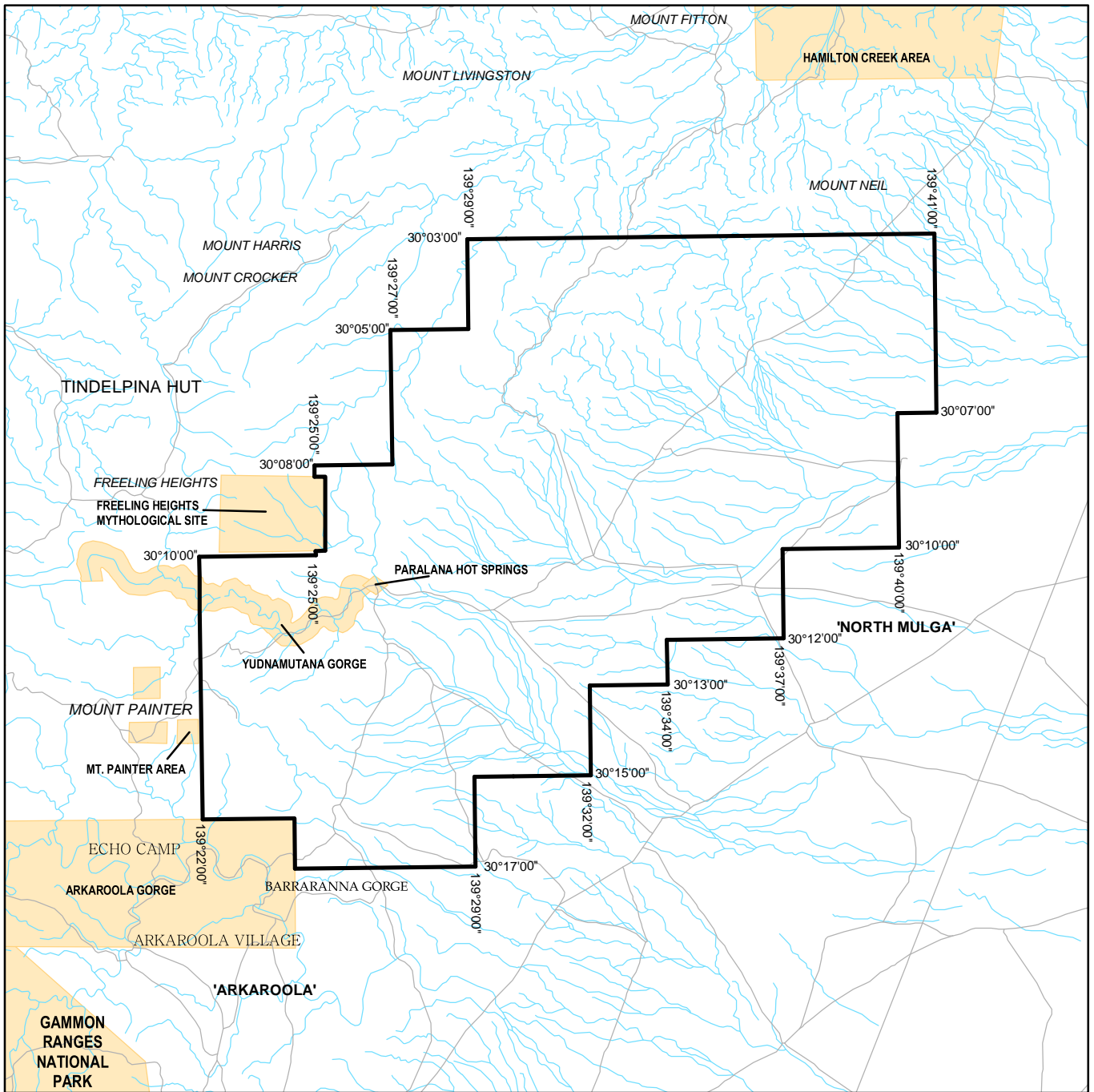
THE SCHEDULE

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°03'00"S GDA94 and longitude 139°29'00"E GDA94, thence east to longitude 139°41'00"E GDA94, south to latitude 30°07'00"S GDA94, west to longitude 139°40'00"E GDA94, south to latitude 30°10'00"S GDA94, west to longitude 139°37'00"E GDA94, south to latitude 30°12'00"S GDA94, west to longitude 139°34'00"E GDA94, south to latitude 30°13'00"S GDA94, west to longitude 139°32'00"E GDA94, south to latitude 30°15'00"S GDA94, west to longitude 139°29'00"E GDA94, south to latitude 30°17'00"S GDA94, west to the eastern boundary of the Arkaroola Gorge (National Estate Register), thence northerly and westerly along the boundary of the said Arkaroola Gorge to longitude 139°22'00"E GDA94, north to latitude 30°10'00"S GDA94, east to longitude 139°25'00"E GDA94, north to the southern boundary of the Freeling Heights Mythological Site (National Estate Register), thence easterly northerly and westerly along the boundary of the said Mythological Site to longitude 139°25'00"E GDA94, north to latitude 30°08'00"S GDA94, east to longitude 139°27'00"E GDA94, north to latitude 30°05'00"S GDA94, east to longitude 139°29'00"E GDA94 and north to the point of commencement, but excluding Yudnamutana Gorge and Paralana Hot Springs areas (National Estate Register).

AREA: **498** 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

GEOTHERMAL EXPLORATION LICENCE NO: 156