

---

**AGL Energy Decline Earn-in Option,  
Parachilna Geothermal Play, South Australia**

---

ASX CODE: TEY

**BOARD**

Dr Dennis Gee: Chairman

John Canaris: Exec. Director

David Eiszele: Director

Marcus Gracey: Director

Howard McLaughlin: Director

**MANAGEMENT**

Jerome Randabel: Exp. Manager

Rob Hodby: Company Secretary

**CORPORATE OFFICE**

Suite 1 338 Hay Street

Subiaco WA 6008

Phone: +61 (0) 8 6380 1003

Facsimile: +61 (0) 8 6380 1026

**EXPLORATION OFFICE**

12 Eton Road

Keswick SA 5035

Phone: +61 (0) 8 8297 3300

W: [www.torrensenergy.com](http://www.torrensenergy.com)

E: [admin@torrensenergy.com](mailto:admin@torrensenergy.com)

Torrens Energy Limited (Torrens Energy) advises that AGL Energy Limited (AGL) have completed their evaluation, and chosen not to exercise their option to earn into the Parachilna Geothermal Play, South Australia (refer ASX Announcement, 17 February 2010).

Under the 2008 Geothermal Alliance Agreement with Torrens Energy, AGL had first right to earn a 50% participating interest in the Parachilna geothermal resource by sole funding the completion of the first deep well.

AGL advises that they will continue to maintain their interest through their holding in the Company and the funding of exploration activities at the Barossa Project, South Australia (ASX Announcement, 15 & 17 April 2010).

In their review AGL acknowledged the quality of exploration work carried out by Torrens Energy, the impressive code compliant geothermal resource identified, and its proximity to the power infrastructure connecting the National Energy Market.

**Torrens Energy has reported outstanding modelled temperatures from the Parachilna Geothermal Play since 2008, with recently completed and independently validated target temperatures of ~240°C at 4,500m.**

Torrens Energy Executive Director John Canaris said:

"Whilst no one can dispute the technical challenges ahead of the industry, the enormous potential of geothermal and its importance to a sustainable future cannot be ignored, which will continue to drive interest from government, industry and markets."

"The Company looks forward to advancing Parachilna through other avenues, and will commence meaningful discussions with a leading Australian energy company early next week".

Yours sincerely

John Canaris  
Executive Director  
Torrens Energy Limited

