



1 June 2010

## Hot Rock granted Queensland geothermal exploration permit

Hot Rock Limited (“Hot Rock”) (ASX code HRL) announced today that it has been granted a competitive tender for geothermal exploration permit EPG19 by the Queensland Government.

HRL was selected as the preferred tenderer for the Walsh Hot Springs geothermal permit EPG19, which covers approximately 657 km<sup>2</sup> and is located 115 km west of Cairns in north Queensland (Figure 1).

HRL believes this permit to be one of the most prospective of the geothermal permits offered by the government in Land Release Area GLR2007-1. The prospect appears associated with Carboniferous age, heat generating plutonic rocks and associated fractured volcanic rocks in the Featherbed Cauldron Complex. Two thermal springs have been identified in the permit area with recorded surface discharge temperatures of 42°C and 56°C (Figure 2). No previous geothermal exploration has been carried out in the area to test the potential of these geothermal fluids at depth for electricity generation. The permit is located within 75 km of major transmission lines and electricity markets in north Queensland.

Exploration Permit for Geothermal, EPG19 was granted to HRL on the 1 June 2010 for a 5 year term. In the first year of the tenement, HRL will commence initial exploration work to sample and examine the geochemical composition of springs and water bores to investigate possible connections between the surface springs and a high temperature geothermal reservoir in fractured rocks at depths of up to 3.5km below surface.

The exploration program will be funded from the company’s existing cash reserves.

Executive Chairman of HRL, Dr Mark Elliott said: “Our first project in Queensland is exciting based on the fact that we already have hot thermal springs at surface, indicating potential commercial temperatures at depths of less than 3 km”.

### About Hot Rock

Hot Rock Limited is a geothermal energy company that offers investors an opportunity to participate in socially responsible and ethical investment choices through the development of sustainable, emission-free, base load power generation.

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Strategically, HRL has elected to focus on the commercially proven Hot Sedimentary Aquifer (HSA) and Volcanic Geothermal type projects in its quest to become a leading supplier of geothermal power.

In Australia, the company is focused on developing HSA projects in its large Otway Basin tenements, south west Victoria. On the 14<sup>th</sup> December 2009, HRL was offered a Geothermal Drilling Program (GDP) grant for \$7million from the Australian government. The grant funds are to go toward the drilling and testing program of HRL's maiden flagship geothermal project at Koroit in the Otway Basin, starting in 2010, followed by the development of a pilot plant by 2011.

HRL has expanded internationally via South America with the establishment of offices in Santiago and Lima in 2009 and lodgement of exploration applications covering exciting volcanic prospects in Chile and Peru. HRL is consolidating its position in South America, where high quality geothermal resources exist and attractive regulatory environments and market conditions allow us to operate in a secure and potentially profitable manner.

This level of project diversification in terms of both resource type and geography will undoubtedly benefit HRL and add considerably to long term shareholder value.



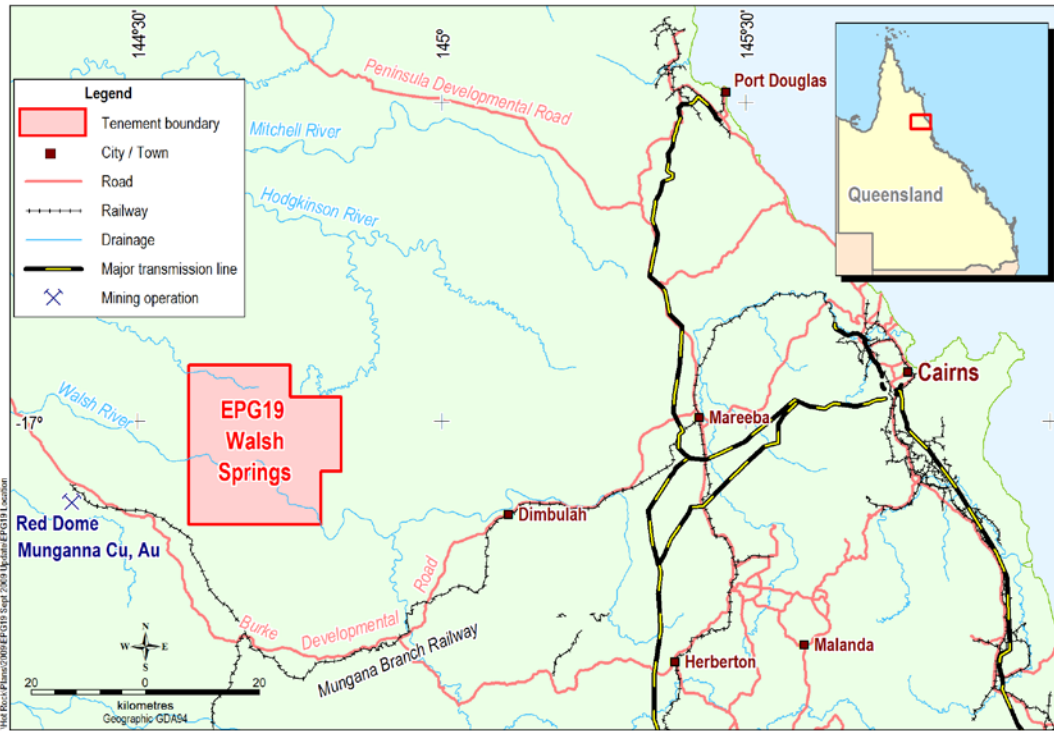
Mark Elliott  
**Executive Chairman**

For further information please contact:

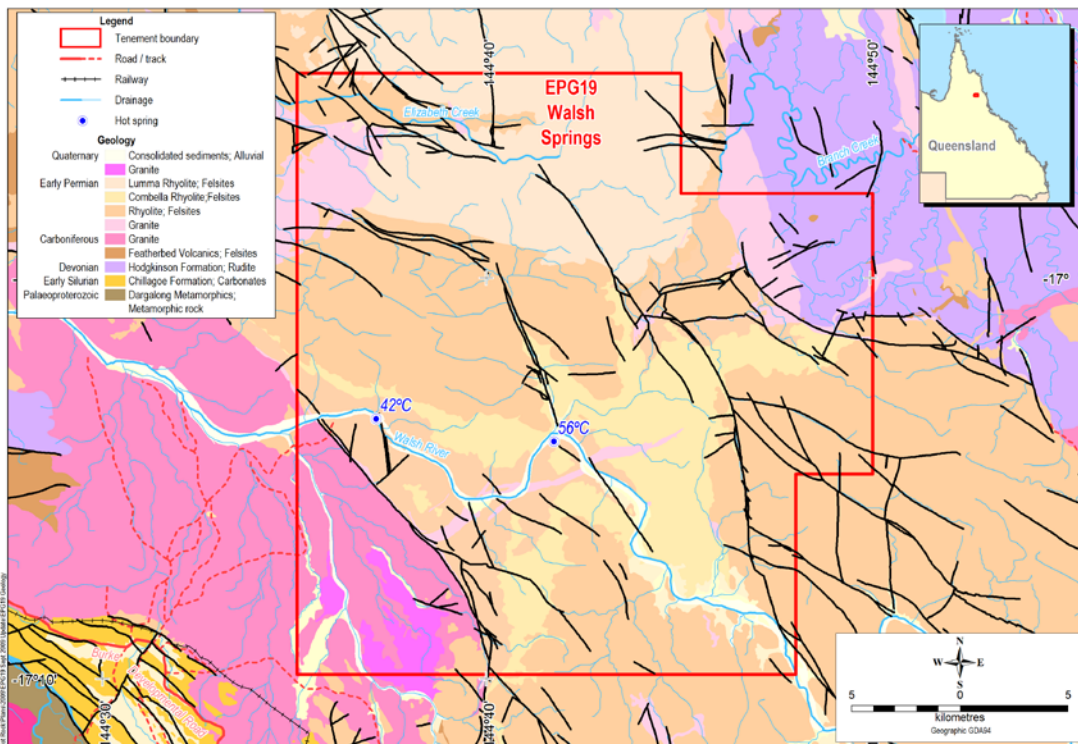
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**Figure 1:** Location of geothermal permit GEP19, Walsh Springs



**Figure 2:** Two thermal springs with hot water discharge at surface hosted by volcanic rocks