

ASX ANNOUNCEMENT 06 MAY 2009

Habanero 3 – Well Incident Update

Geodynamics as operator of the Innamincka Joint Venture provides the following update on the well incident on 24 April 2009 at its Habanero 3 well site located near Innamincka in remote northeastern South Australia.

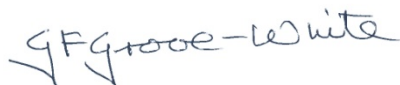
- Water and steam are still flowing from Habanero 3.
- Well control specialists remain on site and Geodynamics is acting on their advice to stop the flow.

Once the flow of water and steam has been stopped, the Company will be able to secure the well, examine the cause of the incident and assess future implications for the well.

The Company continues to closely monitor the situation, and further updates will be provided as more information becomes available.

The Company also confirms that the Joint Venture carries 'Control of Well' insurance (as mandated by government regulation) and insurance underwriters have been notified of the circumstances of the incident.

For further information please check our website (www.geodynamics.com.au) or contact our information service on 1300 796 612. Media representatives should contact Andrew Crook on 0419 788 431.



Gerry Grove-White
Managing Director

Participants in the Innamincka Joint Venture are:
Geodynamics (Operator) – 70%
Origin Energy Geothermal Pty Ltd* – 30%
*A wholly owned subsidiary of Origin Energy Limited (ASX: ORG)

About Habanero 3

Habanero 3 was completed to a depth of 4,221 metres in February 2008. The well was used as a production well during open flow and closed loop testing that has been conducted over the last 12 months and is intended to be the production well supplying brine to the recently constructed 1MW pilot plant.