

ASX ANNOUNCEMENT 16 APRIL 2009

Cooper Basin Project Update

Jolokia 1 Update

Geodynamics is pleased to announce that Rig 100 has been successfully redeployed at Jolokia 1 and a program of works is underway to re-enter and clean out the well. Following this process, the Company will begin open-hole logging and it is expected that logging operations will conclude later in April. Based on analysis of the logging results, the sequence of deep stimulation activities will be determined.

1 MW Pilot Plant Update

Construction of the Innamincka 1 MW Pilot Plant is complete, apart from the installation of the last two high pressure heat exchangers which arrived on site today. "Hot commissioning" is now due to commence on 27 April.

Work on the overhead power line between the 1 MW Pilot Plant and the township of Innamincka has been completed, with final connection planned to coincide with the commissioning of the 1 MW Pilot Plant. Geodynamics has been advised it has been successful in its application for a \$560,000 grant in relation to the construction of the power line, from the Regional Development Infrastructure Fund (RDIF), an initiative of the South Australian government.



Aerial view of the 1 MW Pilot Plant and Visitor Centre



Power poles between the Habanero site and Innamincka township

Renewable Energy Demonstration Program (REDP) Application Submitted

Geodynamics is pleased to confirm that it has submitted an application for \$90 million of funding under the federal government's Renewable Energy Demonstration Program (REDP).

Following the announcement on 30 March 2008 that "Proof of Concept" has been achieved in its Cooper Basin project, the Company believes it has satisfied all of the eligibility criteria and merit criteria of the program in relation to the development of a Commercial Demonstration Plant (CDP).

The \$435 million REDP is part of the federal government's \$500 million Renewable Energy Fund (REF). It is expected that grant offers will be made available to successful applicants by mid 2009.

For more information on the REDP, please visit the Department of Resources, Energy and Tourism (DRET) website link:

http://www.ret.gov.au/energy/energy%20programs/RenewableEnergyFund/renewable_energy_demonstration_program/Pages/RenewableEnergyDemonstrationProgram.aspx

For further information please check our website (www.geodynamics.com.au) or contact Mr Gerry Grove-White or Mr Paul Frederiks on + 61 7 3721 7500.

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)