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## Penola drill starts

PANAX Geothermal's Salamander 1 drilling rig has broken ground at the first deep production well at the company's Penola project. The "spudding" began on Monday night and drilling operations is now 24 hours a day.

Managing director Bertus de Graaf said the drilling was a great reward for shareholders and for the drilling team.

"The operation of Salamander 1...exemplifies the progress Panax Geothermal has made and positions us as the most advanced geothermal energy explorer in Australia," he said. "Achieving this milestone is the next step in delivering base load geothermal power to the grid."

Salamander 1 is the first well in Australia to test a hot sedimentary aquifer.

The well aims to convert the Penola Project's "measured geothermal resources" into enough "geothermal reserves" to start developing a 5.9 megawatt power plant.