



Penola Pennant
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Minister to visit drilling site

THE Penola area will be visited by a senior Federal Government minister before the end of next month.

Minister for Resources, Energy and Tourism Martin Ferguson has accepted an invitation to unveil a plaque commemorating the pioneering status of the Salamander-1 geo-thermal exploration well between Penola and Nangwarry.

Mr Ferguson is a former president of the Australian Council of Trade Unions.

The invitation was extended by Panax Geothermal managing director Bertus de Graaf.

In a recent letter to shareholders, Dr de Graaf said the Salamander-1 well was designed to test Hot Sedimentary Aquifer ("HSA")

hosted "Measured Geothermal Resources" with the aim to convert part of these into "Geothermal Reserves".

"Following successful recent fundraising, the company is fully funded (including the \$7m Geothermal Drilling Program grant from the

Federal Government) to meet the drilling and well testing costs, as well as the costs required for advancing our other geothermal projects," he wrote.

"We look forward to an active and interesting opening quarter of 2010, which will be dominated by drilling and testing Salamander-1, the outcome of which could have major positive ramifications for Panax".