GEODYNAMICS LIMITED
Level 3 19 Lang Parade PO Box 2046 Milton 4064
Tel: + 61 7 3721 7500 Fax: + 61 7 3721 7599 Email: info@geodynamics.com.au
ABN: 55 095 006 090

ASX Announcement

2 May 2013

Habanero 1 MWe Pilot Plant Successfully Commissioned

Geodynamics Limited (ASX:GDY) is pleased to advise that our 1MWe Habanero Pilot Plant has been successfully commissioned and has produced Australia's first Enhanced Geothermal Systems (EGS) generated power. The company has now commenced the planned demonstration trial and testing program which is scheduled to run for approximately 100 days with completion in August 2013.

Managing Director and CEO Mr Geoff Ward said "The generation of power at our 1MWe Pilot Plant is a major milestone for Geodynamics, geothermal power in Australia and EGS technology globally. The commencement of the demonstration trial is the culmination of many years of hard work and the application of rigorous engineering and field operations. I congratulate all the team involved in delivering this milestone. The Habanero EGS Project is a globally significant demonstration of EGS geothermal capability. I would like to acknowledge the support of the Australian Government through the Australian Renewable Energy Agency's provision of the Renewable Energy Demonstration Program grant funding. This has been critical to allowing Geodynamics to achieve this milestone and demonstrate world leading capability in this area of geothermal technology. We look forward to successfully completing the planned testing program."

For further information, please check our website (www.geodynamics.com.au) or contact Mr Geoff Ward on + 61 7 3721 7500. Media and investor inquiries may also be directed to Friederike Graser, Marketing Communications Officer on +61 7 3721 7588.

Geoff Ward
Managing Director and Chief Executive Officer

— ends —

About Geodynamics

Geodynamics is the leading Australian geothermal exploration and development company. Geodynamics possesses some of the best geothermal resources in the world and is rapidly developing technology to exploit the resource. Geothermal energy has the potential to be a critical element of Australia's future power generation and Geodynamics is at the forefront of development.

About geothermal energy

Geothermal energy offers the prospect of zero carbon, base-load energy generation. "Zero carbon" means that no carbon dioxide (CO2) will be emitted when generating energy. This is different from some other forms of 'renewable' energy, which still result in significant CO2 emissions. "Base-load" means that power is available 24 hours a day, 7 days a week, all year round, and therefore can be used to meet energy needs at any time. This is a significant advantage compared to a number of other zero-carbon technologies that are more intermittent (such as wind, wave and solar power).

Geothermal energy produced from hot fractured rocks, also known as Engineered or Enhanced Geothermal Systems (EGS), is generated by special high heat producing granites located 3km or more below the Earth's surface. The heat inside these granites is trapped by overlying rocks which act as an insulating blanket. The heat is extracted from these granites by pumping water through fractures in the granite and bringing the hot water to surface. Geodynamics believes that energy produced using EGS technology is capable of generating base-load power at a cost that will be very competitive with other energy sources (both low carbon and otherwise).