



The Geothermal Reporting Code

Australian Code for Reporting of Exploration Results,
Geothermal Resources and Geothermal Reserves

The Australian Geothermal Energy Group (AGEG) and the Australian Geothermal Energy Association (AGEA) are pleased to announce the release of Australia's Code for the Reporting of Exploration Results, Geothermal Resources and Geothermal Reserves.

This is the world's first uniform code to guide the reporting of geothermal data to the market and is designed to underpin the quality of the Industry's relationship with the market.

An important building block

As a new industry emerges, it is faced with the challenge of building understanding and reputation in the market place, with investors, regulators and the public. This is a challenge facing Australia's geothermal energy industry today.

The development of a Geothermal Reporting Code, and its adoption by operating companies to shape the way they report their geothermal exploration results, resources and reserves, is an important step in the development of Australia's geothermal energy industry.

It is appropriate that the Geothermal Industry itself has taken this step to help govern the way it reports publicly.

Scope

The Geothermal Code is a reporting code that covers the way geothermal exploration results, resource and reserve assessments are classified and publicly reported. It does not cover the way assessments are made.

The Geothermal Code covers:

- all forms of geothermal energy, for example, conventional volcanic based energy, hydrothermal aquifers and hot rocks;
- all uses of geothermal energy, including geothermal thermal energy for electricity generation, direct use in industrial processes or space heating, or as supplemental energy;
- the minimum and mandatory requirements for public reports

Status

The Australian Geothermal Energy Association has decided that it requires its members to comply with the Geothermal Code from its release in August 2008.

The Code is not yet endorsed by the Australian Securities Exchange Limited or any regulator in the Australian financial markets and the use of the Code by a company or entity does not imply acceptance by regulators of the content of a report written under the Code.

Alignment with other Codes

The Australian Geothermal Code follows the principles, framework and key concepts already established by the minerals industry and their JORC Code. For example, it adopts the principles of Transparency, Materiality and Competence to present investors with a baseline estimate of what reserves and resources are available to a given project.

It is notable that the JORC Code, and now the Geothermal Code, conform to the International Reporting Template (CRIRSCO, 2006) that covers the public reporting of exploration results, resources and reserves for the global mining industry.

Geothermal Lexicon

The Lexicon for Geothermal Exploration, Resources and Reserves has been prepared to facilitate understanding of geothermal energy concepts and the methods used to determine geothermal resources and reserves. However, it does not form part of the Geothermal Code.

How to find the Geothermal Code and Lexicon

The Geothermal Code and Lexicon will be maintained on the websites of AGEG and AGEA.

www.agea.org.com.au

www.pir.sa.gov.au/geothermal/ageg

Australian Geothermal Code Committee

The Geothermal Code has been prepared by the Australian Geothermal Code Committee. This Committee was initiated by the Australian Geothermal Energy Group and has advanced to be a committee of both the Australian Geothermal Energy Group and the Australian Geothermal Energy Association.

Correspondence with the Committee should be through a Secretariat supported by PIRSA:

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Feedback and Revision Process

This is the first edition of the Geothermal Code. It is anticipated that experience and learning with application of the Code will identify opportunity for improvement or need for amendment. Feedback is encouraged and should be directed through the Code Secretary.

The Geothermal Code Committee will release updated editions as the need determines.

Example Reports

Example reports may assist understanding of the expectations set by the Code. Several examples of reports are also posted on the websites.

The Framework

The Code uses a classification taking into account levels of geological knowledge and confidence and Modifying Factors which directly affect the likelihood of commercial delivery. It makes the key distinction that 'Geothermal Reserves' are deemed energy that is commercially recoverable now, while 'Geothermal Resources' require further work to be classified as 'Geothermal Reserves'.

