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Pilbara Geothermal Permits Granted

Geothermal energy company, New World Energy Ltd, has been officially granted seven geothermal exploration permits in the Pilbara region of Western Australia. The permits cover more than 30,000 square kilometres of one of the best geothermal areas in Western Australia.

New World Energy is the largest geothermal landholder in Western Australia and is dominant in the Pilbara region.

“Western Australia needs to generate an additional 7,000GWh of energy from renewable sources to match the Federal Governments Renewable Energy Target of 20% by 2020.”

“This equates to almost 900MW of power from baseload renewable sources such as geothermal, or 2,500MW of intermittent generation such as solar or wind” said John Libby, managing director of New World Energy.

Western Australia has two main electricity load areas: the South West Interconnected System, the electricity grid that links Perth and the southwest of the state; and the Pilbara region, which contains some of the largest resource projects in Australia.

Horizon Power, the WA Government electricity distribution utility forecasts a trebling of electricity demand, in the Pilbara region in the mid-term. Less than 1% of existing Pilbara power generation capacity is from renewable sources.

“WA is facing a renewable energy crisis. The South West Interconnected System does not have the capacity to even come close to meeting the Renewable Energy Target. Consequently, Western Australia will have to rely on the Pilbara as a major contributor to meeting this target.” Mr Libby said.

“Energy demand in the Pilbara is dominated by huge iron ore and LNG projects which require large amounts of baseload energy. ”

“Geothermal energy is likely to underpin the delivery of renewable energy into the Pilbara as it is cheap and the only large-scale, baseload, renewable power source in the region.”

“Intermittent generators such as solar or wind are likely to find it extremely difficult to penetrate the Pilbara on a large-scale due to their expense and because their electrical output does not match the load requirements.”

The Federal Government is increasingly looking to geothermal to meet a large component of Australia’s Renewable Energy Target.

Federal Resources Minister, Martin Ferguson said recently that, "The early growth was going to be in wind power but the real breakthrough we need is in geothermal because it's base-load reliable power". Mr Ferguson added that, "a potential breakthrough here in the next 12 to 18 months is so important... otherwise we will find it challenging to actually get to 20 per cent."

New World Energy Pty Ltd

New World Energy is a company dedicated to the exploration for and development of geothermal energy resources in Australia.

Its primary focus is in Western Australia.

The Company is the largest geothermal energy landholder in WA with permits covering the majority of prospective areas in the Pilbara region of WA.

It also has a large tenement holding over the Perth Basin, an area with significant geothermal energy potential which could ultimately be a major contributor to the rapidly growing Perth regional and metropolitan electricity market.

The Managing Director, John Libby, a geologist, is a veteran of the Australian resources industry.

He is secretary of the Executive Committee of the Australian Geothermal Energy Association

John is supported by a strong and experienced Board of Directors.

More information regarding the company can be found at www.newworldenergy.com.au.

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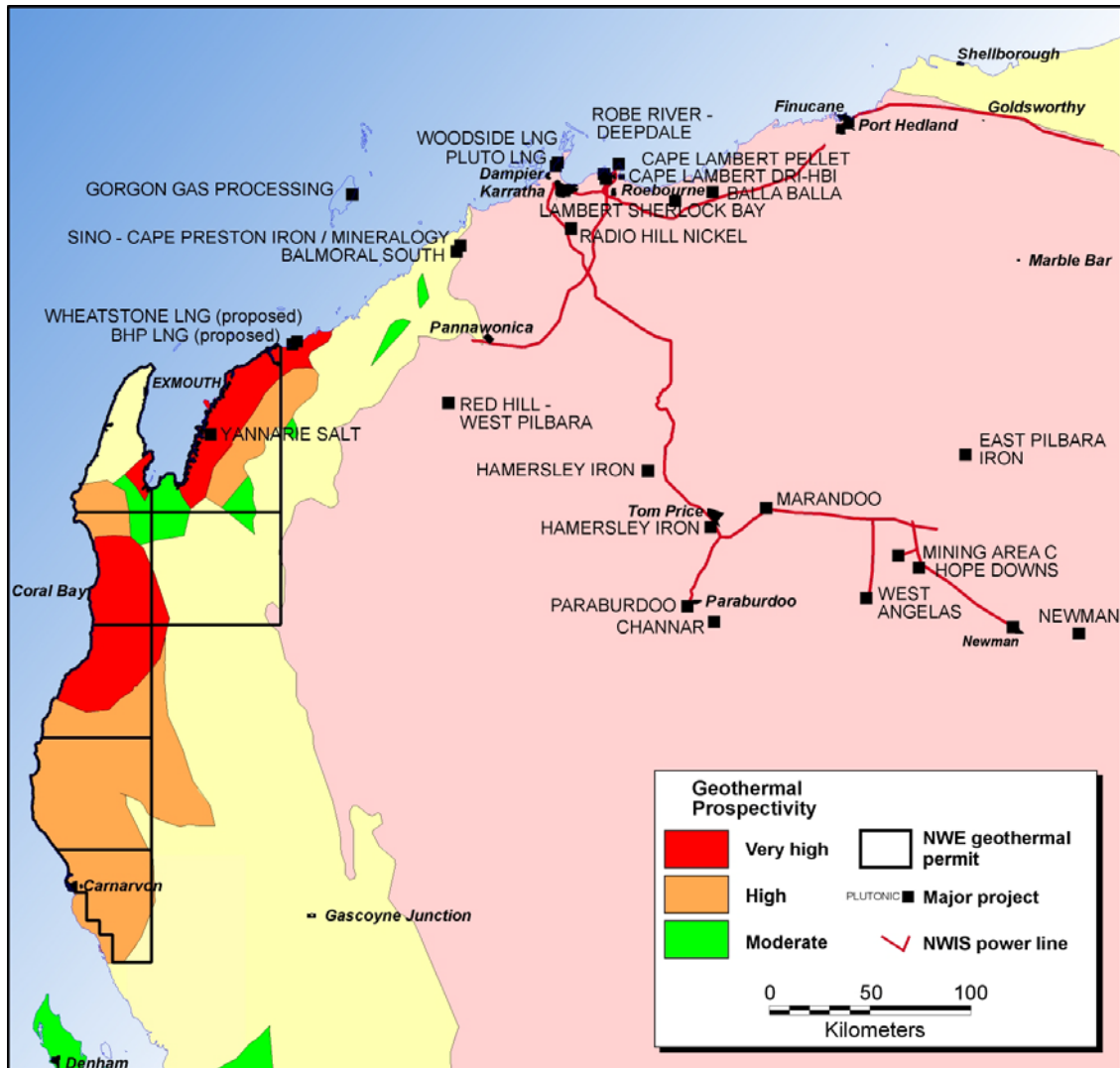
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NEW WORLD ENERGY LIMITED WA GEOTHERMAL EXPLORATION PERMITS IN THE PILBARA



Map of the Pilbara region showing the locations of New World Energy's recently granted