



TRI-STAR ENERGY COMPANY

Final Report

Year 4 and Partial Year 5

14 May 2011 – 5 June 2012

Titleholder	Tri-Star Energy Company ABN 86 089 539 695
Titles / Tenements	GEL 310
Report Title	Final Report for Period Ending 5 June 2012
Date of Report	20 June 2012
Target Commodity	Geothermal Energy
Authors	Lauren Biermann, Project Manager James Butler, Geologist
Tenement Manager	Lauren Biermann
Contact Details	Tri-Star Energy Company PO Box 7128, BRISBANE QLD 4000
Telephone	(07) 3236 9800
Facsimile	(07) 3221 2146
Email for technical data	Brisbane@tri-starpetroleum.com
Email for expenditure	Brisbane@tri-starpetroleum.com

CONTENTS

Page No.

1 INTRODUCTION 3

2 PERMIT SUMMARY 4

3 REGULATED ACTIVITIES 6

4 COMPLIANCE ISSUES 6

5 EXPENDITURE STATEMENT 7

FIGURE 1 LOCATION MAP 8

FIGURE 2 GEOLOGICAL REGIONS MAP 9

FIGURE 3 TOPOGRAPHIC MAP 10

FIGURE 4 CADASTRAL MAP 11

FIGURE 5 NATIVE TITLE MAP 12

APPENDIX 1 EXPENDITURE STATEMENT 13

1 Introduction

Geothermal Exploration Licence (“GEL”) 310 was granted to Tri-Star Energy Company ARBN 089 539 695 (“Tri-Star”) as Licensee on 14 May 2008, for a period of five (5) years. The land over which GEL 310 is granted is located in the north of Strzelecki Regional Reserve, South Australia and is covered by the Great Artesian, Eromanga, Lake Eyre, Warburton and Cooper Basin. The tenure also falls within the Daralingie Trough and is bounded by the following coordinates:

Latitude	Longitude
28 20	139 52
28 24 30	139 52
28 24 30	139 57 30
28 31	139 57 30
28 31	139 41
28 20	139 41

GEL 310 covers an area of approximately 473 square kilometres (“Licence Area”). The Licence Area is located in Map 1:100000: Strzelecki 6480 I & 6841 II. Figure 1 shows the Licence Area.

The Licence Area is covered by Palaeozoic and Tertiary sediments with the South Australian Heat Flow Anomaly (SAHFA) occurring through the tenure. Please see attached Figure 2 Geological Region Map and Figure 3 Topographical Map.

Tri-Star has identified all relevant parties in relation to the Licence Area including landowners and Native Title Claimants. The Cadastral Map (located at Figure 4) and Native Title Map (located at Figure 5) indicate the relevant interests in relation to the Licence Area.

Regulation 33(1) of the *Petroleum and Geothermal Energy Regulations 2000* (SA) (“Regulations”) requires the submission of an Annual Report within two (2) months of the end of each Licence Year. In addition, regulation 33(3c) requires a Final Annual Report within two (2) months of a licensee’s surrender of a licence. The surrender of GEL 310 was granted by the delegate of the Minister for Mineral Resources and Energy on 5 June 2012.

As the Year 4 Annual Report is due on or before 13 July 2012, and the Final Report is due on or before 4 August 2012, this Final Report meets both the requirements of Regulations 33(1) and 33(3c) and details the work conducted for the period 14 May 2011 to the surrender of GEL 310 on 5 June 2012 (“Reporting Period”).

2 Permit Summary

For the duration of the licence, Tri-Star was the sole licensee of GEL 310.

The work commitments that were associated with GEL 310 can be seen in Table 1. These work commitments include the variation granted by Elinor Alexander as Acting Executive Director, Energy Resources Division, Department for Manufacturing, Innovation, Trade, Resources and Energy on 21 December 2011.

Table 1 Current work commitments by licence year

Licence Year	Licence dates	Minimum Work Program
Year 1	14 May 2008 – 13 May 2009	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies.
Year 2	14 May 2009 – 13 May 2010	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies.
Year 3	14 May 2010 – 13 May 2011	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies.
Year 4	14 May 2011 – 13 May 2012	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies.
Year 5	14 May 2012 – 5 June 2012	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies.

Licence Year 5 concluded on 5 June 2012 pursuant to the surrender of GEL 310 granted by Mr Barry A. Goldstein, as Delegate of the Minister for Mineral Resources and Energy on 5 June 2012. The following table displays the minimum work program (after all variations) and the actual work completed during the Reporting Period.

Table 2 Final work program and work completed (as of end of current reporting period) by licence year

Licence Year	Minimum Work Program	Actual Work
Year 1	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies. 	<p>Office-Based Work</p> <ul style="list-style-type: none"> Collection and analysis of available geological and geophysical data. Commenced mapping available data into mapping software. Studies to establish whether Licence Area contains both rocks that generate heat, and cover rocks to insulate and trap produced heat over time. Examination of Stratigraphic Logs and reports from previous exploration wells within Licence

		<p>Area.</p> <p>Field- Work</p> <ul style="list-style-type: none"> No drilling or other field work conducted. <p>Please see Year 1 Annual Report for further information.</p>
Year 2	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies. 	<p>Office-Based Work</p> <ul style="list-style-type: none"> Continued collection and analysis of available geological and geophysical data. Research into design and functionality of geothermal power plants with a focus on a single binary well power plant which utilises an organic Rankine cycle. Studies into whether Licence Area is capable of supporting a single well design. <p>Field- Work</p> <ul style="list-style-type: none"> No drilling or other field work conducted. <p>Please see Year 2 Annual Report for further information.</p>
Year 3	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies. 	<p>Office-Based Work</p> <ul style="list-style-type: none"> Continued collection and analysis of available geological and geophysical data. Further research into design and functionality of geothermal power plants. Focus on a single well binary cycle power plant utilising an organic Rankine cycle. <p>Field- Work</p> <ul style="list-style-type: none"> No drilling or other field work conducted. <p>Please see Year 3 Annual Report for further information.</p>
Year 4	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies. 	<p>Office-Based Work</p> <ul style="list-style-type: none"> Collection and analysis of available geological and geophysical data and mapping of data into mapping software. Finalisation of internal concept study. Commencement of plant design. Economic studies into long-term power generation trends and pricing.

		<p>Field- Work</p> <ul style="list-style-type: none"> No drilling or other field work conducted. Tri-Star was in the process of obtaining approval from the Minister for Mineral Resources and Energy for a deferment of the field work commitments for Year 4.
Year 5	<ul style="list-style-type: none"> Geological, geophysical and feasibility studies. 	<p>Office-Based Work</p> <ul style="list-style-type: none"> Following discussions with Tri-Star's external consultants and the Department of Manufacturing, Innovation, Trade, Resources and Energy, Tri-Star concluded that it was not in its interests to continue to explore GEL 310 and wrote to the Minister requesting the surrender of GEL 310 on 23 May 2012. The delegate of the Minister granted the surrender of GEL 310 on 5 June 2012. <p>Field- Work</p> <ul style="list-style-type: none"> No drilling or other field work conducted.

3 Regulated Activities

No regulated activities were undertaken in the Reporting Period.

4 Compliance Issues

Tri-Star did not perform any activities that fall within the purview of Regulation 33. Given that no regulated activities were undertaken in the Reporting Period, many of the regulations are inapplicable, and no instances of non-compliance were noted.

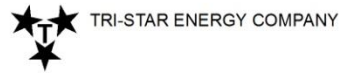
No reportable incident occurred and no threats were identified during Year 4 and the partial term of Year 5 of GEL 310.

As this is the Final Annual Report following the surrender of GEL 310, there is no Future Works Program.

5 Expenditure Statement

Please refer to Appendix 1 for the final Expenditure Statement for the Reporting Period (Commercial in Confidence).

FIGURE 1



GEL 310 Location Map

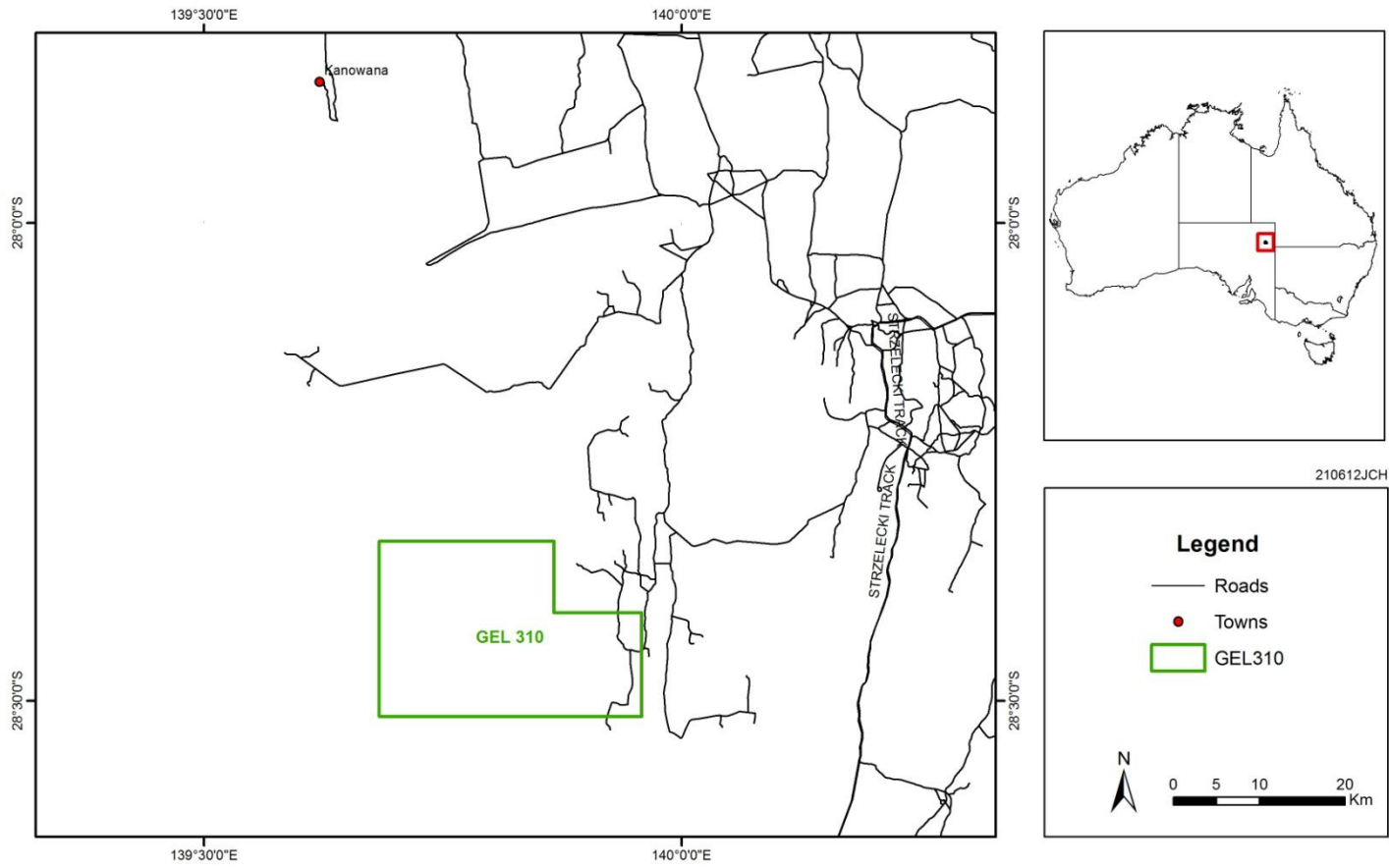
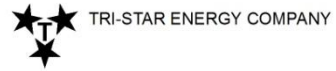


FIGURE 2



GEL 310 Geological Region Map

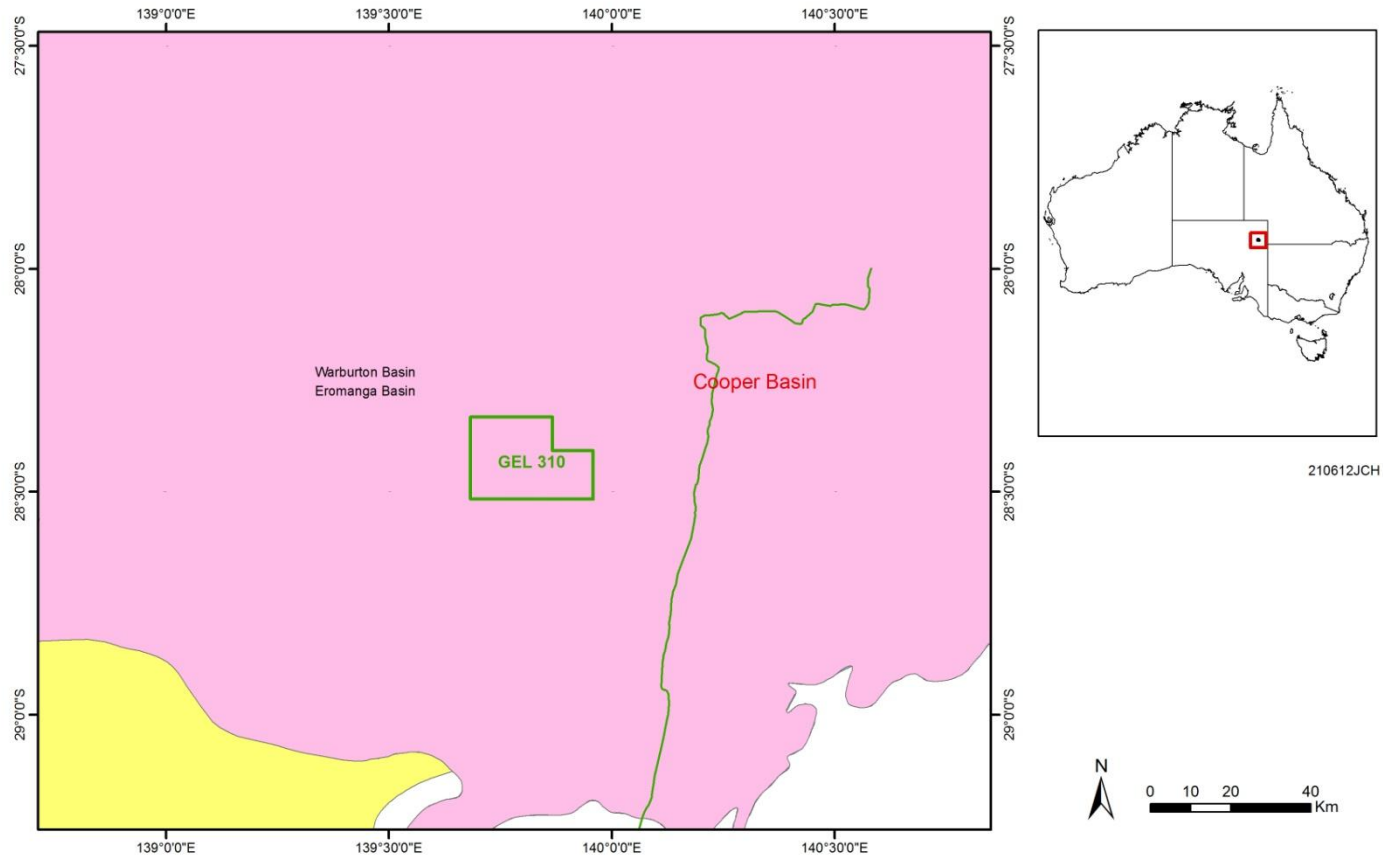
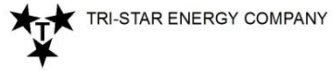


FIGURE 3



GEL 310 Topographic Map

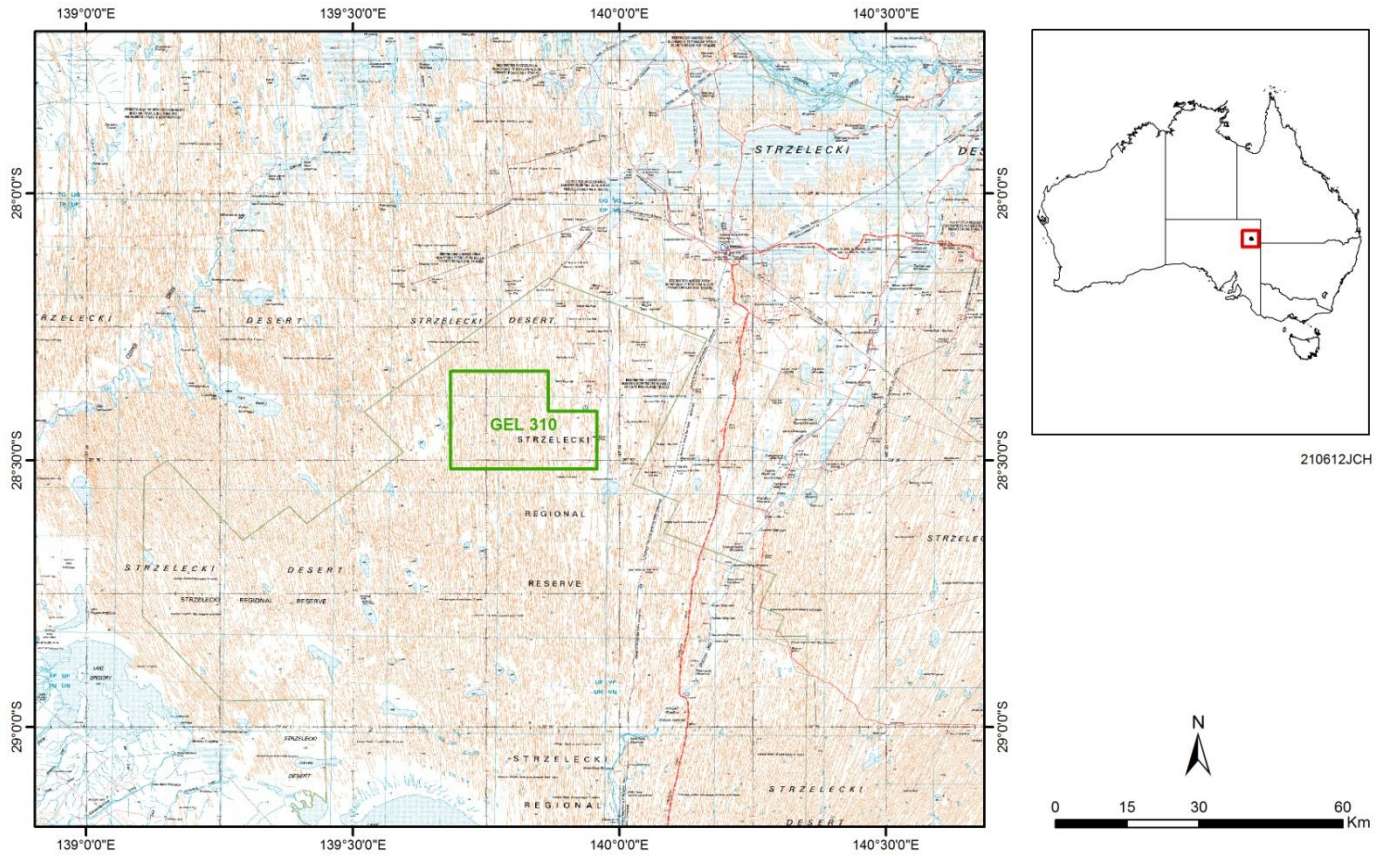


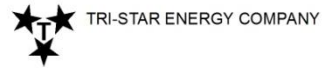
FIGURE 4



GEL 310 Cadastral Map



FIGURE 5



GEL 310 Native Title Map

