TRI-STAR ENERGY COMPANY

Annual Report

Year 1

14 May 2008 - 13 May 2009

GEL309 – Marabooka Project

10 July 2009

Tri-Star Energy Company
The Riverside Centre
Level 35, 123 Eagle Street
Brisbane, Q. 4000

GEL 309 – Marabooka Project
Annual Report Year 1
14 May 2008 – 13 May 2009

CONTENTS

1 INTRODUCTION 3

2 WORK REQUIREMENTS 3

3 WORK CONDUCTED 4

Field Work 4

4 PROPOSED OPERATIONS FOR YEAR TWO 4

5 COMPLIANCE ISSUES 5

6 EXPENDITURE STATEMENT 5

APPENDIX 1 EXPENDITURE STATEMENT 6

FIGURES

Fig. 1 Location Map

Fig. 2 Geological Region Map

Fig. 3 Cadastral Map

Fig. 4 Native Title Claim Map

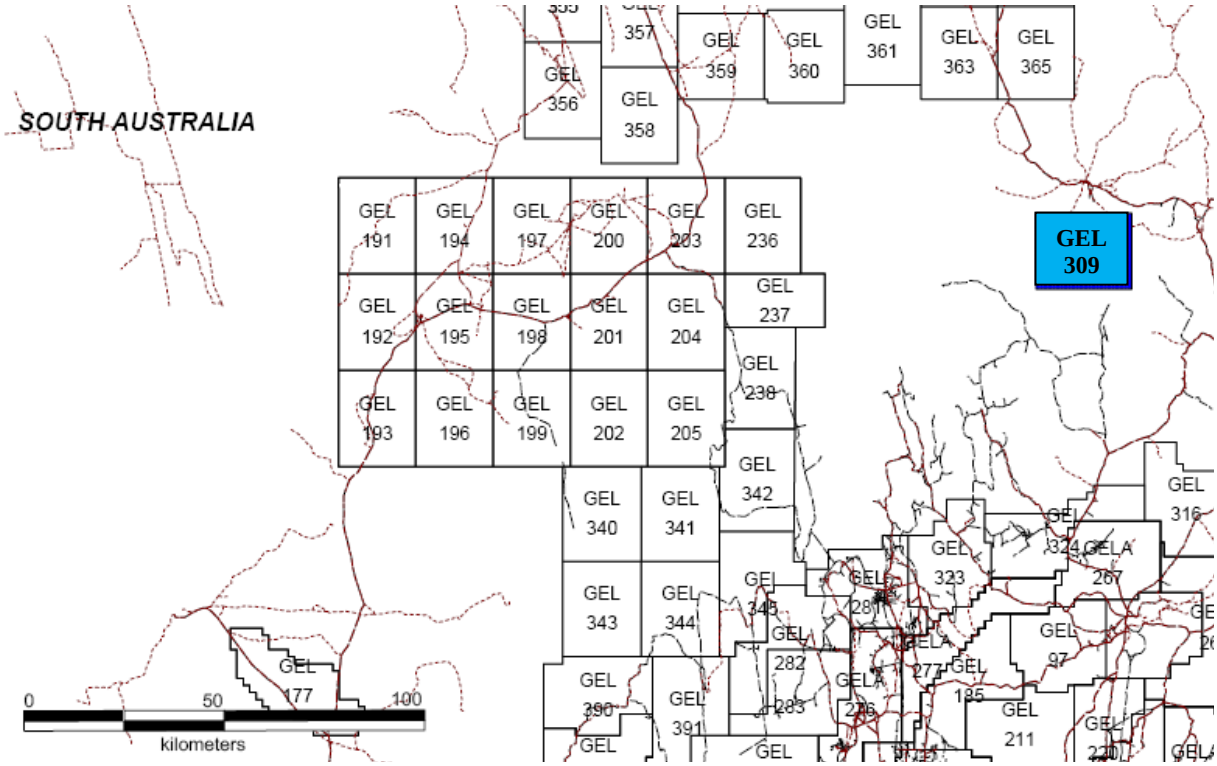
Introduction

Gel 309 was granted to Tri-Star Energy Company; ARBN 089 539 695, on 14 May, 2008, for a period of five years. The licence area is located in central South Australia, bounded by the following coordinates and has an approximate area of 482.5 km2:-

Latitude	Longitude
26 47	140 30
26 57 30	140 30
26 57 30	140 45
26 47	140 45

GEL 309 is located in Map 100 000: 7044 Cordillo III.

This report describes the work performed during year one of the licence (14 May 2008 to 13 May 2009), and planned activity during year two, in accordance with Regulation 33 of the *Petroleum Act* 2000.



1 Work Requirements

The work program related to GEL 309 as set out in accordance with the conditions of the licence, are as follows:-

Licence Year	Minimum Work Program
Year 1	• Geological and geophysical studies.

Year 2	• Geological and geophysical studies.
Year 3	• Geological and geophysical studies.
Year 4	• Geological and geophysical studies; and • Drill and complete one injection well to a depth of 2,550 metres.
Year 5	• Geological and geophysical studies; and • Conduct fracture stimulation tests.

2 Work Conducted

Office-Based Work

During the reporting period, Tri-Star Energy Company collected and analysed available geological and geophysical data. Tri-Star has also be engaged in mapping available data and has initiated its research studies in available techniques used to produce energy using Hot Dry Rock (HDR) and hydrothermal energy sources.

GEL 309 is located in the north east of South Australia covered by the Great Artesian, Eromanga, Lake Eyre, Warburton and Cooper Basin. Please see attached Figure 1 Location Map and Figure 2 Geological Region Map. The South Australian Heat Flow Anomaly (SAHFA) occurs throughout the Curnamona Province down to the Delamerian Fold Belt, therefore flowing through GEL 309. GEL 309 is covered by Palaeozic and Tertiary sediments.

Tri-Star commenced mapping available data into its mapping software, SMT and MapInfo. Tri-Star has finalised its initial assessments of the area which included indentifying all relevant parties in relation to the tenure, such as landowners and Native Title Claimants. Please refer to Figure 3 Cadastral Map and Figure 4 Native Title Claim Map respectively.

GEL 309 is based in a region of interpreted high crustal temperature at depths over 3km however, as part of Tri-Star's future exploration activities, Tri-Star must establish whether the tenure area also contains both rocks that will generate heat and cover rocks to insulate and trap the produced heat over geological time. Tri-Star's office-based studies during this first year indicate that GEL 309 contains granites buried by sedimentary cover, leading Tri-Star to believe that prima facie, this tenure can be of great potential in HDR geothermal exploration and production. Tri-Star has conducted office-based studies of Mid-Carboniferous granite around the tenure area.

Field Work

No drilling or other field work was conducted during this first year of work.

3 Proposed Operations for Year Two

During the second term, Tri-Star will compare heat values from wells in other parts of the Great Artesian Basin and will begin its critical investigation in the methodology

related to producing heated aqueous fluids to the surface through a single well bore, rather than drilling two holes and circulating down one hole and up the other.

Tri-Star's future exploration programme will also involve further research of the sedimentary cover contained in and around GEL 309, continued review and testing of available geological, geophysical and environmental data pertaining to the area, begin a feasibility study and conduct further mapping of available data.

4 Compliance Issues

Tri-Star Energy Company did not perform any activities that fall within the purview of Regulation 33. Given that no regulated activities were undertaken in the licence year, many of the regulations are inapplicable at this stage, and no instances of non-compliance have been noted. No reportable incident occurred and no threats have been identified during licence year one.

Tri-Star Energy Company recognises the importance of achieving regulatory compliance and is committed to achieving best practice in its management strategies, work practices, and procedures, in an environmentally and socially responsible manner. Tri-Star Energy Company is in the process of developing a management system that will ensure this commitment is met.

5 Expenditure Statement

Please refer to Appendix 1 for the expenditure statement for the current reporting period 14 May 2008 - 13 May 2009.

APPENDIX 1 Expenditure Statement

Drilling activities	N / A
Seismic activities	N / A
Technical evaluation and analysis	$ 44,170.84
Other surveys	N / A
Facility construction and modification	N / A
Operating and administration expenses	$*25,436.95*
TOTAL	$*69,607.79*

FIGURE 1

Annual Report GEL 309

Dated 10 July, 2009

LOCATION MAP

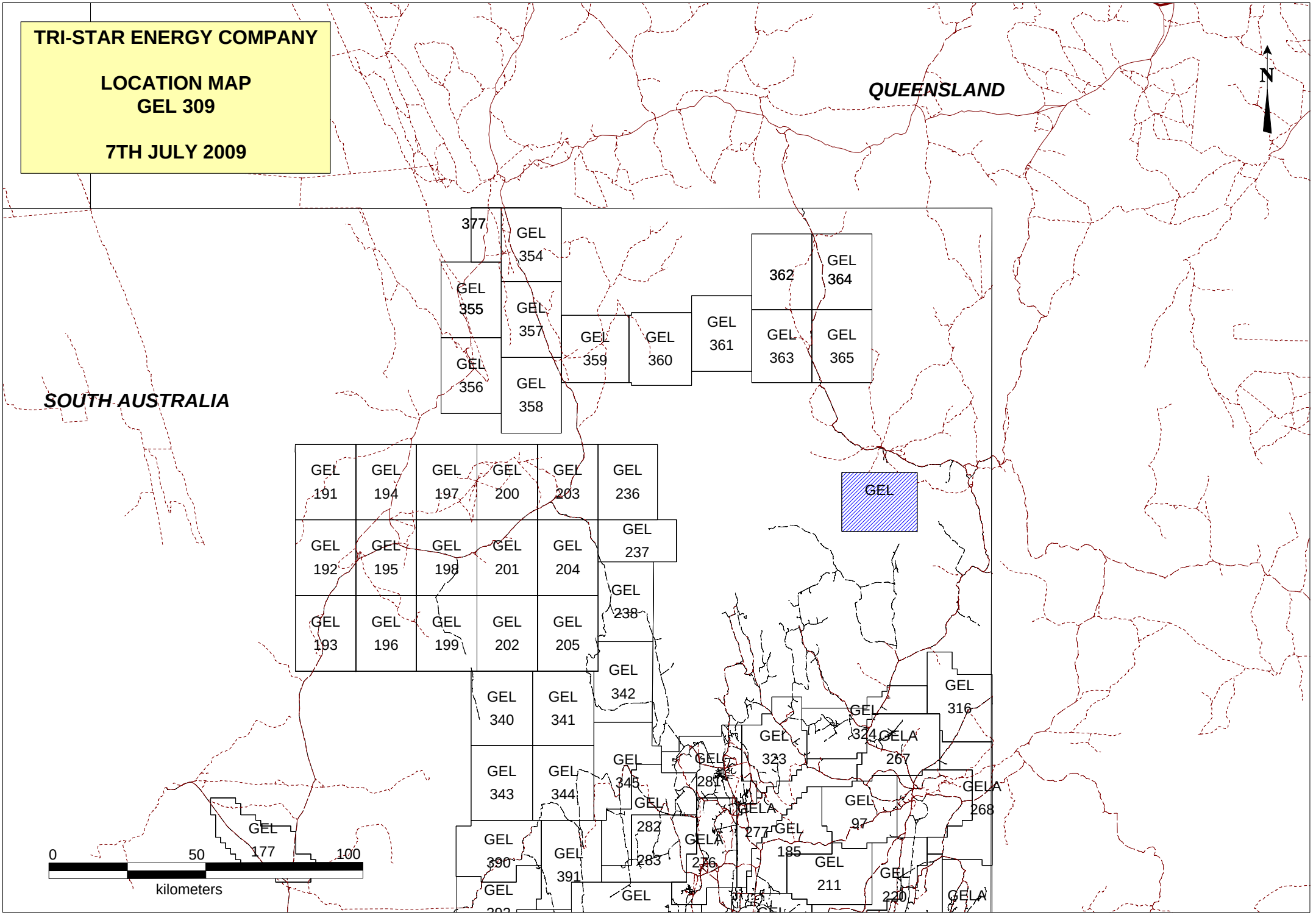

TRI-STAR ENERGY COMPANY
LOCATION MAP
GEL 309
7TH JULY 2009
QUEENSLAND
SOUTH AUSTRALIA
N
GEL 309
377
GEL 354
GEL 355
GEL 357
GEL 356
GEL 358
GEL 359
GEL 360
GEL 361
362
GEL 364
GEL 363
GEL 365
GEL 191
GEL 194
GEL 197
GEL 200
GEL 203
GEL 236
GEL 192
GEL 195
GEL 198
GEL 201
GEL 204
GEL 237
GEL 193
GEL 196
GEL 199
GEL 202
GEL 205
GEL 238
GEL 340
GEL 341
GEL 342
GEL 343
GEL 344
GEL 345
GEL 316
GEL 324
GELA 267
GEL 323
GEL 281
GEL 282
GEL 283
GELA 277
GELA 276
GEL 185
GEL 97
GELA 268
GEL 390
GEL 391
GEL 211
GEL 220
GELA
GEL 177
0
50
100
kilometers

FIGURE 2

Annual Report GEL 309

Dated 10 July, 2009

GEOLOGICAL REGION MAP

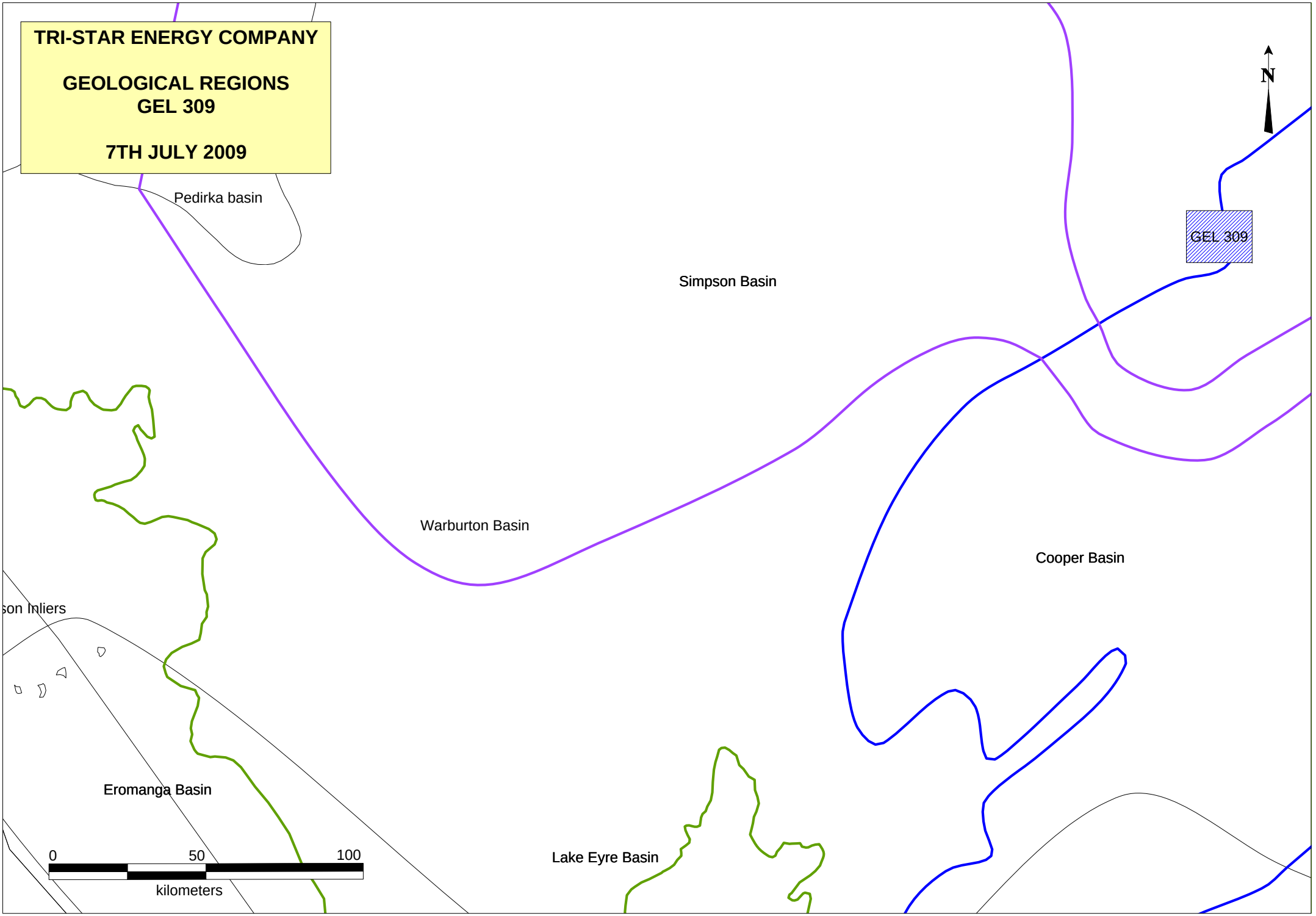

TRI-STAR ENERGY COMPANY
GEOLOGICAL REGIONS
GEL 309
7TH JULY 2009
N
Pedirka basin
GEL 309
Simpson Basin
Warburton Basin
Cooper Basin
son Inliers
Eromanga Basin
Lake Eyre Basin
0
50
100
kilometers

FIGURE 3

Annual Report GEL 309

Dated 10 July, 2009

CADASTRAL MAP

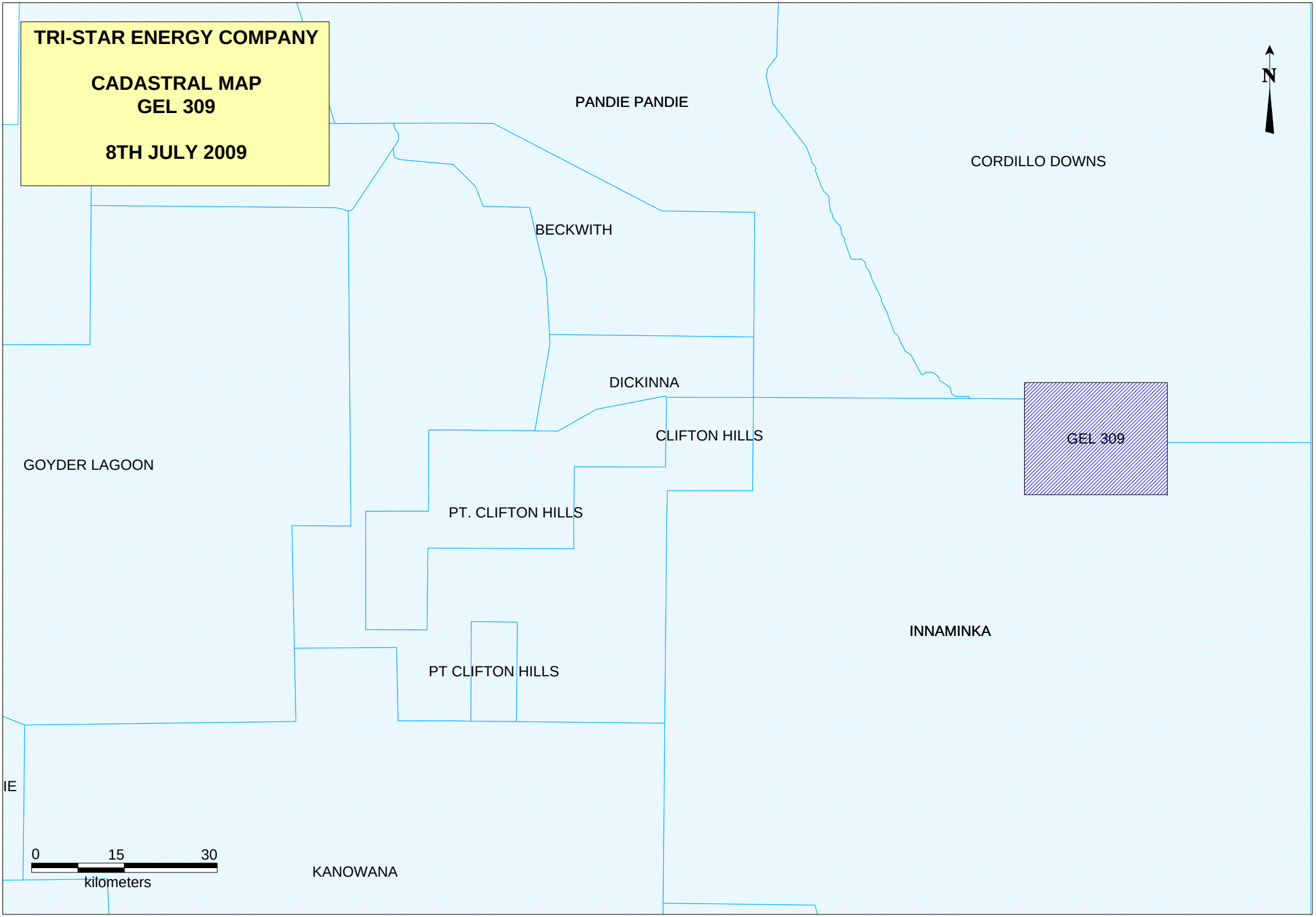
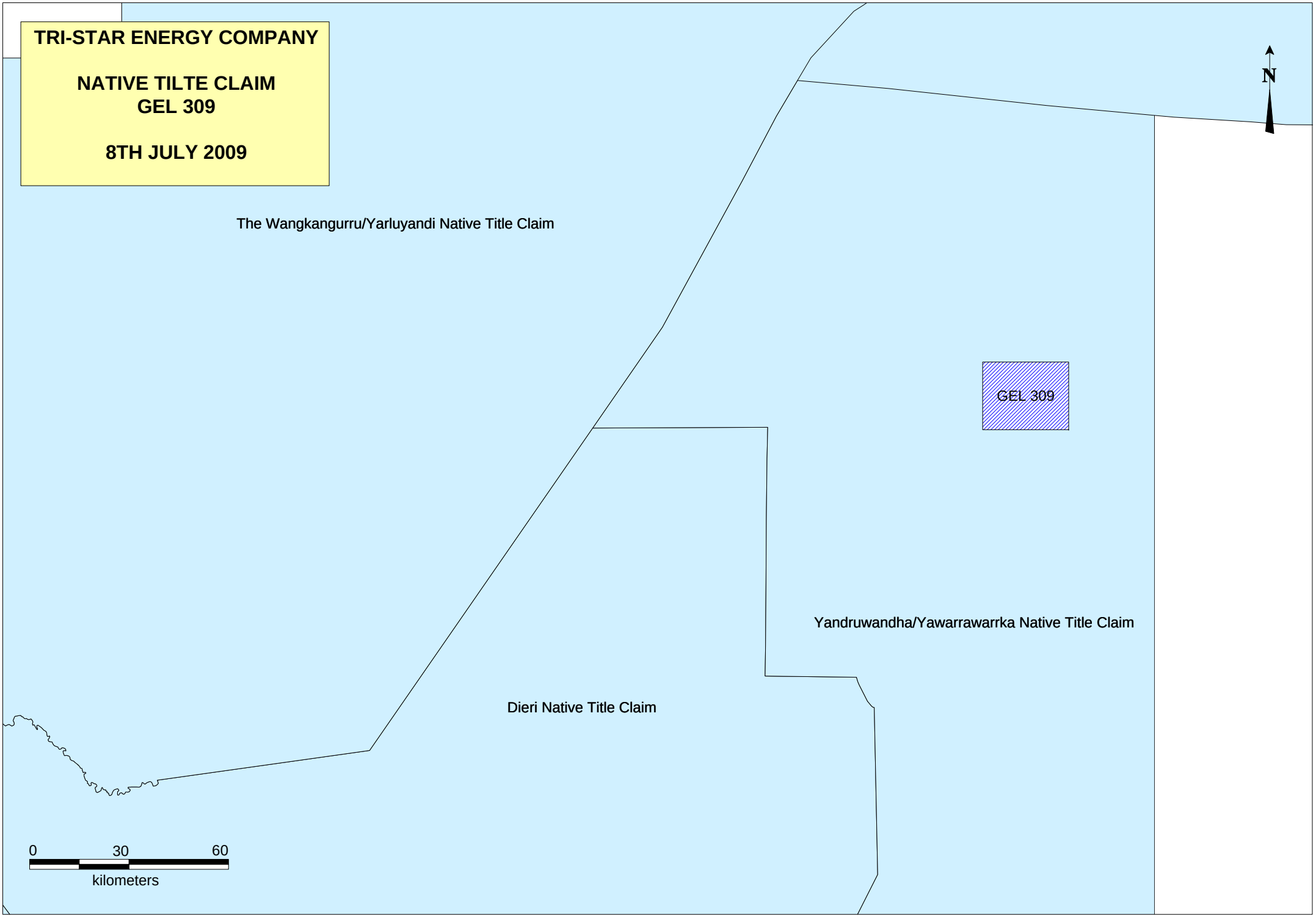

TRI-STAR ENERGY COMPANY
CADASTRAL MAP
GEL 309
8TH JULY 2009
N
PANDIE PANDIE
CORDILLO DOWNS
BECKWITH
DICKINNA
CLIFTON HILLS
GEL 309
GOYDER LAGOON
PT. CLIFTON HILLS
INNAMINKA
PT CLIFTON HILLS
IE
0
15
30
kilometers
KANOWANA

FIGURE 4

Annual Report GEL 309

Dated 10 July, 2009

NATIVE TITLE CLAIM MAP


TRI-STAR ENERGY COMPANY
NATIVE TILTE CLAIM
GEL 309
8TH JULY 2009
N
The Wangkangurru/Yarluyandi Native Title Claim
GEL 309
Yandruwandha/Yawarrawarrka Native Title Claim
Dieri Native Title Claim
0
30
60
kilometers

TRI-STAR ENERGY COMPANY

Annual Report

Year 2

14 May 2009 - 13 May 2010

GEL309 – Marabooka Project

12 July 2010

Tri-Star Energy Company
The Riverside Centre
Level 35, 123 Eagle Street
Brisbane, Q. 4000

GEL 309 – Marabooka Project
Annual Report Year 2
14 May 2009 – 13 May 2010

CONTENTS

1 INTRODUCTION 3

2 WORK REQUIREMENTS 4

3 WORK CONDUCTED 4

Field Work 5

4 PROPOSED OPERATIONS FOR YEAR THREE 5

5 COMPLIANCE ISSUES 6

6 EXPENDITURE STATEMENT 6

APPENDIX 1 EXPENDITURE STATEMENT 7

FIGURES

Fig. 1 Location Map

Fig. 2 Geological Region Map

Fig. 3 Native Title Claim Map

Fig. 4 Native Title Applications and Determinations Areas Map

Fig. 5 Petroleum Wells Map

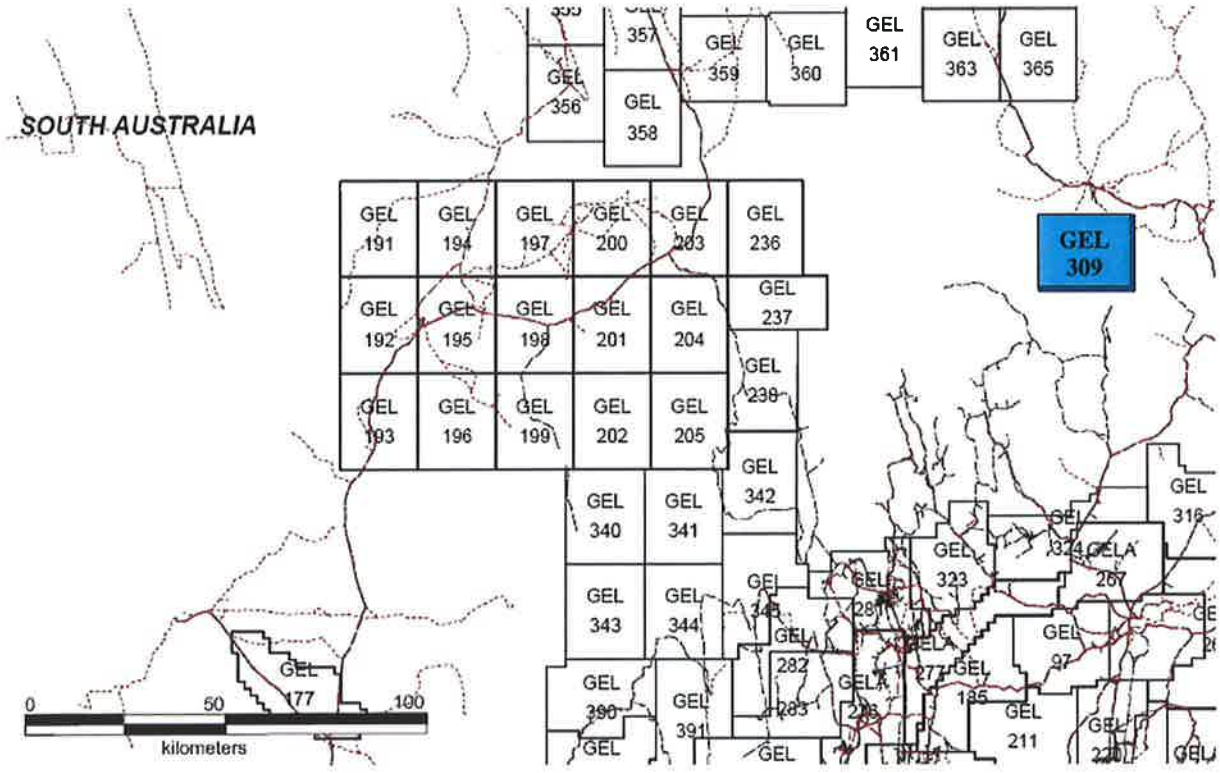
Introduction

Gel 309 was granted to Tri-Star Energy Company; ARBN 089 539 695, on 14 May, 2008, for a period of five years. The licence area is located in central South Australia, bounded by the following coordinates and has an approximate area of 482.5 km2:-

Latitude	Longitude
26 47	140 30
26 57 30	140 30
26 57 30	140 45
26 47	140 45

GEL 309 is located in Map 100 000: 7044 Cordillo III.

This report describes the work performed during year two of the licence (14 May 2009 to 13 May 2010), and planned activity during year three, in accordance with Regulation 33 of the *Petroleum Act* 2000.



1 Work Requirements

The work program related to GEL 309 as set out in accordance with the conditions of the licence, are as follows:-

Licence Year	Minimum Work Program
Year 1	• Geological and geophysical studies.
Year 2	• Geological and geophysical studies.
Year 3	• Geological and geophysical studies.
Year 4	• Geological and geophysical studies; and • Drill and complete one injection well to a depth of 2,550 metres.
Year 5	• Geological and geophysical studies; and • Conduct fracture stimulation tests.

2 Work Conducted

Office-Based Work

During the reporting period, Tri-Star Energy Company furthered their research around the design and functionality of geothermal power plants. The focus has been on a single well binary cycle power plant which utilises an organic Rankine cycle. Tri-Star has also continued to build upon the geological and geophysical database gathered in the previous reporting period.

GEL 309 is located in the north east of South Australia covered by the Great Artesian, Eromanga, Lake Eyre, Warburton and Cooper Basin. Please see attached Figure 1 Location Map and Figure 2 Geological Region Map. The South Australian Heat Flow Anomaly (SAHFA) occurs throughout the Curnamona Province down to the Delamerian Fold Belt, therefore flowing through GEL 309. GEL 309 is covered by Palaeozic and Tertiary sediments.

Tri-Star has previously identified all relevant parties in relation to the tenure, such as landowners and Native Title Claimants. Please refer to Figure 3 Native Title Claim Map and Figure 4 Native Title Applications and Determination Areas Map.

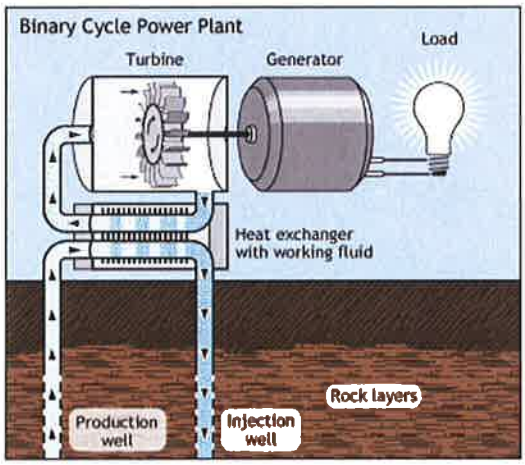
The geological characteristics of the Cooper Basin area are that of hot rock, and a lack of natural subterranean reservoirs of hot water. It is this characteristic which has directed Tri-Star to investigate the binary cycle power plant.

The crucial benefit of using an organic Rankine cycle is the low boiling point of the organic working fluid. The efficiency of the system is increased due to the lower temperature the geothermal water needs to reach before converting the working fluid to power generating steam. The organic working fluids may include Ammonia, HCFC123 (Dicholortrifluoroethane), n-Pentane, PF5050 (Perflurotri-N-Butylamine)

and i-Butane. In the upcoming reporting year the aforementioned fluids will be investigated to determine the most cost-effective design.

The binary system is a closed loop system. This ensures the working fluid and the geothermal water never come in contact with one another thus reducing the likelihood of environmental damage as there are virtually no emissions to atmosphere from the system.

The following depicts a typical dual well binary cycle power plant:



The difference between this system and the system Tri-Star have investigated (and will continue to investigate) is the need for a production well and an injection well. Tri-Star will endeavour to integrate the two wells in an effort to reduce costs and take advantage of the horizontal hydrothermal energy flows in the rock. This well integration will also reduce bacteria contamination to surrounding aquifers due to the lack of water being cycled through the rock layers.

Tri-Star must establish whether the tenure area has the capability of supporting the single well design. There is uncertainty surrounding the single well design, which will need to be more thoroughly investigated, as no known well of similar design is in operation at present. The third term investigation will be concentrated around this design and the capability in the GEL 309 tenure area.

Field Work

No drilling or other field work was conducted during this first year of work.

3 Proposed Operations for Year Three

During the third term, Tri-Star will focus on the complex design of the proposed single well organic binary cycle power output system. To gain complete understanding of the tenure's geological behaviour Tri-Star will compare heat values from wells in other parts of the Great Artesian Basin.

Tri-Star's future exploration programme will also involve further research of the sedimentary cover contained in and around GEL 309, continued review and testing of

available geological, geophysical and environmental data pertaining to the area, begin a feasibility study and conduct further mapping of available data.

4 Compliance Issues

Tri-Star Energy Company did not perform any activities that fall within the purview of Regulation 33. Given that no regulated activities were undertaken in the licence year, many of the regulations are inapplicable at this stage, and no instances of non-compliance have been noted. No reportable incident occurred and no threats have been identified during licence year one.

Tri-Star Energy Company recognises the importance of achieving regulatory compliance and is committed to achieving best practice in its management strategies, work practices, and procedures, in an environmentally and socially responsible manner. Tri-Star Energy Company is in the process of developing a management system that will ensure this commitment is met.

5 Expenditure Statement

Please refer to Appendix 1 for the expenditure statement for the current reporting period 14 May 2009 - 13 May 2010.

APPENDIX 1 Expenditure Statement

Drilling activities	N / A
Seismic activities	N / A
Technical evaluation and analysis	$31, 794.79
Other surveys	N / A
Facility construction and modification	N / A
Operating and administration expenses	$24,724.36
TOTAL	$56,519.15

FIGURE 1

Annual Report GEL 309

Dated 12 July, 2010

LOCATION MAP

TRI-STAR ENERGY COMPANY

GEL 309 Location Map
July 2010

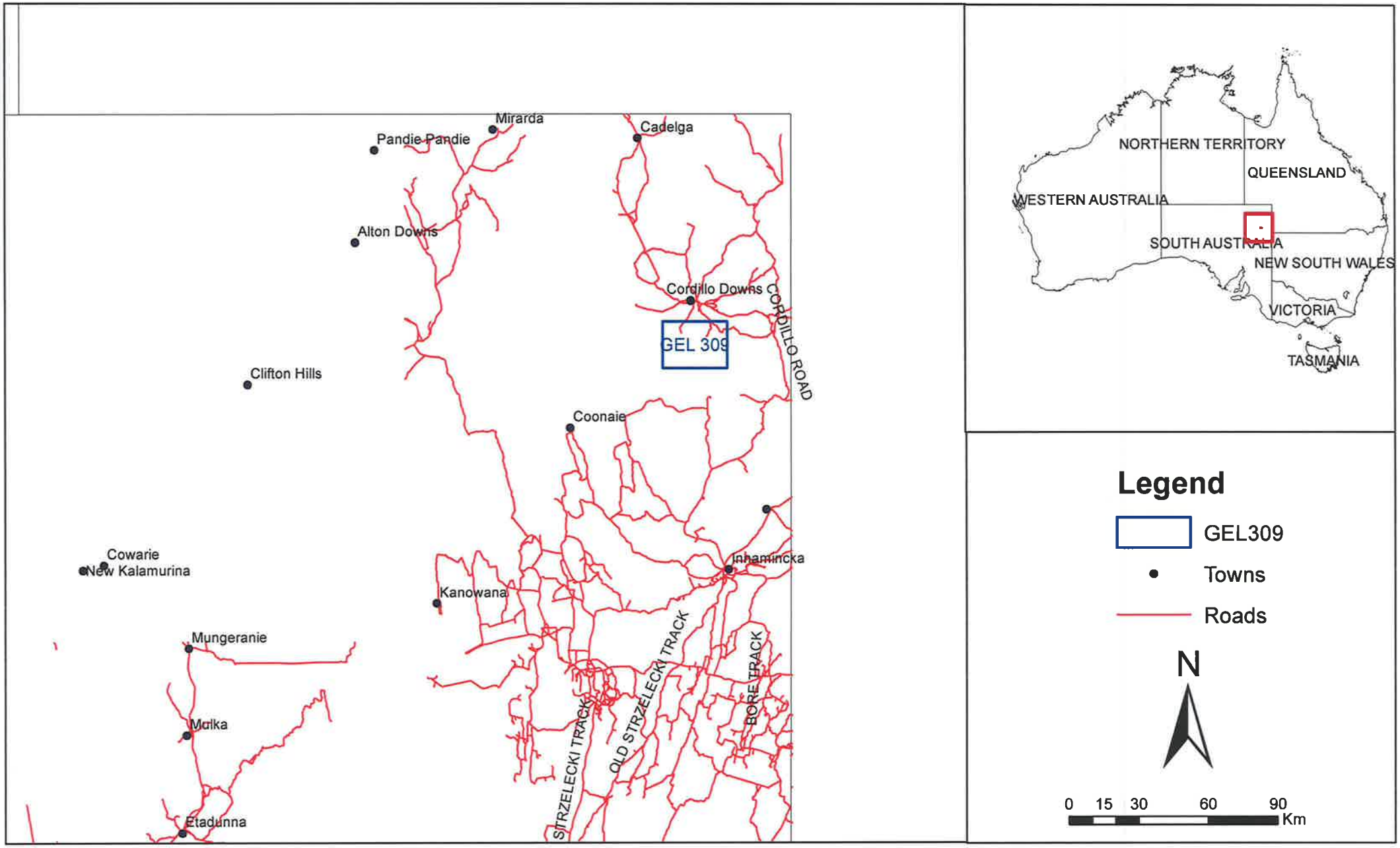


FIGURE 2

Annual Report GEL 309
Dated 12 July, 2010

GEOLOGICAL REGION MAP

TRI-STAR ENERGY COMPANY

GEL 309 Regional Geology Map
July 2010

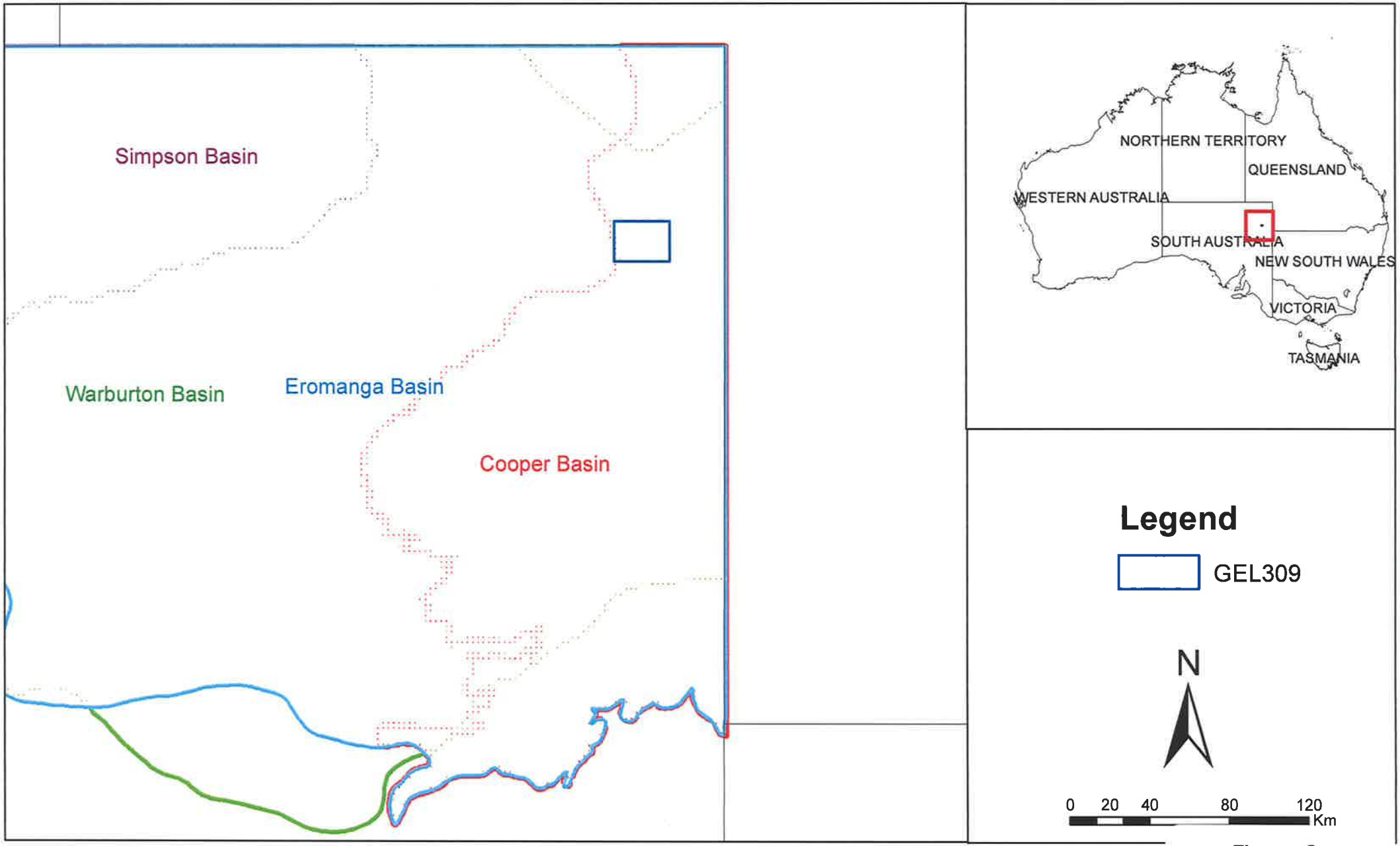


Figure 2

FIGURE 3

Annual Report GEL 309

Dated 12 July, 2010

NATIVE TITLE CLAIM MAP

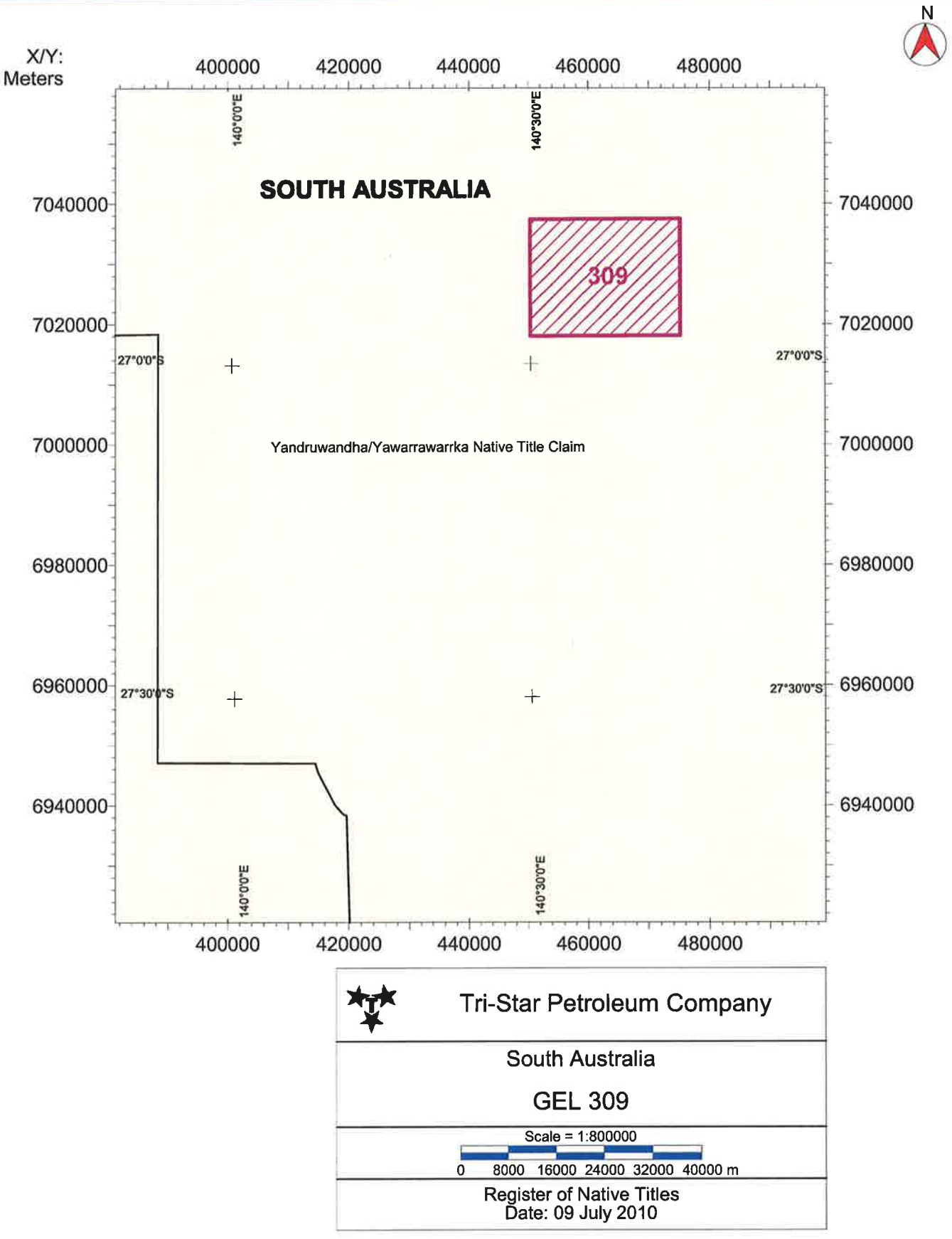

N
X/Y:
Meters
400000
420000
440000
460000
480000
140°0'0"E
140°30'0"E
SOUTH AUSTRALIA
309
7040000
7020000
7000000
6980000
6960000
6940000
27°0'0"S
27°30'0"S
Yandruwandha/Yawarrawarrka Native Title Claim
Tri-Star Petroleum Company
South Australia
GEL 309
Scale = 1:800000
0 8000 16000 24000 32000 40000 m
Register of Native Titles
Date: 09 July 2010

Figure 3

FIGURE 4

Annual Report GEL 309

Dated 12 July, 2010

NATIVE TITLE APPLICATIONS AND DETERMINATIONS AREA MAP

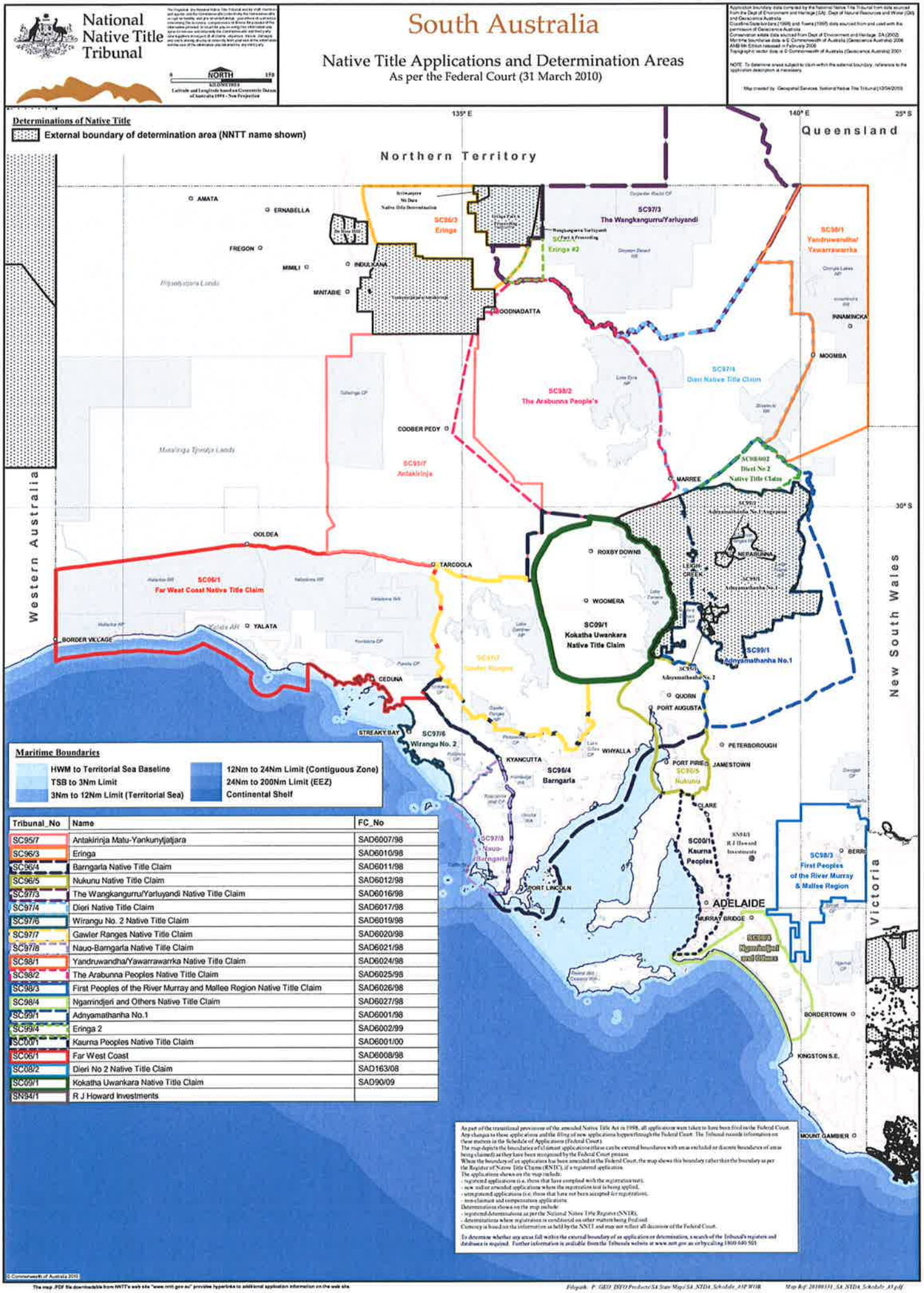

National Native Title Tribunal
South Australia
Native Title Applications and Determination Areas
As per the Federal Court (31 March 2010)
Determinations of Native Title
External boundary of determination area (NNTT name shown)
Northern Territory
Queensland
New South Wales
Victoria
Western Australia
135° E
140° E
25° S
30° S
AMATA
ERNABELLA
FREGON
MIMILI
INDULKANA
MINTABIE
OODNADATTA
COOBER PEDY
OOLDEA
TARCOOLA
YALATA
BORDER VILLAGE
CEDUNA
STREAKY BAY
WHYALLA
KYANCUTTA
PORT LINCOLN
PORT AUGUSTA
QUORN
PORT PIRIE
PETERBOROUGH
JAMESTOWN
CLARE
ROXBY DOWNS
WOOMERA
MARREE
LEIGH CREEK
NEPABUNNA
ADELAIDE
MURRAY BRIDGE
BORDERTOWN
KINGSTON S.E.
MOUNT GAMBIER
PINAMINCKA
MOOMBA
SC95/7 Antakirinja
SC96/1 Far West Coast Native Title Claim
SC96/3 Eringa
SC96/4 Barngarla Native Title Claim
SC96/5 Nukunu Native Title Claim
SC97/3 The Wangkangurru/Yarluyandi Native Title Claim
SC97/4 Dieri Native Title Claim
SC97/6 Wirangu No. 2 Native Title Claim
SC97/7 Gawler Ranges Native Title Claim
SC97/8 Nauo-Barngarla Native Title Claim
SC98/1 Yandruwandha/Yawarrawarrka Native Title Claim
SC98/2 The Arabunna Peoples Native Title Claim
SC98/3 First Peoples of the River Murray and Mallee Region Native Title Claim
SC98/4 Ngarrindjeri and Others Native Title Claim
SC99/1 Adnyamathanha No.1
SC99/4 Eringa 2
SC00/1 Kaurna Peoples Native Title Claim
SC06/1 Far West Coast
SC08/2 Dieri No 2 Native Title Claim
SC09/1 Kokatha Uwankara Native Title Claim
SN94/1 R J Howard Investments
Maritime Boundaries
HWM to Territorial Sea Baseline
TSB to 3Nm Limit
3Nm to 12Nm Limit (Territorial Sea)
12Nm to 24Nm Limit (Contiguous Zone)
24Nm to 200Nm Limit (EEZ)
Continental Shelf
Tribunal_No | Name | FC_No
SC95/7 | Antakirinja Matu-Yankunytjatjara | SAD6007/98
SC96/3 | Eringa | SAD6010/98
SC96/4 | Barngarla Native Title Claim | SAD6011/98
SC96/5 | Nukunu Native Title Claim | SAD6012/98
SC97/3 | The Wangkangurru/Yarluyandi Native Title Claim | SAD6016/98
SC97/4 | Dieri Native Title Claim | SAD6017/98
SC97/6 | Wirangu No. 2 Native Title Claim | SAD6019/98
SC97/7 | Gawler Ranges Native Title Claim | SAD6020/98
SC97/8 | Nauo-Barngarla Native Title Claim | SAD6021/98
SC98/1 | Yandruwandha/Yawarrawarrka Native Title Claim | SAD6024/98
SC98/2 | The Arabunna Peoples Native Title Claim | SAD6025/98
SC98/3 | First Peoples of the River Murray and Mallee Region Native Title Claim | SAD6026/98
SC98/4 | Ngarrindjeri and Others Native Title Claim | SAD6027/98
SC99/1 | Adnyamathanha No.1 | SAD6001/98
SC99/4 | Eringa 2 | SAD6002/99
SC00/1 | Kaurna Peoples Native Title Claim | SAD6001/00
SC06/1 | Far West Coast | SAD6008/98
SC08/2 | Dieri No 2 Native Title Claim | SAD163/08
SC09/1 | Kokatha Uwankara Native Title Claim | SAD90/09
SN94/1 | R J Howard Investments |

Figure 4

FIGURE 5

Annual Report GEL 309

Dated 12 July, 2010

PETROLEUM WELLS MAP

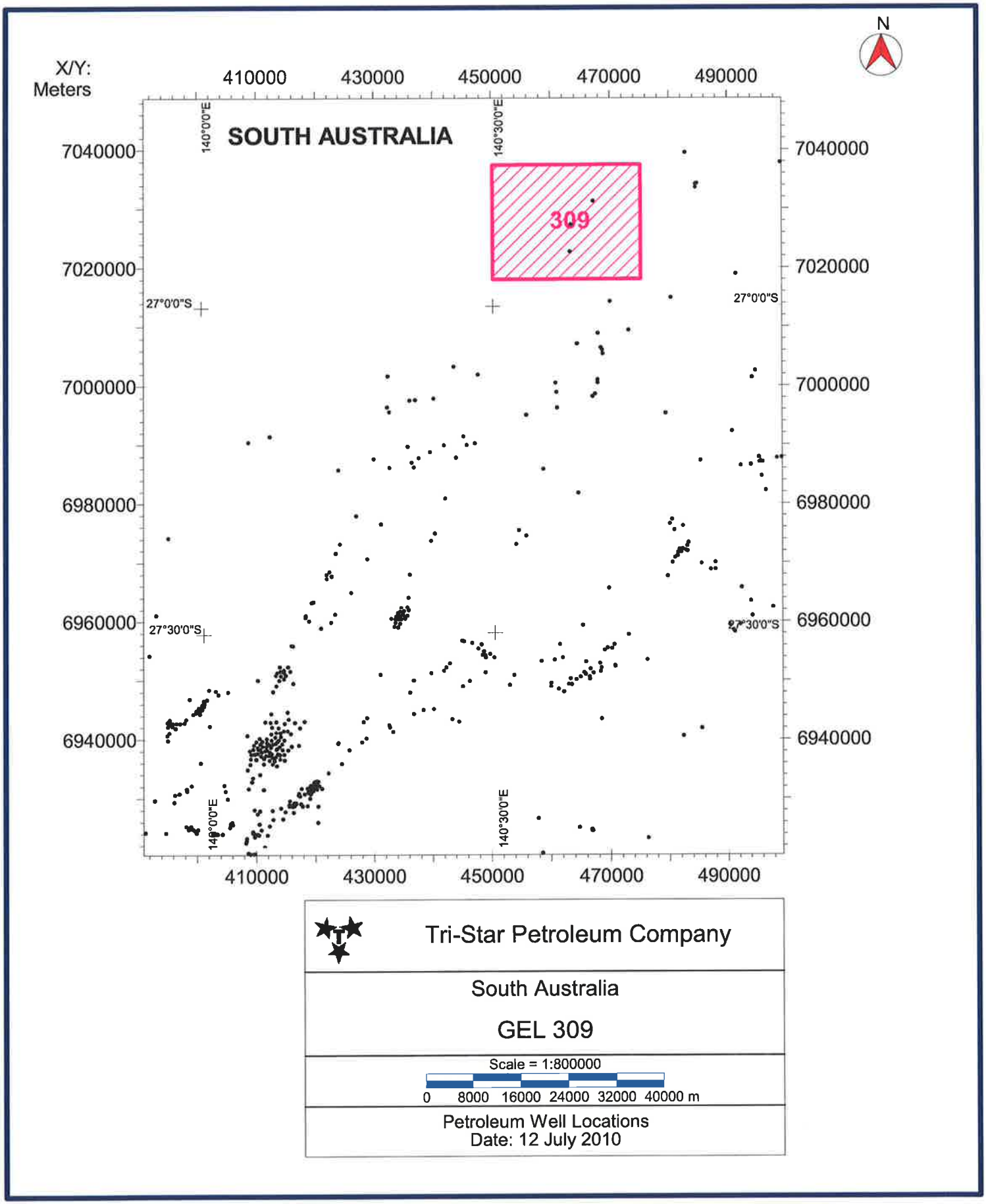

N
X/Y:
Meters
410000
430000
450000
470000
490000
SOUTH AUSTRALIA
140°0'0"E
140°30'0"E
309
7040000
7020000
7000000
6980000
6960000
6940000
27°0'0"S
27°30'0"S
Tri-Star Petroleum Company
South Australia
GEL 309
Scale = 1:800000
0 8000 16000 24000 32000 40000 m
Petroleum Well Locations
Date: 12 July 2010

Figure 5

TRI-STAR ENERGY COMPANY

Annual Report

Year 3

14 May 2010 - 13 May 2011

GEL309 – Marabooka Project

8 July 2011

Tri-Star Energy Company
Riverside Centre
Level 35, 123 Eagle Street
Brisbane, Q. 4000

GEL 309 – Marabooka Project
Annual Report Year 3
14 May 2010 – 13 May 2011

CONTENTS

1 INTRODUCTION 3

2 WORK REQUIREMENTS 3

3 WORK CONDUCTED 3

Field Work 4

4 PROPOSED OPERATIONS FOR YEAR FOUR 5

5 COMPLIANCE ISSUES 5

6 EXPENDITURE STATEMENT 5

APPENDIX 1 EXPENDITURE STATEMENT 6

FIGURES

Fig. 1 Location Map

Fig. 2 Geological Region Map

Fig. 3 Topographical Map

Fig. 4 Native Title Claim Map

Fig. 5 Cadastral Map

Introduction

Gel 309 was granted to Tri-Star Energy Company; ARBN 089 539 695, on 14 May, 2008, for a period of five years. The licence area is located in central South Australia, bounded by the following coordinates and has an approximate area of 482.5 km2:-

Latitude	Longitude
26 47	140 30
26 57 30	140 30
26 57 30	140 45
26 47	140 45

GEL 309 is located on Map 100 000: 7044 Cordillo III.

This report describes the work performed during year three of the licence (14 May 2009 to 13 May 2010), and planned activity during year three, in accordance with Regulation 33 of the *Petroleum and Geothermal Energy Regulations* 2000.

1 Work Requirements

The work program related to GEL 309 as set out in accordance with the conditions of the licence, are as follows:-

Licence Year	Minimum Work Program
Year 1	• Geological and geophysical studies.
Year 2	• Geological and geophysical studies.
Year 3	• Geological and geophysical studies.
Year 4	• Geological and geophysical studies; and • Drill and complete one injection well to a depth of 2,550 metres.
Year 5	• Geological and geophysical studies; and • Conduct fracture stimulation tests.

2 Work Conducted

Office-Based Work

During the reporting period, Tri-Star Energy Company furthered its research around the design and functionality of geothermal power plants. Tri-Star has also continued to build upon the geological and geophysical database gathered in the previous reporting period.

GEL 309 is located in the north east of South Australia covered by the Great Artesian, Eromanga, Lake Eyre, Warburton and Cooper Basin, as shown in **Figure 1 Location Map** and **Figure 2 Geological Region Map**. The South Australian Heat Flow Anomaly (SAHFA) occurs throughout the Curnamona Province down to the Delamerian Fold Belt, therefore flowing through GEL 309. GEL 309 is covered by Palaeozic and Tertiary sediments. A number of creeks flow through GEL 309 including Needle Creek, Marabooka Creek and Mudcarnie Creek, as shown in **Figure 3 Topographical Map**. The tenure is also covered by numerous small dry lakes between sand ridges.

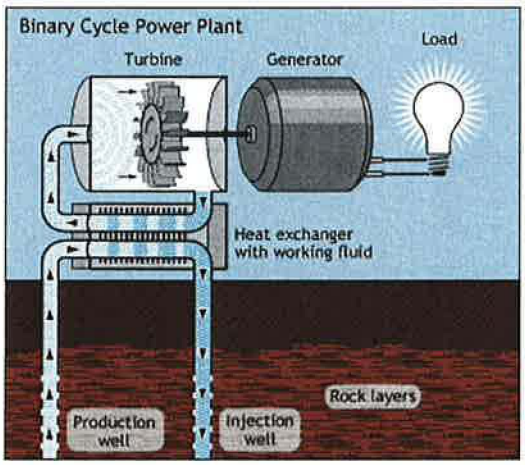
Tri-Star has previously identified all relevant parties in relation to the tenure, such as landowners and Native Title Claimants, as shown in **Figure 4 Native Title Map and Figure 5 Cadastral Map**.

The geological characteristics of the Cooper Basin area are that of hot rock, and a lack of natural subterranean reservoirs of hot water. It is this characteristic which has directed Tri-Star to investigate the binary cycle power plant.

The crucial benefit of using an organic Rankine cycle is the low boiling point of the organic working fluid. The efficiency of the system is increased due to the lower temperature the geothermal water needs to reach before converting the working fluid to power generating steam. The organic working fluids may include Ammonia, HCFC123 (Dicholortrifluoroethane), n-Pentane, PF5050 (Perflurotri-N-Butylamine) and i-Butane. In the upcoming reporting year the aforementioned fluids will be investigated to determine the most cost-effective design.

The binary system is a closed loop system. This ensures the working fluid and the geothermal water never come in contact with one another thus reducing the likelihood of environmental damage as there are virtually no emissions to atmosphere from the system.

The following depicts a typical dual well binary cycle power plant:



Field Work

No drilling or other field work was conducted during this third year of the tenure.

3 Proposed Operations for Year Four

During the fourth term, Tri-Star will focus on the development of a drilling program for an injection well on this tenure. Once a program is developed, Tri-Star will commence project planning and source tenders from contractors for the program. Tri-Star will also prepare and lodge the required activity notification, notify relevant landowners and prepare a Statement of Environmental Objectives for the drilling activities.

Tri-Star will commence field operations during the next term, drilling one injection well, to a depth of up to 2,500 metres. Tri-Star will also continue its geological and geophysical studies during the next year.

Tri-Star's future exploration program will also involve further research of the sedimentary cover contained in and around GEL 309, continued review and testing of available geological, geophysical and environmental data pertaining to the area, begin a feasibility study and conduct further mapping of available data.

4 Compliance Issues

Tri-Star Energy Company did not perform any activities that fall within the purview of Regulation 33. Given that no regulated activities were undertaken in the licence year, many of the regulations are inapplicable at this stage, and no instances of non-compliance have been noted. No reportable incident occurred and no threats have been identified during licence year three.

Tri-Star Energy Company recognises the importance of achieving regulatory compliance and is committed to achieving best practice in its management strategies, work practices, and procedures, in an environmentally and socially responsible manner.

5 Expenditure Statement

Please refer to **Appendix 1** for the expenditure statement for the current reporting period 14 May 2010 - 13 May 2011.

APPENDIX 1 Expenditure Statement

Drilling activities	N / A
Seismic activities	N / A
Technical evaluation and analysis	$ 947.20
Other surveys	N / A
Facility construction and modification	N / A
Operating and administration expenses	$ 128,085.14
TOTAL	$ 129,032.03

FIGURE 1

Annual Report GEL 309
YEAR 3

LOCATION MAP

GEL 309 Location Map

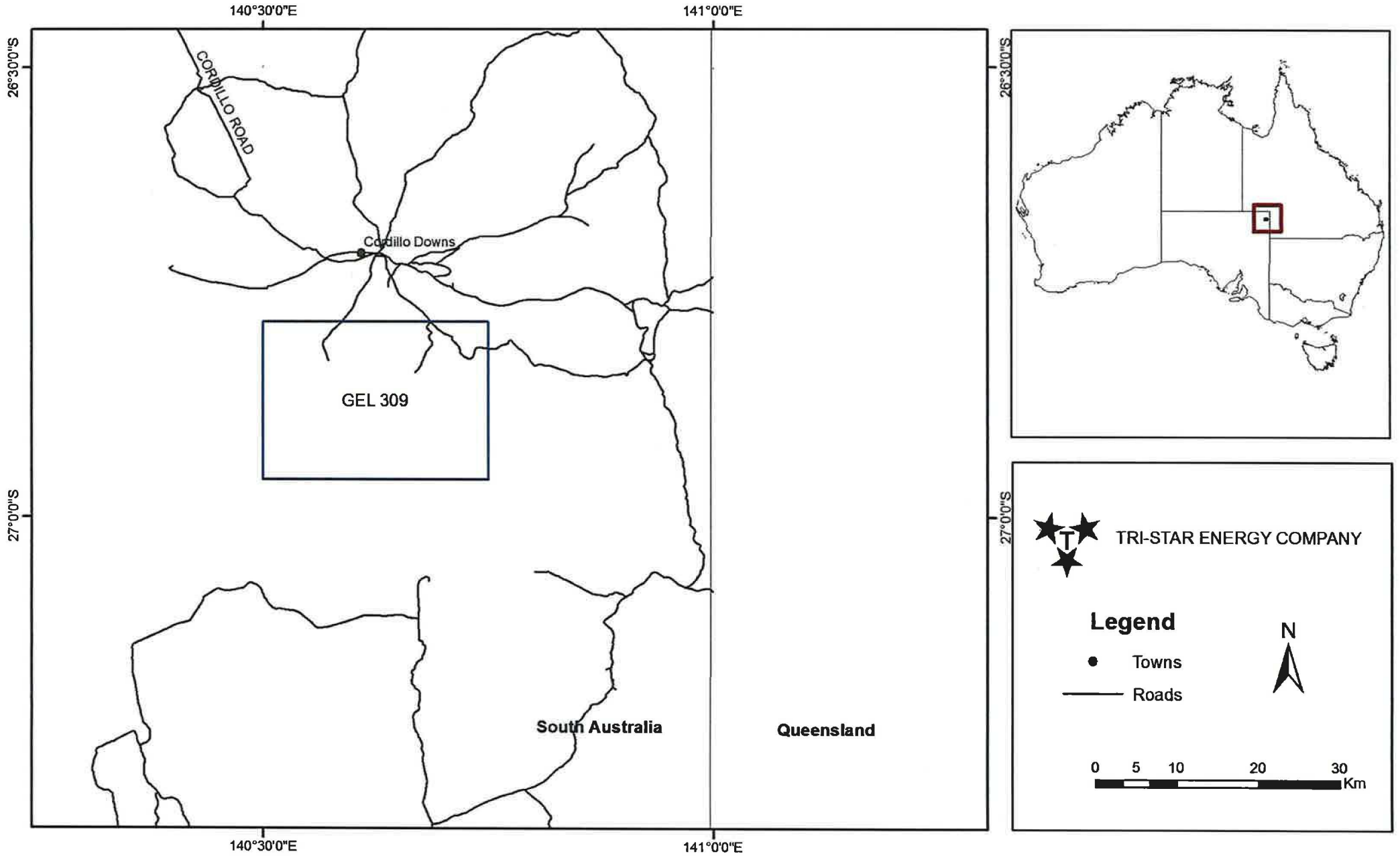


FIGURE 2

Annual Report GEL 309

YEAR 3

GEOLOGICAL REGION MAP

GEL 309 Geologcial Region Map

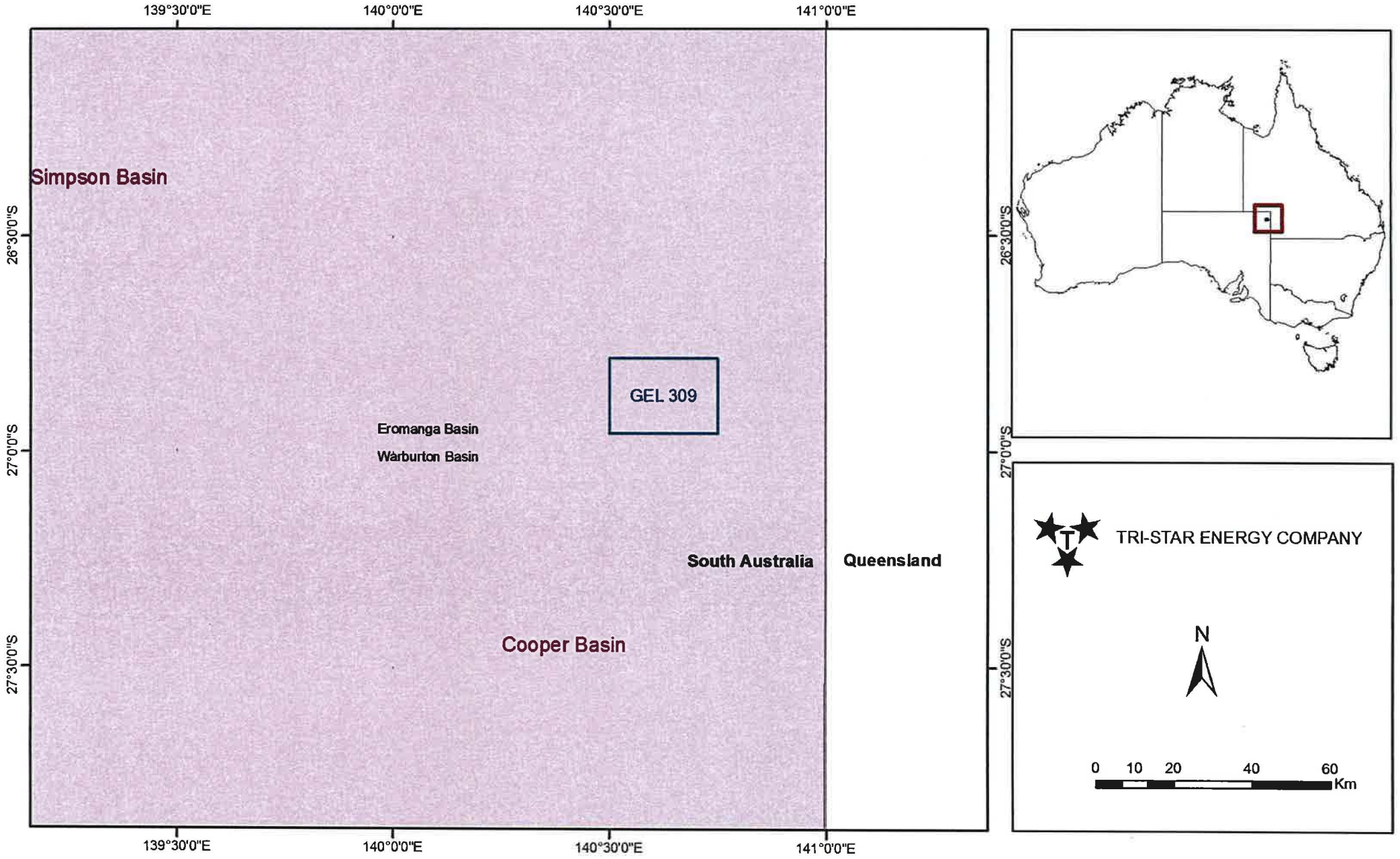


FIGURE 3

Annual Report GEL 309
YEAR 3

TOPOGRAPHICAL MAP

GEL 309 Topographical Map

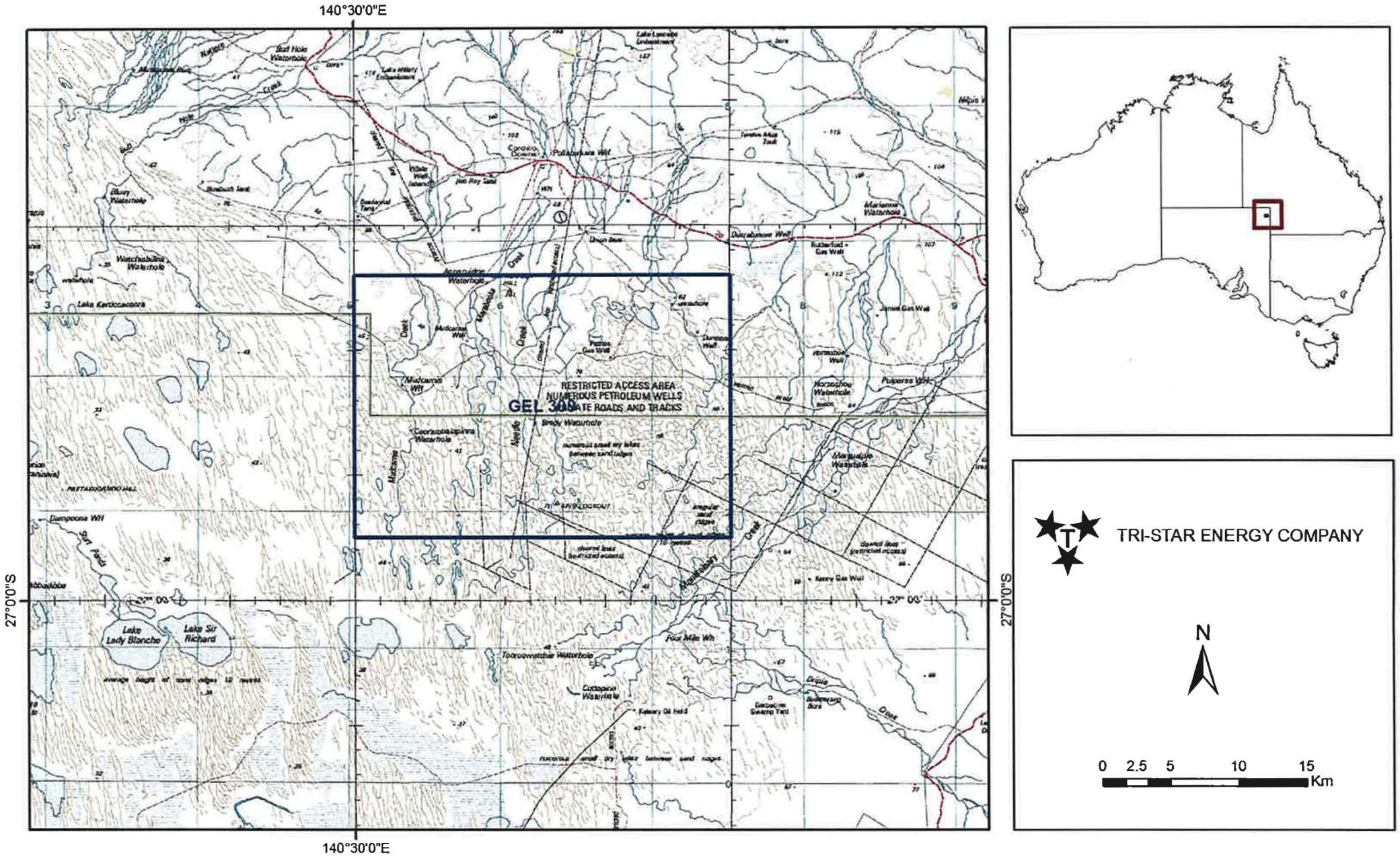


FIGURE 4

Annual Report GEL 309
YEAR 3

NATIVE TITLE MAP

GEL 309 Native Title Map

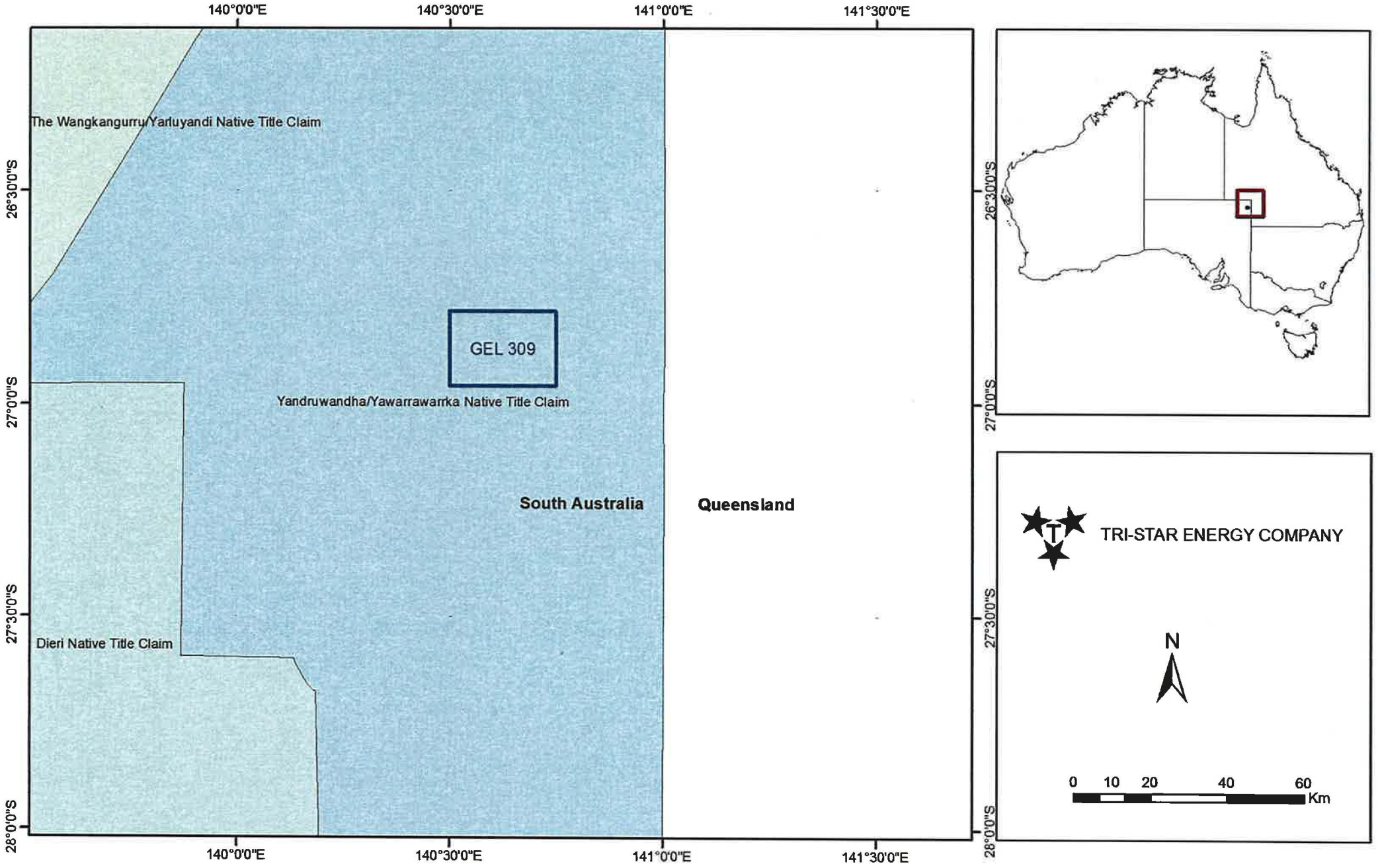
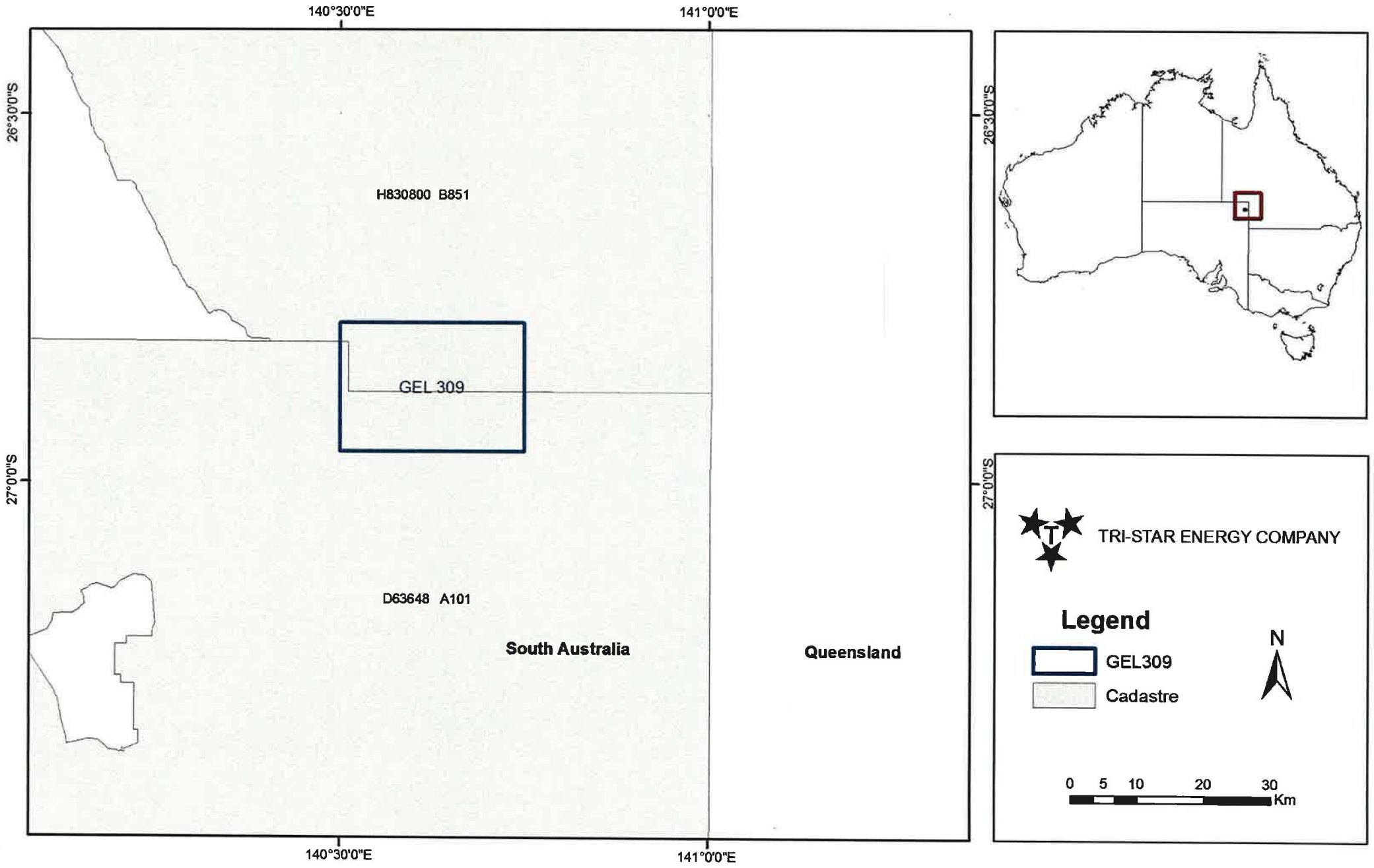


FIGURE 5

Annual Report GEL 309
YEAR 3

CADASTRAL MAP

GEL 309 Cadastral Map



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 309
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 7

4 COMPLIANCE ISSUES 7

5 EXPENDITURE STATEMENT 8

FIGURE 1 9

FIGURE 2 10

FIGURE 3 11

FIGURE 4 12

FIGURE 5 13

APPENDIX 1 EXPENDITURE STATEMENT 14

1 Introduction

Geothermal Exploration Licence ("GEL") 309 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 309 is granted is located in the north east of South Australia and is covered by the Great Artesian, Eromanga, Lake Eyre, Warburton and Cooper Basin and is bounded by the following coordinates:

Latitude	Longitude
26 47	140 30
26 57 30	140 30
26 57 30	140 45
26 47	140 45

GEL 309 covers an area of approximately 482.5 square kilometres ("Licence Area").

The Licence Area is located in Map 1:100000:6239 Cordillo III. Figure 1 shows the Licence Area.

The geological characteristics of the Cooper Basin area are that of hot rock and a lack of natural subterranean reservoirs of hot water. It is this characteristic which directed Tri-Star to investigate the binary cycle power plant. Figure 2 indicates the geological region of the tenure and Figure 3 shows the topographic details. The South Australian Heat Flow Anomaly (SAHFA) occurs throughout Curnamona Province down to the Delamerian Fold Belt, therefore flowing through GEL 309. The Licence Area is covered by Palaeozic and Tertiary sediments.

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 309 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 309 on 5 June 2012.

2 Permit Summary

For the duration of the licence, Tri-Star was the sole licensee of GEL 309.

The work commitments that were associated with GEL 309 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*	• *Geological, geophysical and feasibility studies.*
Year 2	*14 May 2009 – 13 May 2010*	• *Geological, geophysical and feasibility studies.*
Year 3	*14 May 2010 – 13 May 2011*	• *Geological, geophysical and feasibility studies.*
Year 4	*14 May 2011 – 13 May 2012*	• *Geological, geophysical and feasibility studies.*
Year 5	*14 May 2012 – 5 June 2012*	• *Geological, geophysical and feasibility studies.*

Licence Year 5 concluded on 5 June 2012 pursuant to the surrender of GEL 309 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 up until the end of the current licence 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	• *Geological, geophysical and feasibility studies.*	***Office-Based Work*** • *Collection and analysis of available geological and geophysical data.* • *Commenced mapping available data into mapping software.* • *Studies concluded GEL 309 contains granites buried by sedimentary cover leading Tri-Star to believe that tenure could be of great potential for Hot Dry Rock geothermal exploration and production.* ***Field- Work*** • *No drilling or other field work conducted.* *Please see Year 1 Annual Report for further information.*
Year 2	• *Geological, geophysical and feasibility studies.*	***Office-Based Work*** • *Continued collection and analysis of available geological and geophysical data.* • *Research into design and functionality of geothermal power plants.* • *Commenced investigation of whether Licence Area had capability to support a single well design.* ***Field- Work*** • *No drilling or other field work conducted.* *Please see Year 2 Annual Report for further information.*
Year 3	• *Geological, geophysical and feasibility studies.*	***Office-Based Work*** • *Further research into design and functionality of geothermal power plants.* • *Focus on a single well binary cycle power plant utilising an organic Rankine cycle.* ***Field- Work*** • *No drilling or other field work conducted.* *Please see Year 3 Annual Report for further information.*

Year 4	• *Geological, geophysical and feasibility studies.*	***Office-Based Work*** • *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.* ***Field- Work*** • *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.* *Please see Year 4 Annual Report for further information.*
Year 5	• *Geological, geophysical and feasibility studies.*	***Office-Based Work*** • *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 309 and wrote to the Minister requesting the surrender of GEL 309 on 23 May 2012.* • *The delegate of the Minister granted the surrender of GEL 309 on 5 June 2012.* ***Field- Work*** • *No drilling or other field work conducted.*

3 Regulated Activities

No regulated activities were undertaken in the licence 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 Licence Year, 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 309.

As this is the Final Annual Report following the surrender of GEL 309, there is no Future Works Program.

5 Expenditure Statement

Please refer to Appendix 1 for the final Expenditure Statement for the partial Year 5 reporting period (Commercial in Confidence).

FIGURE 1

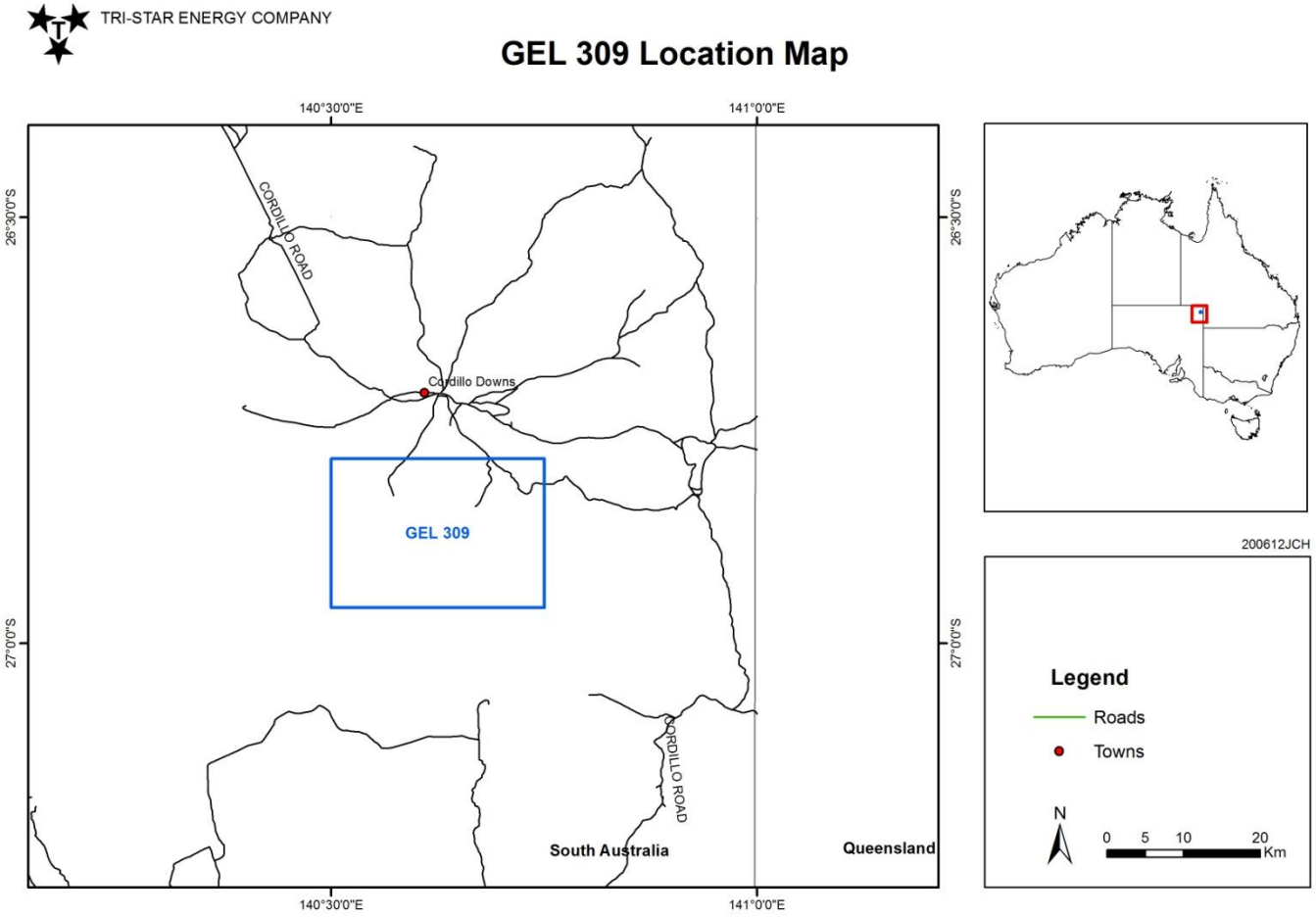

TRI-STAR ENERGY COMPANY
GEL 309 Location Map
140°30'0"E
141°0'0"E
26°30'0"S
27°0'0"S
CORDILLO ROAD
Cordillo Downs
GEL 309
South Australia
Queensland
200612JCH
Legend
Roads
Towns
N
0 5 10 20
Km

FIGURE 2

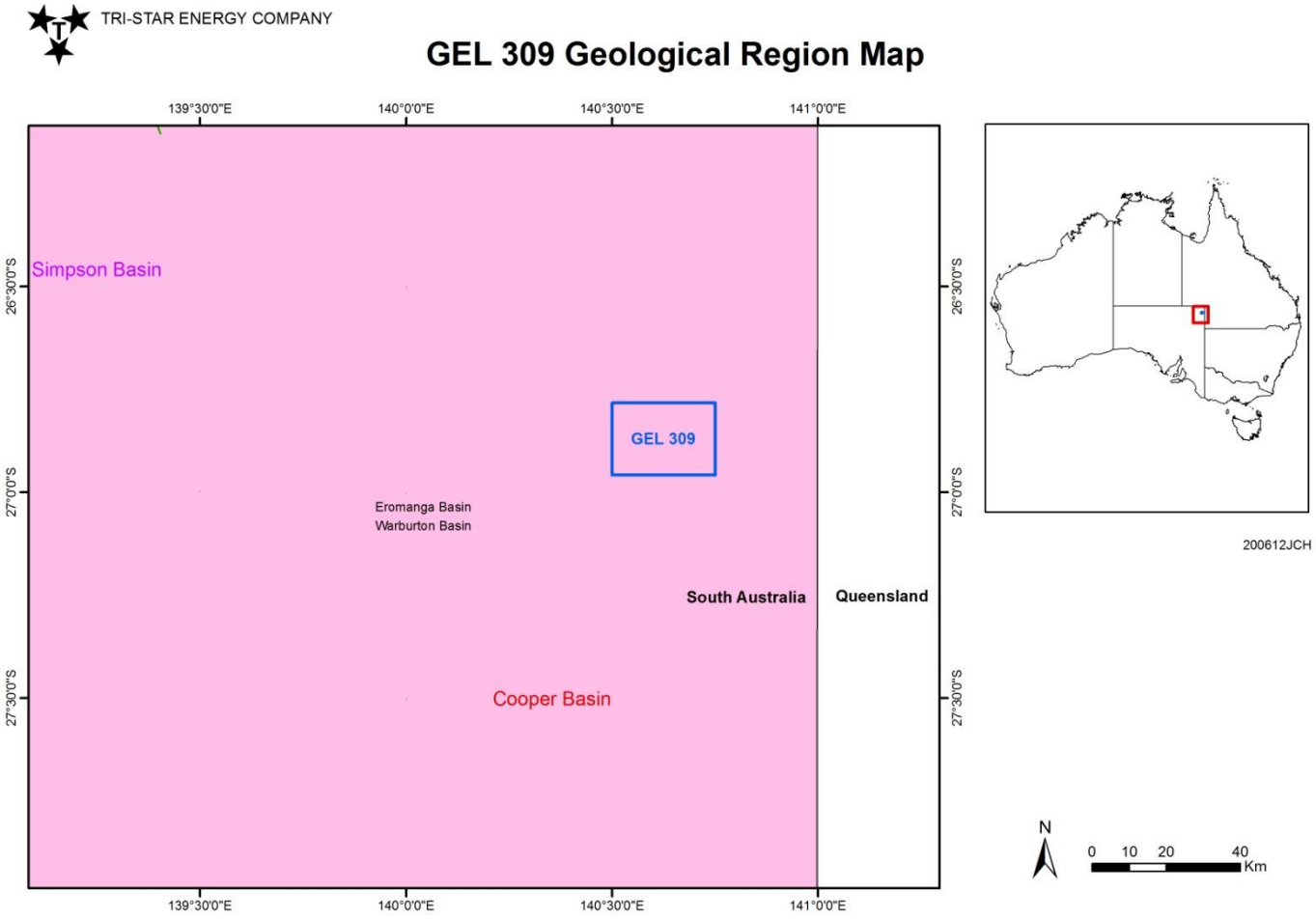

TRI-STAR ENERGY COMPANY
GEL 309 Geological Region Map
139°30'0"E
140°0'0"E
140°30'0"E
141°0'0"E
26°30'0"S
27°0'0"S
27°30'0"S
Simpson Basin
GEL 309
Eromanga Basin
Warburton Basin
South Australia
Queensland
Cooper Basin
200612JCH
N
0 10 20 40
Km

FIGURE 3

TRI-STAR ENERGY COMPANY

GEL 309 Topographic Map

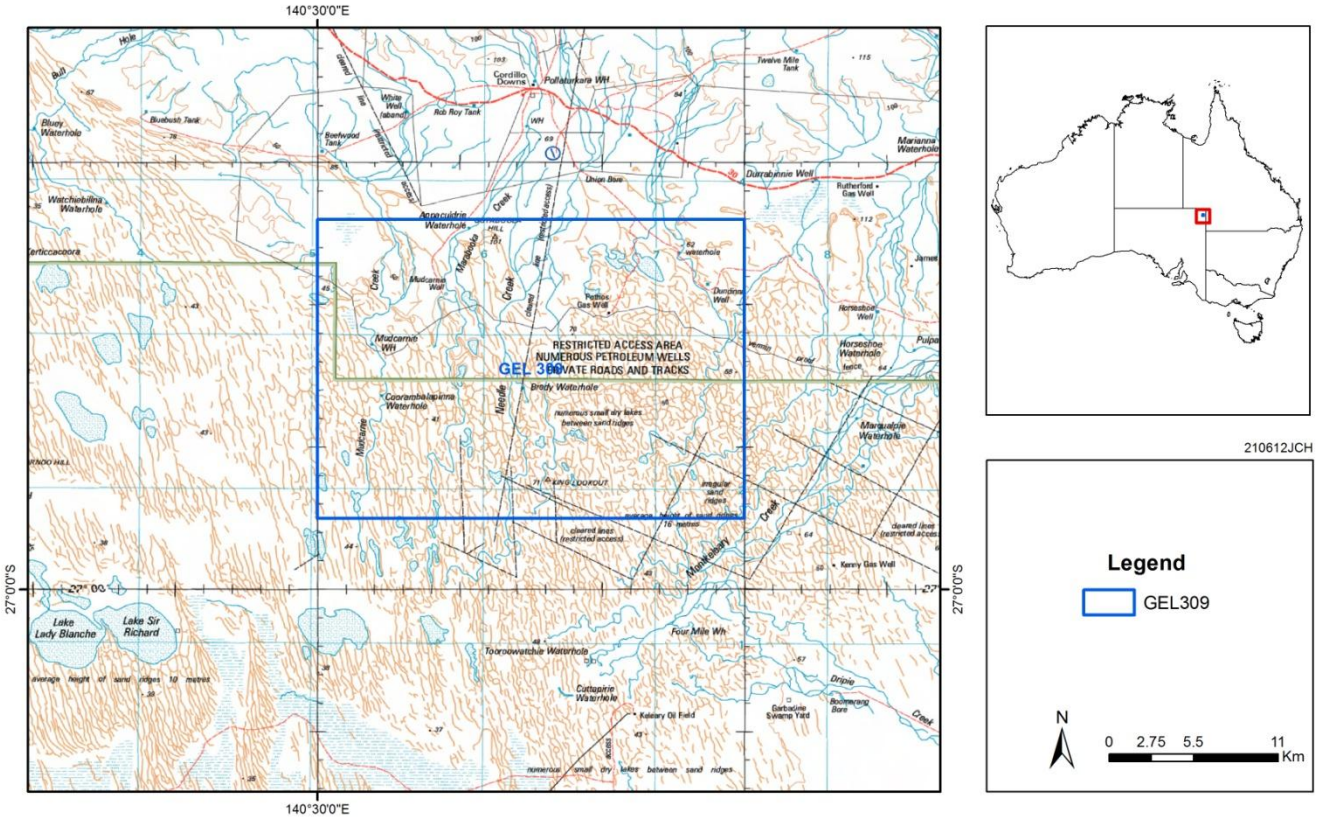


FIGURE 4

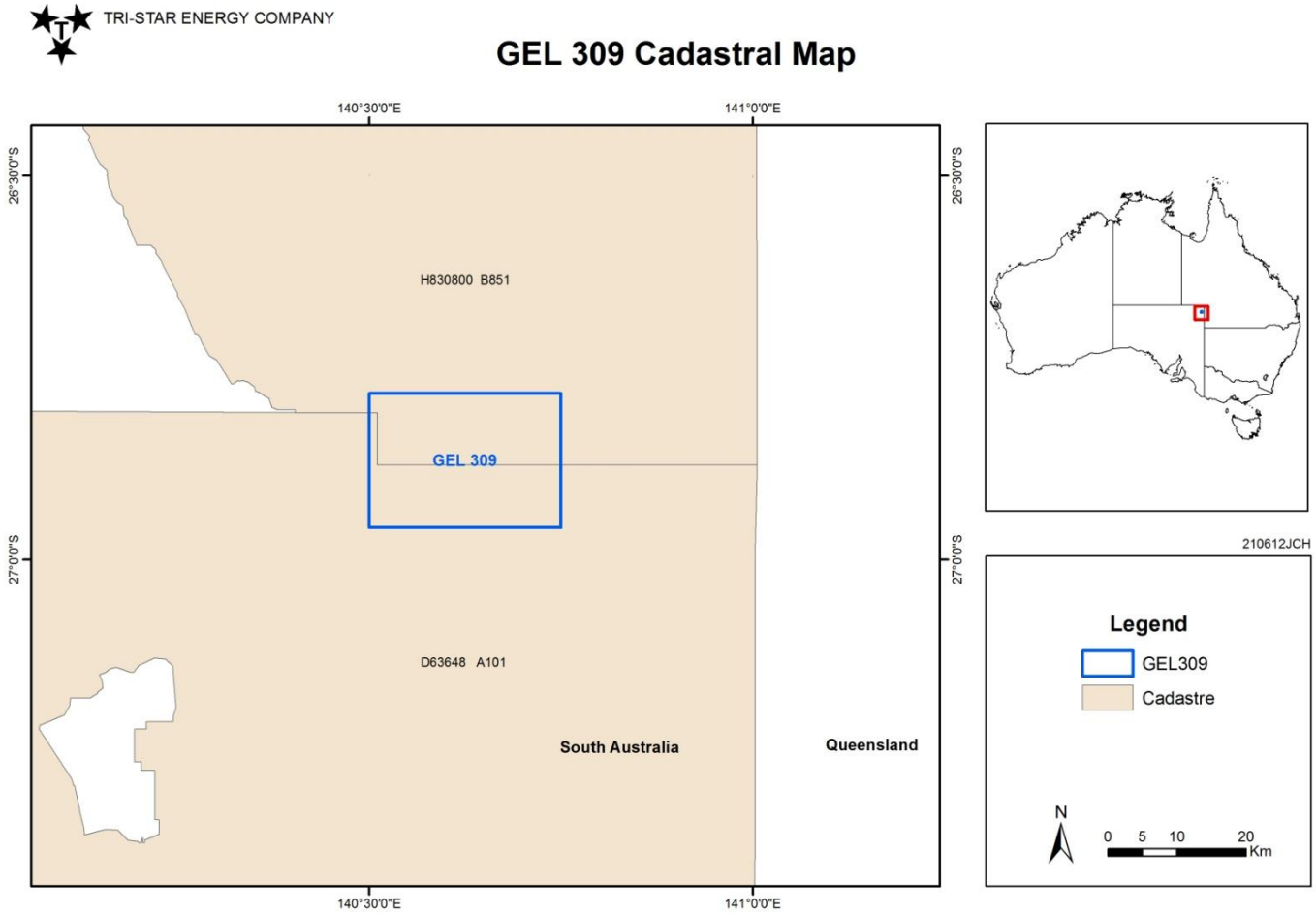
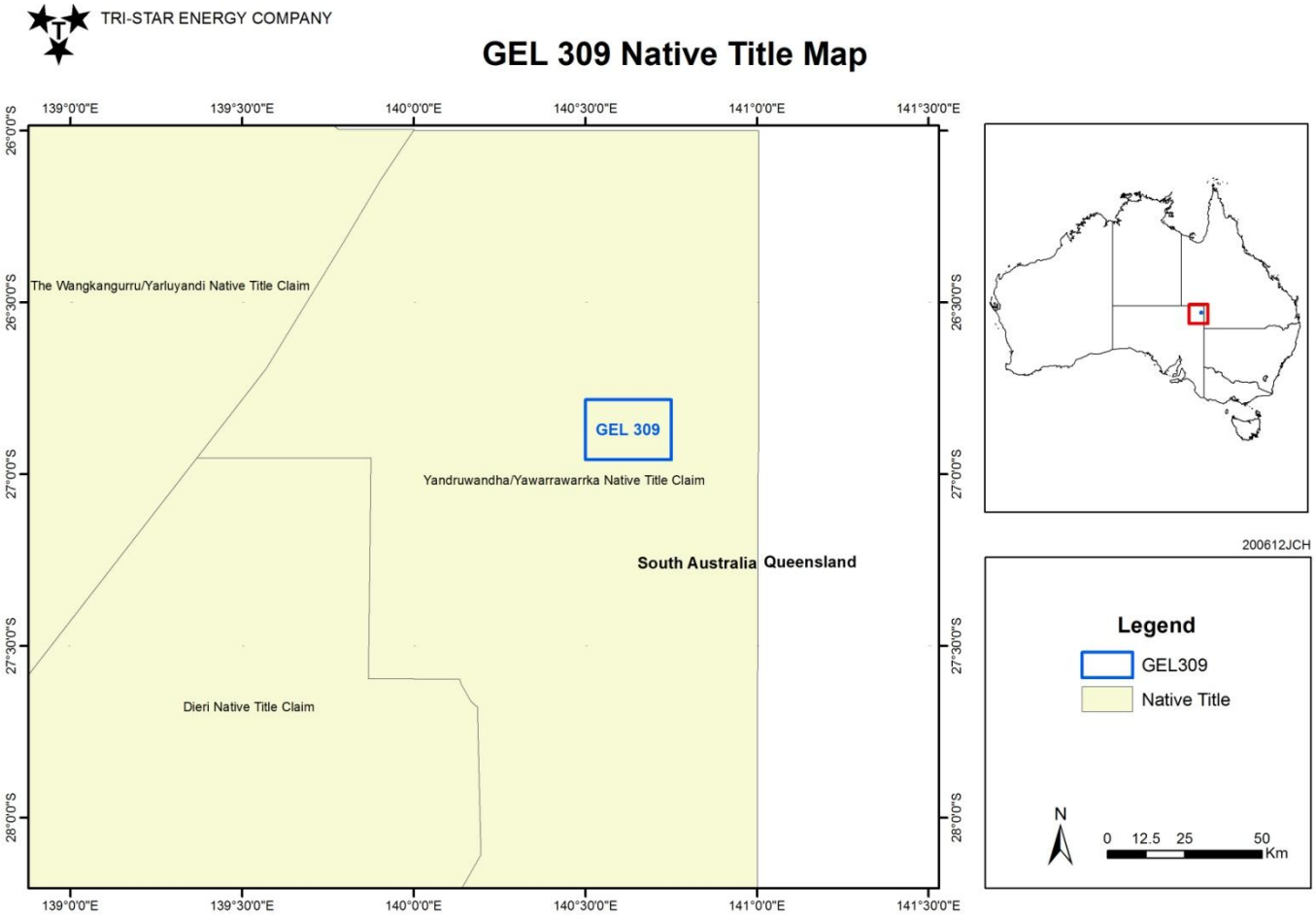

TRI-STAR ENERGY COMPANY
GEL 309 Cadastral Map
140°30'0"E
141°0'0"E
26°30'0"S
27°0'0"S
H830800 B851
GEL 309
D63648 A101
South Australia
Queensland
210612JCH
Legend
GEL309
Cadastre
N
0 5 10 20
Km

FIGURE 5


TRI-STAR ENERGY COMPANY
GEL 309 Native Title Map
139°0'0"E
139°30'0"E
140°0'0"E
140°30'0"E
141°0'0"E
141°30'0"E
26°0'0"S
26°30'0"S
27°0'0"S
27°30'0"S
28°0'0"S
The Wangkangurru/Yarluyandi Native Title Claim
GEL 309
Yandruwandha/Yawarrawarrka Native Title Claim
South Australia
Queensland
Dieri Native Title Claim
200612JCH
Legend
GEL309
Native Title
N
0 12.5 25 50
Km

APPENDIX 1 Expenditure Statement

Drilling activities	N/A
Seismic activities	N/A
Technical evaluation and analysis	$ *8,392.60*
Other surveys	N/A
Facility construction and modification	N/A
Operating and administration expenses	$ *1,169.27*
TOTAL	$ *9,561.88*