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Cool Energy and Great Artesian planning for construction of “green” CryoCell® gas processing plant

Australian company Cool Energy Limited (“Cool Energy”) has moved a step closer to commercialisation of its world-class gas processing capture and storage technology following the signing of a Heads of Agreement with Great Artesian Oil And Gas Limited (Great Artesian) to conduct a feasibility study on the construction of a CryoCell® gas processing plant for its Cooper Basin gas fields in South Australia.

The proposed plant will be capable of treating 20 million standard cubic feet of gas per day (MMscfd) and produce sales gas, LPG and condensate, as well as capture and store carbon dioxide (geo-sequestration).

The plant will be one of the first to use the new gas processing capture and storage technology developed by Cool Energy and proven in their tests and field trials over the past two years at ARC Energy’s Xyris Gas Field in the Perth Basin in WA.

Great Artesian is the operator of the PEL 106 permit area of the Cooper Basin, South Australia, where there have been eight ‘wet’ gas discoveries.

Cool Energy Managing Director Jessie Inman believes the signing of this agreement between the two companies to study the feasibility of constructing a CryoCell® gas processing plant is the first step in the commercialisation of this pioneering technology, following field trials that are nearing completion.

“Field trials of this technology are currently taking place at ARC Energy’s Xyris Site in the Perth Basin and are due to be completed in this month,” Ms Inman said.

“We are confident that the results of this trial, together with the outcome of the feasibility study, will lead to the construction of the first commercial CryoCell® gas processing plant.

More.../2

“We believe this technology provides a strategic advantage for Australia to reduce CO₂ emissions quickly. The CO₂ comes off our process as a liquid and can be immediately pumped for geo-sequestration. This first project will have CO₂ sequestered within 2 years that would have otherwise been vented to atmosphere”.

“This technology not only has the potential to unlock previously uneconomic gas reserves, but ultimately will give natural gas very strong ‘green’ credentials in a decarbonised energy future.”

The potential project development would involve production wells, a gathering system to feed gas and condensate into a central facility, processing the gas by dehydration, capture and sequestering of CO₂, followed by separation of condensate and LPG, before sales gas compression and transmission via the main gas pipelines to Adelaide and Sydney.

Following the completion of the large Spinel 3D and other recent seismic surveys and the re-processing the Paranta 3D seismic survey, a multi-well exploration program will commence in PEL 106 in September/October. Great Artesian could participate in up to eight exploration wells drilled in the next nine months.

Great Artesian Managing Director Andy Carroll believes the implementation of this technology has the potential to unlock a number of commercial and environmental opportunities for the company.

“We are excited that this could offer the potential to commercialise our existing gas discoveries and to create value from existing and future carbon credits in a carbon-aware market,” Andy Carroll said.

“For Great Artesian and our partners in the gas fields, the incentive is to commercialise our existing gas discoveries and establish infrastructure appropriate for future discoveries.

“We will continue to discuss synergies and other options with other oil and gas companies in the area”.

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Editors Notes: About Cool Energy

Cool Energy is a public unlisted company currently trialling a revolutionary new type of natural gas processing capture and storage technology with the aim of commercialising high CO₂ gas fields globally.

The company is headquartered in Perth, Western Australia.

Cool Energy's technology was initially developed by Curtin University of Western Australia. The company's gas conditioning package is based on a new cryogenic gas sweetening technology. This technology embraces a fundamentally new concept in gas processing which extracts the CO₂ contaminant from the gas in a form suitable for geo-sequestration or other industrial applications.

In gas feedstocks with higher concentrations of CO₂, the elimination of dedicated solvent processes and their supporting utilities is expected to permit Cool Energy's technology to function with substantially lower capital and operating costs.

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