

New rig could unlock Australia's geothermal energy

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Kalgoorlie businessman Warren Strange drilled his first hole in the earth when he was just eight years old and trying to impress his father, who owned a water boring company.

Now his son, Bradley, is studying geothermal desalination at Bond University as Mr Strange prepares to launch a new rig, the GT3000, which he believes is "the key to unlocking Australia's geothermal potential".

Mr Strange, who founded Globe Drill in 2005, said developers were looking for sustainable energy supplies and projects, such as the redevelopment of the Perth foreshore, could include geothermal systems for air conditioning, water desalination and waste water treatment.

He is one of a growing number of investors hoping to tap into geothermal riches.

WA-based Green Rock Energy got a \$7 million Federal Government grant in December for its urban geothermal energy project, to partner with the University of WA to replace electric air-conditioning at the Crawley campus with a system powered by a 2000m to 3000m geothermal well.

Many companies are watching the final stages of the development of Mr Strange's new drill - about 90 per cent complete - with great interest.

"The current drilling technology is too expensive for any geothermal development," Mr Strange said.

"No one could justify spending \$10,000 a metre on putting a geothermal system in for a property development."

The GT3000 promises to be able to drill at double the speed, with a third of the required equipment compared with conventional oil and gas rigs, potentially reducing costs to less than \$2000 a metre.

Mr Strange funded the GT3000 with about \$6 million of his own money, before agreeing to a takeover by ASX-listed Coretrack in January.

Green Rock Energy managing director Richard Beresford, whose company has exploration permits in the metropolitan area, said it was hoping to drill its first hole within the GEP1 permit (50 per cent owned by UWA) by the end of this year.

"We would be very interested in what Globe Drill is looking at doing and we will be following them with great interest," he said. "Geothermal requires lower costs than traditional oil and gas drilling to provide energy at competitive prices."