

Woodside sells hot rocks stake in Geodynamics

Nigel Wilson, Energy writer | *May 16, 2008*

WOODSIDE has continued to withdraw from the alternative energy sector, yesterday announcing it has sold its remaining holding in hot rocks hopeful Geodynamics.

Woodside said it had sold shares totalling 5.46 per cent of Geodynamics capital for about \$17 million.

On the market, Geodynamics dipped 4.27 per cent, or 7.5c to \$1.68.

This is well below the peak Geodynamics quote of \$2.38 seen in May 2005.

Woodside was a foundation shareholder in Geodynamics. It reportedly once held a stake of close to 20 per cent, bought at 50c a share in the 2002 initial public offering, which raised \$11.5 million.

Geodynamics is one of 32 geothermal energy companies formed in Australia since it listed in 2002.

It has been working to harness geothermal energy from hot fractured granites deep beneath the Cooper Basin oil and gas fields, near Innaminka in the far north of South Australia.

Since its float, Geodynamics has raised a further \$142 million, but Woodside has not subscribed to capital raisings in recent years.

Earlier this week, Woodside disclosed that it had not taken up shares in a placement by Ceramic Fuel Cells.

A substantial shareholder notice filed by Ceramic Fuel Cells showed that Woodside's equity in the solid oxide fuel cell developer had been reduced from 13.27 per cent to 11.1 per cent.

In the 1990s and the early years of this decade, Woodside invested in a number of non-conventional energy developers through its Metasource subsidiary.

Woodside officials believe the company can reduce greenhouse gasses more effectively by supplying LNG to countries that would otherwise have to use coal for electricity generation.