

2 August 2011

Australian Securities Exchange

NON-RENOUNCEABLE ENTITLEMENT ISSUE

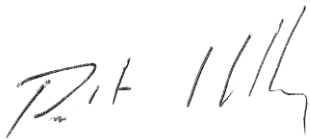
Torrens Energy Limited is pleased to announce that the Company intends to conduct a pro-rata, non-renounceable entitlement issue of shares to raise approximately \$954,942 before costs.

The Company has signed a mandate with Cygnet Capital Pty Ltd to underwrite an Entitlement Issue offer of 1 new share for every 3 existing shares held at an issue price of \$0.045 per share. The Entitlement Issue will result in the issue of 21,220,947 new shares.

The Company intends to apply the funds raised from the offer towards the maintenance of the Company's geothermal projects, the identification and review of potential resource opportunities, costs of the offer and for additional working capital.

A section 708AA offer document for the issue will be lodged with ASX shortly, along with an indicative timetable for the capital raising.

Yours sincerely



Robert Hodby
Company Secretary
Torrens Energy Limited