

Centram Geothermal Inc.

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Centram Geothermal Granted Two Concessions In Guatemala

TORONTO, ONTARIO, August 31, 2011 – Centram Geothermal Inc. (“**Centram**” or the “**Company**”), a private Ontario based geothermal exploration and development company, is pleased to announce that it has been granted two geothermal exploration concessions “Atitlan” and “Joaquina” in Guatemala.

The Atitlan concession, located 144 km north-west of Guatemala City, covers 483 sq.km with three volcanoes. The Atitlan Volcano is a large, conical, active stratovolcano adjacent to the caldera of Lake Atitlan in the Highlands of Guatemala. The volcano has been quite active historically, with more than a dozen eruptions recorded between 1469 and 1853, the date of its most recent eruption. Atitlan is part of the Central American Volcanic Arc. The arc is a chain of volcanoes stretching along Central America formed by subduction of the Cocos Plate underneath the Caribbean Plate. These volcanoes are part of the Ring of Fire around the Pacific Ocean. The analysis of geothermal water samples from hot springs within the concession indicates the existence of a reservoir at a temperature of 186°C.

The Joaquina concession covering 9 sq.km is located about 35 km. northeast of Guatemala City. It is a fault controlled geothermal source and has had several shallow holes drilled in it; all of which are making steam and/or hot water. There are numerous fumaroles and hot springs in the area and surface manifestations of the geothermal source extend for at least one square kilometre. The analysis of geothermal water samples indicates a reservoir temperature in the 180°C or higher range.

“Our research on the geothermal prospects of Central America has resulted in the acquisition of two very encouraging projects,” said John Paterson, Centram’s President and CEO. “We now intend to aggressively explore and evaluate the development potential of these prospects,” he added.

Centram Geothermal is an explorer and developer of geothermal resources in Central America. The Company’s objective is to create shareholder value through the acquisition, exploration and subsequent development of early stage geothermal projects.

For further information, please contact Centram Geothermal Inc. at (416) 931-7215.

www.centramgeothermal.com

jpaterson@centramgeothermal.com