



meridian

Release

Stock exchange listings: NZX (MEL) ASX (MEZ)

Tiwai Point expansion supported by renewable energy

1 May 2018

Meridian Energy has signed a contract* with New Zealand Aluminium Smelters (NZAS) to agree the price of electricity for an additional 50 MWh per hour (438 gigawatt hours per year) at Tiwai Point in Southland.

The contract, underwritten by Meridian and supported by contracts with Contact, Genesis and Mercury, runs until December 2022 and facilitates NZAS re-starting its fourth potline and increasing production.

Meridian Energy Chief Executive, Neal Barclay says, "New Zealand Aluminium Smelters continues to recognise the benefits of using renewable energy in the production of aluminium and we're pleased to be able to support its expansion in New Zealand.

"The smelter provides one of the world's purest sources of aluminium and we believe this increase in production reflects a real confidence and commitment to the smelter operation and to Southland."

The new contract, underwriting NZAS's price risk relating to the additional 50 MWh per hour, sits separately to Meridian's main electricity agreement with NZAS that provides 572 MWh per hour (5,011 gigawatt hours per year) of electricity to 2030.

"This arrangement further demonstrates that New Zealand remains a good place to invest and that our electricity markets provide more certainty than those of many other countries – this is a real source of competitive advantage for New Zealand internationally," says Neal.

As well as being a good outcome for our business and great for the Southland region, this new contract helps Meridian take action on climate change. The more aluminium that is produced in New Zealand using mainly renewable energy, the more this displaces production of aluminium using fossil fuel alternatives overseas.

* This agreement, and the conditions it is subject to, are outlined at <https://www.meridianenergy.co.nz/investors/reports-and-presentations/nzas-contract>

ENDS

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