



meridian

Release

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

Smelter owner gets extension on right to terminate electricity agreement

1 July 2015

Meridian Energy and New Zealand Aluminium Smelters Ltd (NZAS) have last night agreed to amend their electricity agreement by extending the date on which NZAS can give a termination notice to Meridian under the electricity agreement between them. The date on which a notice can be given will move from 1 July 2015 to 3 August 2015. All other terms of the Agreement remain unchanged.

“NZAS has been in discussions with a number of parties, including Meridian, with respect to its electricity requirements at its Tiwai Point smelter. NZAS requires more time to fully analyse its options before making a decision,” says Meridian Chief Executive, Mark Binns.

“We think it is in all parties’ interests to ensure that a decision is based on the most complete information.”

In August 2013, Meridian concluded a renegotiation of the New Zealand Aluminium Smelters Ltd electricity contract. The renegotiated contract provides the smelter with greater flexibility in its operations. The July 1 date, now extended to 3 August, was the first termination right provided for in the contract.

Under the Agreement NZAS has various rights, including the ability to reduce the contract quantity from 572 MW to 400 MW with 12 month’s notice prior to 31 December 2015. NZAS retains the right to terminate the agreement by giving 12 month’s notice from 1 January 2017.

ENDS

Mark Binns
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