



## **GREYMOUTH PETROLEUM**

### **Greymouth Petroleum acquires Western Australian Power Station for export to New Zealand**

*Press Release by Greymouth Petroleum at 1400h, 16 November, 2005*

New Zealand owned and operated Greymouth Petroleum advised today that it has reached agreement to acquire the Western Australian Windimurra power station and all associated gas delivery assets for an undisclosed sum. The power station is now in the process of being exported to New Zealand and is expected to be operational by late 2006.

“New Zealand is becoming short of the flexible thermal power generating facilities that are required to sustain economic growth and wellbeing in New Zealand in periods of low hydro-lake levels and low renewable energy supply. Greymouth is embarking on a stepwise investment programme in New Zealand power generating facilities to meet the anticipated growth in this sector, in a way that limits strain on the existing delivery infrastructure. Greymouth’s thermal power investment programme will be fuelled by and integrated with new Taranaki gas field developments and will make full use of the open access gas network” said Greymouth CEO, Mr Mark Dunphy.

Mr Dunphy advised that the Windimurra power station, comprising four 3,245 kW Caterpillar reciprocating gas engines and associated power station equipment, was constructed and commissioned in 1999 for the Greenstone Power Station Joint Venture for the supply of electricity to the Windimurra Vanadium Project. Project operations at the mine site were suspended in April, 2003, and the opportunity to purchase the power station arose after the mine owners confirmed permanent closure of the project. The gas engines have operated on average for 15,750 hours, or less than two years for each engine.

“We are delighted with this initiative which enables Greymouth to become an integrated low cost New Zealand energy provider” said Mr Dunphy. “This growth is possible as a result of recent Government initiatives, which have made it possible for companies like Greymouth to participate in the power supply market alongside other established integrated companies. Greymouth is interested in the possibility that a market for the future supply of electricity at fixed prices might develop. Greymouth plans to offer fixed price electricity and gas to the consumer markets, and will develop ventures with industry to achieve this objective.”

This Greymouth power station facility (photo attached) will provide 122,640-megawatt hours of electricity each year - enough to power 16,000 homes.

For further information: contact Mark Dunphy, Chief Executive Officer, Greymouth Petroleum, (09) 968-4633



