



GREYMOUTH PETROLEUM

Greymouth updates Otaraua Hapu issue

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New Zealand owned and operated Greymouth Petroleum confirmed today that Greymouth group company, Petrochem Limited, has held a number of discussions and meetings with the Otaraua Hapu over the past two weeks, culminating in a hui on Tuesday 14 April, 2009 at the Otaraua Hapu Marae.

Mark Dunphy, Greymouth CEO, commented that 'hearing the experiences and stories of the hapu members were a reminder of the Otaraua Hapu's cultural affinity with land in their rohe and their kaitiaki role.'

In relation to the Petrochem underbore operation which has been resisted by the Otaraua Hapu, and led to the Otaraua Hapu blockade and entrance occupation of the Kowhai well site, Petrochem has advised Otaraua Hapu that it is now progressing with an alternative operation. The decision to proceed with the alternative operation was not easy for Petrochem to take because the underbore operation, which was to have been completed on and through private land, was environmentally and technically preferred and was entirely lawful. Advice concerning the underbore operation was received from the New Zealand Historic Places Trust who said "there is no legal requirement to obtain an archaeological authority for the proposed underbore works" and from the New Plymouth District Council who said "there is no waahi tapu site..in this location listed in our District Plan". Significantly, the underbore operation was also permitted under the terms of a current Memorandum of Understanding with Otaraua Hapu.

"Greymouth has still to resolve the breaches and significant additional costs incurred with the Otaraua Hapu blockade. The blockade has caused a regrettable amount of landholder and community inconvenience. These matters will need to be resolved at a later date" Mr Dunphy said.

Greymouth is committed to a relationship with the hapu and wants the relationship focused on the parties assisting each other where possible. Greymouth strives to achieve good relationships with, and consults widely with, tangatawhenua and iwi, in all of its operations.

Greymouth Petroleum group companies hold the Turangi, Kowhai, Moturoa, Kaimiro, Ngatoro, Surrey, Windsor and Radnor oil and gas fields in Taranaki. In Chile, Greymouth's Petromagallanes companies hold oil and gas properties through the Straits of Magellan and on Tierra del Fuego.
