Updated Gas Position

27 October 2006

Contact has secured a further 170 PJs of ROFR Maui gas to be taken between 2007 and 2014.

Total Volumes

– 170 PJs. Approximately 42 per cent of that gas will come from the Maui field's P85 gas volumes, with the remaining 58 per cent from the P50 gas volumes - which is contingent on this reserve being firmed to P85 status.

Tranche 1: P85 Gas

– Terms relating to price and flexibility of the gas supply arrangement over the first three years reflected the current market conditions of oversupply in the short-term.

– Contact has, in conjunction with the purchase, arranged to sell around seven petajoules per annum from October 2007 until mid 2010 to a large wholesale gas customer. Another short-term wholesale gas sale has also been agreed.

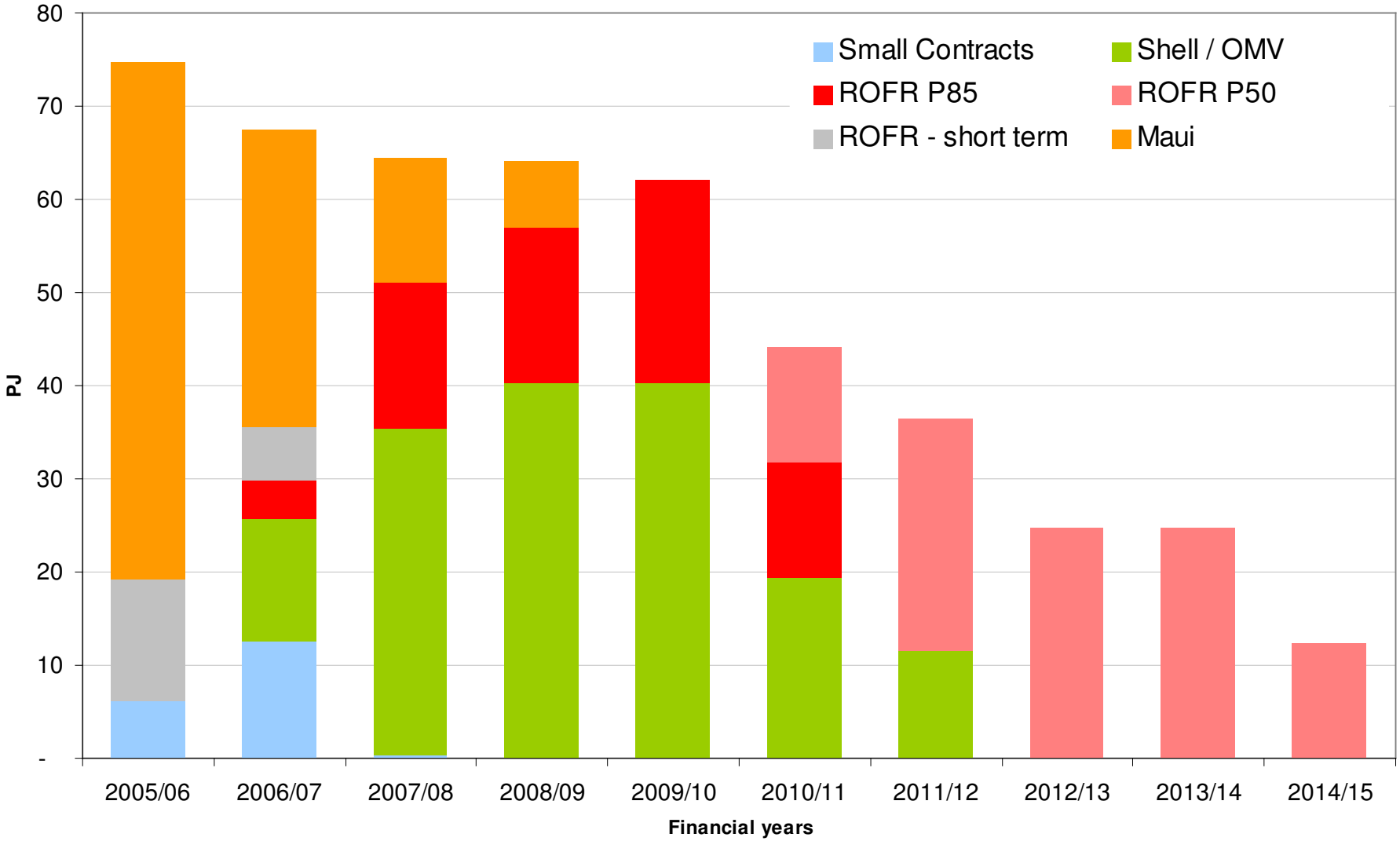
Tranche 2: P50 Gas

– Reasonable confidence that most, if not all, of its rights to the Maui P50 gas will be realised.

– The terms and conditions of this tranche of gas are consistent with recent long-term gas deals in the New Zealand market.

CONTACT

Acquisition of two additional tranches of ROFR gas extends the gas book out beyond 2010



Note: This profile is based on current assumptions around external gas sales and internal generation requirements and is subject to change.

CONTACT