A DEAL ON THE TABLE FOR GAS TO GOVE

January 23rd, 2013

The Northern Territory Government has today announced it is progressing its plan to get gas to Gove.

Chief Minister, Terry Mills, said securing the future of Rio Tinto and Pacific Aluminium's Gove refinery was of upmost importance, not just for the Nhulunbuy community, but for the potential benefits to the wider Northern Territory.

"My Government has been working around the clock with the Commonwealth Government, Rio Tinto, Eni Australia and other gas suppliers over the past few months to ensure the Gove refinery remains open for business," Mr Mills said.

"We believe there is now a deal on the table that can provide the people of Gove with that certainty.

"Today, I have written to Pacific Aluminium and parent company Rio Tinto, Federal Resources Minister, Martin Ferguson, and Eni Australia and advised them that, following a Cabinet meeting this morning, the Northern Territory Government is prepared to facilitate the release of a volume of gas from Power and Water Corporation's current contract with Eni for use by Rio Tinto at the Gove refinery provided a replacement supply is found.

"While Rio Tinto has set January 31st 2013 as a deadline on the future of the Gove Refinery, we believe more time is needed to ensure that a replacement gas supply is found and the Northern Territory’s electricity supply is not put at risk."

The Northern Territory Government is willing to release gas when:

(a) the Commonwealth Government approves the underwriting of the financing of the Gove Pipeline and;
(b) a replacement gas supply has been secured following exploration by Eni of Penguin Deep as soon as possible and other potential prospects or;
(c) a replacement gas supply is secured from other reserves.

"I am confident that if Rio Tinto and Eni are willing to continue to work together in good faith to reduce the risks to the Northern Territory, an aggregated gas supply solution can be found by 30 September 2013," Mr Mills said.

"Today, I now call on Rio Tinto to continue to operate the Gove Refinery while this search for a replacement gas supply occurs."

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