



NZX RELEASE
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Channel Infrastructure welcomes the Government's endorsement of the Marsden Point Energy Precinct and potential Special Economic Zone

Channel Infrastructure NZ Limited (**Channel** or **Channel Infrastructure**) (NZX: CHI), New Zealand's largest fuel import terminal business, today welcomes the Government's announcement regarding the Marsden Point Energy Precinct, and the important role we play in delivering strategic infrastructure for New Zealand.

Commenting on the announcement today, Channel Infrastructure Chair, James Miller said: "Today, the Resources, Regional Development and Associate Energy Minister Shane Jones, has described Channel's future plans as 'exciting', and described how Marsden Point could be at the heart of boosting New Zealand's fuel and energy security. This is a resounding vote of confidence in the future of our Company, and we look forward to seeing the full potential of the Energy Precinct delivered over time."

The Minister today also references the potential for a 'Special Economic Zone' at Marsden Point which the Government says could include business-friendly regulations, infrastructure and facilities, investment support, and customs and trade facilitation. "All of the potential options noted by the Minister as forming part of a potential Special Economic Zone would help us to deliver our vision for Marsden Point as an Energy Precinct, grow our operations, and create new jobs in Northland and we look forward to the Government announcing more detail about how a new Special Economic Zone might work in due course." James Miller said.

Channel Infrastructure CEO Rob Buchanan added, "Channel's Marsden Point Energy Precinct is a vision for our strategic site and the role it could play in enhancing national fuel and energy security while supporting thousands of jobs and billions of dollars of economic growth in Northland. Just one example of how we can achieve this, which the Minister references, is the potential biofuels project, announced last year."

Research undertaken by PwC has found that development of Channel's Marsden Point Energy Precinct projects could generate GDP of around \$3.3 billion, and contribute around 20,000 FTE jobs, over the 10-15 year construction phase; once fully operational, the projects could generate around \$290 million annually in GDP and contribute around 1,150 FTE jobs.

Channel also welcomes the release by the Government of its Fuel Security Study report. With the oil refinery having been fully decommissioned, Channel has been operating New Zealand's largest fuels import terminal since 2022. The Fuel Security Study has noted that re-establishing the Marsden Point Oil Refinery or developing a new oil refinery for indigenous crude would be inefficient due to either high costs and/or limited effectiveness.

"The Fuel Security Study provides a range of potential options to mitigate risks to New Zealand's fuel security, and concludes that, amongst other options, increased fuels storage is one of the most cost-effective strategies for enhancing fuel resilience in New Zealand. This is something Channel is strategically positioned to support with our large available tank capacity at Marsden Point and proximity and access to New Zealand's largest fuel demand market of Auckland." Rob Buchanan said.

Channel will present its FY24 financial results to the market this Thursday.

- ENDS -

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Note to Editors

About Channel Infrastructure

Channel Infrastructure is New Zealand's largest fuel import terminal, storing and distributing 40% of New Zealand's transport fuel, including 80% of New Zealand's jet fuel. We receive, store, test and distribute petrol, diesel, and jet fuel that our customers import and supply to Auckland and Northland.

Fuel is imported via our deep-water harbour and jetty infrastructure at Marsden Point and stored in more than 290 million litres of contracted storage tanks on site. The fuel is then distributed via our 170-kilometre pipeline to Auckland, or by our customers (bp, Mobil, and Z Energy) via truck into Northland. We underpin the resilience of New Zealand's fuel supply chain with our tank capacity, which enables increased storage of fuel in New Zealand, and through efficient, low-emission distribution of the fuel into the Auckland market. Given our proximity to Auckland, and critical role in the jet fuel supply chain, Channel is well positioned to support the renewable fuel transition in New Zealand.

Our plan for growth includes supporting fuel resilience for New Zealand through additional fuel storage on our site, unlocking the strategic value of the Marsden Point Energy Precinct Concept which reflects the significant role Channel could play in supporting New Zealand's energy transition – through potential opportunities including supporting the manufacture of lower-carbon future fuels, as well as a range of potential energy security opportunities, and exploring expansion beyond Marsden Point through the acquisition of other terminals infrastructure in New Zealand.

Channel Infrastructure's wholly-owned subsidiary, Independent Petroleum Laboratory Limited, provides fuel quality testing services throughout New Zealand.

For more information on Channel Infrastructure, please visit: www.channelnz.com