



9 April 2025

Dear Shareholders,

On behalf of the Board of Directors I am pleased to invite you to Channel Infrastructure NZ Limited's 2025 Annual Shareholders Meeting, to be held at 2.00pm on Friday 23 May 2025. I look forward to welcoming you to Ellerslie Event Centre in Auckland, or online.

At the meeting, your Board and CEO will present on the significant progress we have made towards our vision of becoming a world-class energy infrastructure company. We will outline the growth opportunities we have ahead of us, including the continued delivery of our vision for the Marsden Point Energy Precinct, to provide resilient infrastructure solutions that meet New Zealand's changing fuel and energy needs and supports New Zealand's fuel security.

The successful execution of our strategy will create value for our shareholders, our people, our community and New Zealand by driving economic growth, creating jobs and supporting the country's energy resilience and transition. Reflecting the significant progress we have already made, we continue to outperform the NZX50, delivering a total shareholder return (from both dividends and share price increase) of 37.4% in 2024 compared to the NZX50 average of 11.4%.

The Board refresh, initiated following shareholder approval of the conversion to an import terminal, is now complete. The result is a smaller, more efficient Board with the optimal mix of skills and experience, aligned to Channel's strategy, to support the management team to deliver on our strategy and ambitions for the future. The resolutions to be put forward at this year's Annual Shareholders Meeting include the election of Angela Bull, and the re-election of Andrew Holmes, Anna Molloy and myself, as directors of the Company. The Board fully endorses these resolutions given these directors not only possess the mix of skills and experiences required for Channel and its future strategy, but also hold the governance experience required to discharge the leadership roles required on the Board.

For the second year in a row, the Board has received notices from a small number of shareholders (who hold a total of 0.0024% of the shares in Channel), nominating Mr Karl Barkley as a director. Mr Barkley continues to advocate for the reopening of the Marsden Point oil refinery. Fuel security is an issue the Company takes very seriously, with the Company having engaged thoroughly with the Government in respect of its recently completed Fuel Security Study. While the Board acknowledges this group's passion for the oil refinery, the Fuel Security Study concluded that reopening the oil refinery would be infeasible given the up to \$7.3 billion cost and would have "limited effectiveness across all fuel types" in providing additional fuel security. With no prospect of financial support from Government, a rebuild is well beyond the financial capacity of the Company (Channel Infrastructure's current market capitalisation is approximately \$760 million) and would not in any event generate appropriate returns for shareholders. Last year, shareholders overwhelmingly rejected nominations from this group of shareholders with 99% of votes being cast against those nominations. The Board recommends shareholders again vote against the election of Mr Barkley, with the reasons for this recommendation outlined in the 2025 Notice of Meeting.

We encourage you to read all the information set out in the Notice of Meeting carefully, and thank you for your continued support of Channel Infrastructure.

Yours sincerely

A handwritten signature in black ink that reads 'JB Miller'.

James Miller  
Chair of Channel Infrastructure NZ Limited