

MOVE AWARDED \$10 MILLION CO-FUNDING FOR OCEANS STRATEGY

Transport and logistics group, MOVE Logistics Group Limited (NZX: MOV), is accelerating its Oceans strategy, having now entered a funding agreement for \$10 million of co-investment from Waka Kotahi NZ Transport Agency.

This will see MOVE establish an alternative sea freight solution between the North and South Islands of New Zealand, initially creating a new gateway via Nelson and New Plymouth.

Currently, the only options available for moving rolling stock between the North and South Islands are via the Cook Strait ferries which operate between Wellington and Picton. These vessels require linkspan/ramp operations for loading and unloading cargo and the vessel ramp configurations mean that these ships cannot berth at standard cargo wharves.

The new service being offered by MOVE will be capable of calling into at least thirteen New Zealand Ports, without the need for any new Port infrastructure to be built. MOVE will now progress with the acquisition, refitting and mobilisation of a quarter-ramp Roll On/Roll Off (RORO) vessel, with the first sailing expected to be in 2023.

Executive Director of MOVE, Chris Dunphy, said: "This new initiative further reinforces MOVE's position as a leading provider of innovative freight solutions in New Zealand. We will be working closely with our Freight and Contract Logistics customers and other businesses to offer blue-water alternatives to trucking. The quarter-ramp Roll On/Roll Off vessel service is unique and will be an industry first for coastal shipping in New Zealand."

In addition to major operational benefits, the new service will also dramatically reduce the carbon footprint of the freight movements concerned. The shift of existing loads from road to shipping will deliver significant carbon emission reductions (estimated 2,000 tonnes per annum), improve road safety via fewer truck movements and enhance New Zealand's domestic freight services.

The driving time savings derived from the initial Nelson-New Plymouth service will deliver far greater efficiency in driving hours – a valuable benefit at a time when the New Zealand freight industry is facing significant driver shortages. As an example, under the new MOVE Oceans service, a driver could drive from Auckland to New Plymouth, drop off a unit to be shipped south to Christchurch, pick up a unit that has come north from Christchurch via Nelson and return to Auckland within one shift. This is far more efficient than the current system where one driver drives the length of the country from Auckland to Christchurch and returns.

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About MOVE Logistics Group Limited (MOV)

MOVE is one of the largest domestic freight and logistics businesses in New Zealand, with a nationwide network of branches, depots and warehouses.