



**6 August 2021**

### **Z Energy welcomes shareholder vote in favour refinery conversion**

Z Energy (NZX/ASX: ZEL) “Z” welcomes the decision by the shareholders of The New Zealand Refining Company (NZX: NZR) to vote in favour of the proposal to convert NZR’s Marsden Point site into a dedicated fuel import terminal.

Commenting on the outcome of the shareholder vote, Z CEO Mike Bennetts said, “The move to an import terminal opens several areas of value to Z, operationally and financially. It will mean a significant reduction in our working capital as we will hold less crude and will mean reduced earnings volatility from no exposure to refining margins meaning greater investor confidence.”

Mike said that the conversion to an import terminal is in Z’s view going to maintain the security of supply for New Zealand. “Industry-wide the conversion will mean more cargoes on the water coming to New Zealand from multiple regional refineries, therefore reducing the single point of failure risk from disruption to the supply chain. After the transition to an import terminal there may be less hydrocarbons in New Zealand, in the form of crude and intermediates, but there will be more usable product ready to be distributed to our customers,” Mike added.

“It is well-known that Z supports the Sustainable Biofuels Mandate currently being developed by the government. There is an opportunity for the Refinery to contribute to a lower carbon future for New Zealand through the supply of sustainable biofuels but that is a decision for the Board of the Refinery, not Z” concluded Mike.

The conversion to an import terminal is likely to be completed by the middle of next year and is not forecast to impact Z’s FY22 earnings.

**Ends.**

Matt Hardwick  
Corporate Affairs Manager  
[matt.hardwick@z.co.nz](mailto:matt.hardwick@z.co.nz)  
Mob +64 (0) 27 787 4688