



NZX AND ASX RELEASE

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Next steps on the redevelopment of the Marsden Point Energy Precinct

Channel Infrastructure NZ Limited (NZX: CHI, ASX: CHI), New Zealand's largest fuel import terminal business, has today confirmed further progress on the redevelopment of its Marsden Point Energy Precinct. As part of critical enabling works to make way for the construction of the proposed Marsden Point Biorefinery, Channel has entered into an agreement with Integrate Scope DMCC for the sale and removal of the fully decommissioned CCR Platformer unit (CCR).

Net proceeds to Channel from the sale of the CCR will be US\$5.95 million, with a net deposit of US\$1.2 million on signing and the balance to be received in three instalments across FY27 in line with the deconstruction programme of work and shipping schedule. The proportion of Channel's demolition provision that relates to the CCR is ~NZ\$3 million. As a result of the sale, these costs are no longer expected to be incurred.

Channel has also provided an update on the progress of the Marsden Point Biorefinery project, which is being developed by a consortium led by Seadra Energy, and which includes Qantas, Renova, Kent, ANZ NZ and now also Air New Zealand.

The consortium has confirmed that the Marsden Point Biorefinery project's scope has been expanded to include the manufacture of fertilisers from byproducts of biorefining process. Reflecting the expanded scope, Ballance Agri-Nutrients Limited has formed an alliance with the Seadra consortium that would enable the production and offtake of fertilisers. The local production of fertilisers provides a targeted regional solution to supplement manufacturing at Kapuni and imported supply. With this expansion, the proposed biorefinery will produce biodiesel, Sustainable Aviation Fuel (SAF), and urea and other fertilisers, all of which would be manufactured from biogenic feedstock sources (including agricultural and municipal sector byproducts and residues).

The plant's manufacturing capacity of drop-in fuel products from domestic feedstocks will strengthen New Zealand's resilience to global supply chain disruptions and strengthen its fuel and economic security by making up to 400 million litres per year of low carbon renewable fuels which could be available for the domestic market during periods of fuel supply chain disruption.

The Marsden Point Biorefinery will mobilise more than \$1 billion of private sector investment and will involve the construction of greenfield units as well as the repurposing of existing decommissioned refinery equipment and infrastructure.

The consortium will now commence the early contractor involvement (ECI) phase of project development with strategic partners, to support final assessments of project costing, scheduling

and design to enable the project to work towards a final investment decision. The expansion of the project scope does not impact the consortium's view of the overall timing of the project.

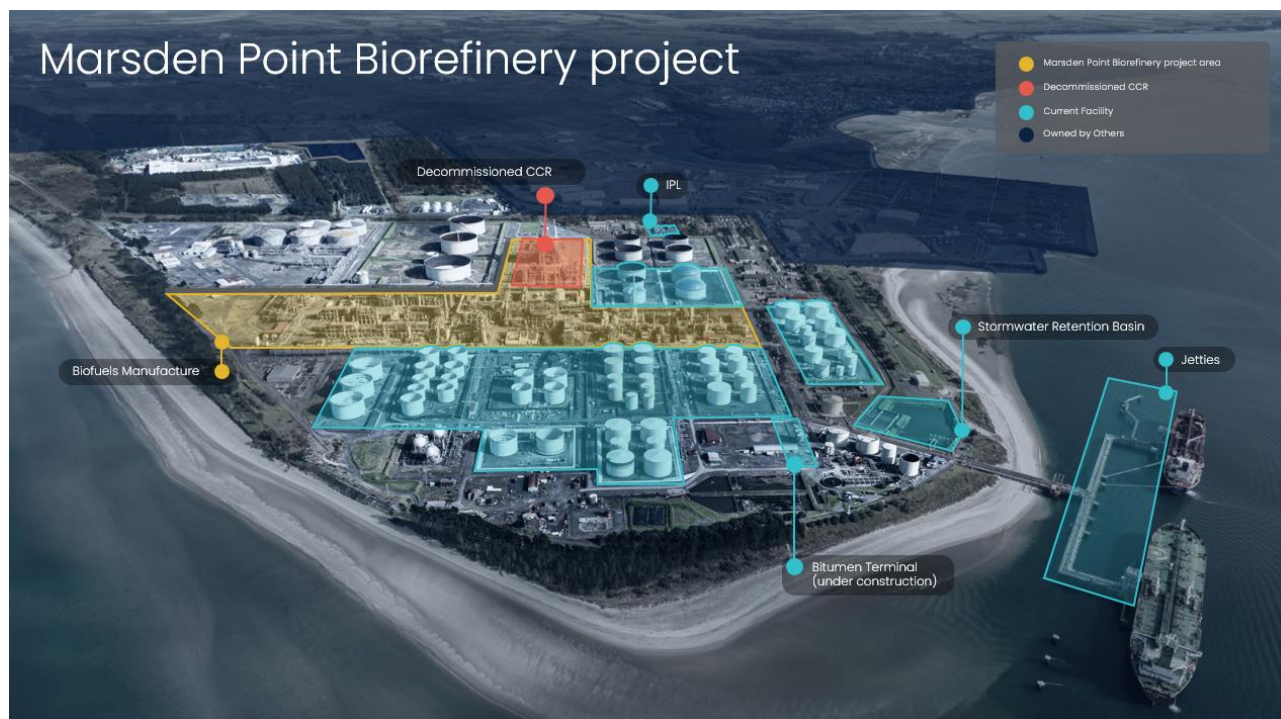
The biorefinery project remains subject to the successful conclusion of the funding process, commercial discussions between the parties and any necessary regulatory approvals.

Channel Infrastructure Chief Executive, Rob Buchanan said: "The broader scope of the Marsden Point Biorefinery represents continued positive momentum for this project. Making way for this project on our site is an important step, and it's great we have been able to identify a potential way of reusing and realising value from these decommissioned assets as well. The manufacture at Marsden Point of drop-in fuel products and fertiliser using domestic feedstock, will strengthen New Zealand's resilience to global supply chain disruptions. This project would be transformational for Northland, creating hundreds of jobs and increasing New Zealand's economic and fuel security."

Commenting, Carl Titchmarsh, Senior Vice President APAC at Kent said: "Kent is proud to support the continued advancement of the Marsden Point Biorefinery project through the ECI phase. The project's expanded scope, strong consortium alignment and growing commercial momentum reinforce its potential to become a cornerstone of New Zealand's future sustainable fuels and industrial manufacturing capability."

Commenting on the SAF supply chain, Noor Begum, Senior Vice President of Commercial at Seadra Energy said: "Today's announcement represents positive momentum towards this project and Air New Zealand and Qantas' involvement in the project reinforces the project's potential as a cornerstone of New Zealand's future sustainable aviation fuel supply chain, making the scarce supply of renewable fuel more accessible, domestically."

Stuart McKinnon, Managing Director Institutional, ANZ NZ said: "We're proud to be part of the consortium and a project that will continue to progress New Zealand's energy resilience plans."



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About Channel Infrastructure

Channel Infrastructure is New Zealand's largest fuel import terminal business, 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 410 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. Channel also has more than 350 million litres of tank capacity available for repurposing to finished product storage to support fuel security projects and a further 45 hectares of consented, freehold land available for greenfields fuel storage projects.

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.

Channel Infrastructure also owns a 25% interest in the Somerton jet fuel pipeline to Melbourne Airport and its 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