

**MEDIA RELEASE**

**Mark O'Connor to depart Bluff Port**

South Port NZ Limited Chief Executive, Mark O'Connor has tendered his resignation and will leave the Bluff Port operation in late October.

South Port Chairman, Rex Chapman commented that the timing of this decision had been signaled to the Board for a number of years. The Board is naturally disappointed to lose a person of Mark's calibre, particularly given the significant progress the Company has made over the last two decades while he has been at the helm.

Mark and his team have worked hard to deliver effective freight solutions for Southland based businesses and the Company is in excellent shape as it continues to focus on this clear objective.

In the most recent financial year South Port achieved a record cargo and profit, with volumes having lifted by 50% or approximately 1.0 million tonnes since 2009. Other projects Mark has overseen included refocusing the business on the core freight delivery element, ensuring appropriate infrastructure existed to support bulk cargo growth (forestry/agri), maintaining container handling capability for the regional Port and establishing an Intermodal Freight Centre (IFC) in Invercargill.

During the period that Mark has served as CEO, South Port's annual dividend increased from 5.5 cents per share to 26 cents while the share price has lifted from \$0.86 to its current level of \$5.35 (representing an increase in market capitalisation of around \$120 million). This is the market clearly conveying that the Company has performed very well during that time.

O'Connor stated, "Approximately 4 years ago I advised the South Port Board that when I turned 55 years, I would take a detour in the road and exit the port sector. That date has come around quicker than I thought but it is appropriate for me to step back from a full time role and identify other projects which may be of interest.

After my departure in late October, I plan to take some time out and undertake some overseas travel. Beyond that I will actively seek out some new Director positions where I can offer value.

It has been a privilege to operate in the CEO role for the past 17 years and to work for South Port for almost 25 years. I have certainly appreciated the opportunity to lead a committed and talented group of individuals.

One of the key reasons I remained with the Company for such a long period was the capability and style of the people that I worked with (at all levels). As a business,

South Port provides variety in terms of different customers and projects to service freight.”

O’Connor added, “I wish to thank the team in advance for the effort delivered and the tenacity they demonstrate on a consistent basis. I have also appreciated the manner in which the South Port Board has guided the Company and I pay special tribute to Rex in his role as Chair. Bluff Port occupies an important position in the supply chain landscape and it is vital that it continues to facilitate the efficient flow of regional exports and imports. Decisions made by the Board and Management in recent years have always strived to ensure Southland-based business have freight alternatives and that competitive tension exists in the marketplace. Without these ingredients regional operations struggle to compete in international markets.

The challenges facing Southland have been highlighted in the SoRDS strategy and it is critical that Local Government pushes forward with the necessary steps to support the action plan linked to this strategy. I have been encouraged by the level of effort contributed by business and other parties to ensure SoRDS succeeds and that Southland remains a healthy and vibrant part of New Zealand.”

The Board will commence the process of seeking a replacement for Mark immediately.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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