



NZX RELEASE

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Update on the sale of decommissioned assets

Channel Infrastructure NZ Limited (NZX:CHI) confirms it has granted a further extension to Seadra Energy Inc's (Seadra) option to purchase certain decommissioned assets from the hydrocracking complex, to enable Seadra to complete detailed due diligence work to assess the purchase and removal of the permanently decommissioned assets. The extension has been granted to 30 September 2024 in exchange for an additional payment to Channel of US\$200,000.

Should Seadra choose to exercise the option, Seadra will pay Channel US\$33.875 million (including the option payments).

Over the course of the past 12 months, Seadra has invested significant time and resources in its ongoing due diligence process, including undertaking detailed engineering, feasibility, and environmental studies. Seadra has also submitted to Channel detailed dismantling and demolition plans, health and safety plans, and occupational hygiene management plans, to prepare for the safe dismantling of the assets. This has included obtaining information from a range of third parties, which has delayed the completion of some of their due diligence work.

Channel Infrastructure CEO, Rob Buchanan says,

“Seadra has spent a lot of time assessing the options for these assets, so it makes sense for us to provide them additional time to complete their work. Should Seadra Energy choose to proceed with the purchase, this offers an opportunity for Channel to continue work on redevelopment of our Marsden Point site to deliver on the future growth opportunities we have ahead. This includes opportunities to restore fuel manufacturing to Marsden Point with our potential eSAF project, which would bring both jobs and investment to Northland as we work to build an energy hub at Marsden Point for New Zealand.”

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About Channel Infrastructure NZ

Channel Infrastructure's vision is to be a world-class infrastructure company, delivering resilient infrastructure solutions to help meet changing fuel and energy needs.

Channel Infrastructure's assets are a critical part of the Northland and Auckland fuel supply chain, supporting the delivery of around 40% of New Zealand's transport fuel demand and all of the jet fuel to the Auckland International Airport. Utilising the deep-water harbour and jetty infrastructure at Marsden Point, as well as 280 million litres of storage tanks, and the 170-kilometre pipeline from Marsden Point to Auckland we receive, store, test and distribute fuel owned by our customers. Channel Infrastructure's wholly-owned subsidiary, Independent Petroleum Laboratory Limited, provides fuel quality testing services at Marsden Point and around New Zealand.

Channel Infrastructure will seek to support New Zealand's decarbonisation ambitions, by utilising our strategically located assets and our expertise in supply chain infrastructure. The Company remains focused on its future growth opportunities at the Marsden Point site and beyond, including additional fuel storage to support fuel security and studies underway with partners on hydrogen and sustainable aviation fuel opportunities.

For more information on Channel Infrastructure, please visit: www.channelnz.com