



## NZX RELEASE

# Update on work towards potential biorefinery at Marsden Point

14 July 2025

In October 2024, Channel Infrastructure NZ Limited (**Channel** or **Channel Infrastructure**) (NZX: CHI) announced it had entered into a conditional project development agreement with Seadra Energy, in relation to the proposed development of a biorefinery at Marsden Point. Seadra Energy is partnering with consortium members Qantas, Renova Inc, Kent Plc, and ANZ. The Seadra consortium has completed its initial Front End Engineering and Design (FEED) study, and has now moved to the next phase of its project development work. The consortium's work is now focused on completing the plant configuration for the Marsden Point site and updating the FEED study, commercial contracts with suppliers (including Engineering, Procurement and Construction contractor) and customers, confirming consenting requirements for site lease with Channel, plant build and operation of the biorefinery, and completion of financing arrangements, with the complexity of completing these workstreams meaning a final investment decision is now expected in 2026.

Channel Infrastructure Chief Executive, Rob Buchanan, said "Channel continues to work closely with Seadra and its consortium partners on this complex, but very exciting project. Should the project go ahead, this would represent a huge opportunity for Channel, Northland, and New Zealand, restoring fuel manufacturing at Marsden Point, and bringing a huge number of highly skilled jobs and investment into the region. It would also support fuel security for New Zealand, by establishing domestic manufacturing for biofuels and other products from domestically-sourced feedstock. We will provide further updates to the market as our work with the Seadra consortium continues."

Should the biorefinery proceed, a substantial proportion of the proceeds from the sale of the decommissioned assets is likely to be reinvested by Channel in early demolition (already provisioned in the balance sheet), and growth capital expenditure associated with the construction of infrastructure and storage assets to the biorefinery, for above WACC returns with long-term contracted revenues.

Channel Infrastructure Chief Executive, Rob Buchanan, added: "Future fuels projects are highly complex and take time, but could provide significant fuel security benefits through manufacturing fuel from domestic feedstocks, in addition to aiding the long-term pathway for decarbonisation of aviation and heavy transport which remains reliant on emerging future fuels technologies. The unique combination of features and attributes of our Marsden Point site, which are unparalleled at any other industrial site in New Zealand, means Channel is well positioned to support both increased fuel security and New Zealand's energy transition. Alongside future fuels manufacturing opportunities, Channel continues to be focused on other growth opportunities involving additional storage, progressing work on a proposed diesel-fueled electricity peaker and pursuing the acquisition of fuel terminal assets outside Marsden Point."

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## **Authorised by**

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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 290 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 in New Zealand.

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 through the acquisition of other terminals infrastructure in New Zealand.

Channel Infrastructure's 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](http://www.channelnz.com)