



28 March 2024

Dear Shareholders,

On behalf of the board of directors I am pleased to invite you to the Annual Shareholders Meeting of Channel Infrastructure NZ Limited that will be held at 2.00pm on Tuesday 30th April 2024. I look forward to welcoming you to Sky Stadium Function Centre in Wellington or online.

At the meeting, we will present on the successful execution of the plan we set ourselves back in 2021. We will also update you on the strong 2023 financial result and our refreshed company strategy which is focused on being a world-class operator of resilient terminal infrastructure to support New Zealand's fuel security and resilience, and the energy transition well into the future.

Your Company is well positioned with strong and stable cash flows and assets that provide the key fuel supply route to Auckland, with growing demand for jet fuel and sustainable aviation fuel set to underpin the future of our business. Reflecting the shape of the business, since August 2021, when shareholders voted 99% in favour of conversion to an import terminal, the compound annual Total Shareholder Return (including dividends and share price movements) has been 28.9%, compared with a compound annual Total Shareholder Return of -6.8% over the prior 10 years prior to the August 2021 shareholder vote (when we operated as a refinery). Reflecting the strong cashflows and confidence in the long-term outlook, the Board has declared a total of 15.5 cents per share of ordinary dividends and 3.5 cents per share of special dividends over the last two financial years.

This year's Annual Shareholder's Meeting resolutions include the re-election of Vanessa Stoddart, and election of Andrew Brewer and Felicity Underhill, to the Channel Infrastructure Board. Vanessa will be well known to our shareholders and brings with her a wealth of specialised skills in people and culture. Andrew, who joined the Board in December last year, has some 22 years' experience in world-class terminal operations and petroleum operations leadership. Andrew brings with him valuable knowledge of health and safety practices. Felicity is a recent appointment to the Board and brings strong expertise in future fuels and sustainable aviation fuel, innovation and the commercialisation of projects. We believe these three directors position Channel Infrastructure's Board well for the future.

In addition, this year we have received a proposal from a shareholder, Mr Karl Barkley, relating to the recommencement of refinery operations. In accordance with the Companies Act 1993, this proposal is included as a resolution in the Notice of Meeting. We are supportive of improving New Zealand's fuel security, welcome any suggestions to improve it and are willing and able to invest capital into financially viable proposals put forward by the Government or Customers. We believe there are other, more sustainable and financially viable opportunities for the Company to support fuel resilience and security in New Zealand. We have already delivered an additional 100 million litres of tank capacity at Marsden Point and discussions with Government and customers are underway to utilise the 400 million litres of unutilised tank capacity at Marsden Point for additional in-country storage of the fuels vital to keeping New Zealand moving.

The Board has also received director nominations for Mr Barkley and Mr Reurich to be elected to the Board, both of whom are calling for the recommencement of refining operations at Marsden Point.

The Board's voting recommendations and reasons supporting these recommendations are set out in the 2024 Notice of Meeting. We encourage you to read all the information set out in the Notice of Meeting carefully, and thank you for your continued support of Channel Infrastructure.

Yours sincerely

A handwritten signature in black ink that reads "JB Miller".

James Miller  
Chair of Channel Infrastructure NZ Limited