NEWS RELEASE



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More talks needed on Auckland port study: Northport

Northport Limited has welcomed the Auckland Development Committee's decision to refer to the incoming Auckland Council the conclusions and recommendations of its Port Future Study, released earlier this week. It is calling for further discussions in the interim to look at alternative solutions to growth issues faced by Ports of Auckland.

The company believes the study took an overly narrow focus and contains errors and mischaracterisations about Northport that led the Consensus Working Group to eliminate it, and the Port of Tauranga, as viable solutions to the commercial and infrastructural challenges the study addresses.

Northport informed the Auckland Development Committee of its views about the study in advance of the meeting on Wednesday (6 July 2016).

The narrow focus by the study on options for Ports of Auckland to be constrained, grow or relocate meant it did not examine in any detail options to 'unbundle' the port's total freight task. Instead, Northport and Port of Tauranga were assessed on whether they could, independently or in partnership, assume Auckland's total freight task.

"That was never going to be a realistic option because Auckland will, in all likelihood, always require a port facility," said Northport Chairman Sir John Goulter. "But there are opportunities for the load to be shared across the Upper North Island and these have not yet been explored fully."

The report overlooks expanding capacity at Northport over the next decade. Its own current freight task, to date dominated by log exports, is expected to decrease significantly over the next decade as key Northland forests are harvested. Its container handling ability is being developed and it already has significant, consented expansion plans which include increasing its 570 metre berth length by 270 metres and its hardstand area to 50 hectares. Longer term plans provide for a total footprint of 70 hectares and 1.4 kilometres of berthage.

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Sir John said Ports of Auckland did a good job within the physical constraints of its existing boundaries and that, despite the recommendations of the Port Future Study, Northport remained both willing and able to provide solutions to the "increasingly acute" challenges it faced.

The Greater Marsden Point area was particularly suited to port expansion, he said. In addition to the 180 hectares of undeveloped, 'green field' commercial-zoned land adjacent to the port boundary it was also the site of significant national infrastructure in the form of New Zealand's only oil refinery.

"The irony is that while so much of the discussion around Ports of Auckland's future is about how its neighbours and stakeholders don't want it to grow any further, the people of Northland would welcome the benefits and opportunities that selective unbundling of Ports of Auckland's total freight task could potentially bring to our region," Sir John said.

That fact is not lost on Dr Rick Boven, Chairman of the Consensus Working Group, who said at yesterday's meeting that "no-one wants a port in their back yard. Except possibly Northport".

About Northport

Northport, situated at Marsden Point at the mouth of Whangarei Harbour, is New Zealand's northernmost deep-water port. It is a flexible facility catering for large, multi-purpose vessels and full cargo handling facilities are available from its 570 metre linear berth.

Logs, woodchip and processed timber for export comprise the bulk of cargo processed by the port. Other export items include kiwifruit, dairy products and manufactured goods. Imports are an important part of Northport's business and include fertiliser, gypsum, coal and palm kernel.

The port is owned and operated by Northport Ltd, itself owned jointly and equally by <u>Marsden Maritime Holdings Ltd</u> and the <u>Port of Tauranga Ltd</u>.

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