



ASX Release

27 September 2018

Viva Energy Refining Margin Update – August 2018

Viva Energy Group Limited (ASX: VEA) advises its Geelong Refining Margin (GRM)¹ in respect of crude intake processed through the Geelong Refinery for the month of August 2018.

	August 2018
Crude Intake	3.1MBBLs
Geelong Refining Margin (GRM)	US\$11.1/BBL

The Geelong Refinery performance was impacted by a disruption to electricity supply from the external power grid on 25 August 2018. Refinery safety systems designed to protect equipment automatically isolated the site from external power and this tripped the major processing units. Processing units were progressively restored over the following week, with the refinery returning to full production in early September.

This electricity supply incident is under investigation by the Australian Energy Market Operator.

Notes

1. The Geelong Refining Margin is a non-IFRS measure calculated in the following way: IPP less the COGS, and is expressed in US dollars per barrel (US\$bbl), where:

IPP: is a notional internal sales price which is referable to an import parity price for the relevant refined products, being the relevant Singapore pricing market and relevant quality or market premiums or discounts plus freight and other costs that would be incurred to import the product into Australia
COGS: is the actual purchase price of crude oil and other feedstock used to produce finished products
2. Geelong Refining Margin is a financial measure Viva Energy uses to illustrate and aid in the understanding of the performance of the Geelong Refinery. It involves elements of estimation and is not alone a measure of historical financial performance. In addition, it is only one contributor to the replacement cost Underlying EBITDA of Viva Energy, with other segments including the Retail Fuels and Marketing business and Supply, Corporate and Overheads.
3. In its financial reporting, Viva Energy converts GRM into Australia dollars using the prevailing month average exchange rate.

Viva Energy

Viva Energy is one of Australia's leading energy companies and supplies approximately a quarter of the country's liquid fuel requirements. It is the exclusive supplier of high quality Shell fuels and lubricants in Australia through an extensive network of more than 1,100 Shell branded service stations across the country.

Viva Energy owns and operates the strategically located Geelong Refinery in Victoria, and operates bulk fuels, aviation, bitumen, marine, chemicals and lubricants businesses supported by more than 20 terminals and 50 airports and airfields across the country.

For further information, please refer to www.vivaenergy.com.au

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