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## Key developments for Viva Energy's Geelong Energy Hub

Viva Energy Group Limited (the Company) today announced two significant advances in the development of its Geelong Energy Hub.

### Ultra Low Sulphur Gasoline Production

The Viva Energy Board has approved funding to upgrade processing capability at Geelong Refinery to produce Ultra-Low Sulphur Gasoline (ULSG). This investment will improve the quality of petrol produced at the refinery and help reduce vehicle emissions. It will also improve the refinery's crude processing flexibility.

The total cost of the project is expected to be approximately \$300 million, with the Company receiving \$125 million under the Federal Government's Refinery Upgrades Program. The project will be completed over the next three years, with approximately \$50 - 70 million expected to be spent during 2022. During peak construction the project will employ up to 300 people, adding to more than 700 people employed at the refinery on an ongoing basis.

Viva Energy CEO, Scott Wyatt, said, "Viva Energy is proud of our role in supporting energy security. We have recently committed to continue refining in Australia through to mid-2028, and construct an additional 90ML of diesel storage to improve Victoria's fuel supply security. Our announcement today to substantially upgrade our refinery will improve the quality of petrol produced here in Australia, help reduce vehicle emissions, and improve our processing flexibility. These investments and commitments support local jobs and substantially improve Australia's energy security as part of the Federal Government's Fuel Security Package."

### Acquisition of LyondellBasell Australia

Viva Energy also announced today that it has agreed to acquire LyondellBasell Australia (LBA), a Geelong-based national polymer manufacturer and distributor which has its production facility located inside the footprint of Geelong Refinery.

LBA is the country's only polypropylene manufacturer, supplying the Australian and New Zealand market with raw material for the production of diverse plastic products ranging from food packaging and medical equipment to polymer bank notes, and serving more than 60 customers across Australia, New Zealand, Asia, India, the Middle East and North America. The business is strongly complementary to Viva Energy's refining operations, with Geelong Refinery's propylene production utilised as the feedstock in LBA's manufacturing operations.

LBA has a strong market position, manufacturing and importing a range of polymers with both broad market use and specialist applications. The acquisition broadens the scope of Viva Energy's manufacturing capability, and further diversifies our product mix and marketing opportunities. The LBA business has good fundamentals and a solid operating model, with potential for growth. LBA employs approximately 100 people across manufacturing, supply chain and marketing operations, and the production facility at Geelong plays an important role in the optimisation of Geelong Refinery.

Viva Energy CEO, Scott Wyatt, said, "This acquisition is another step in the development of our Geelong Energy Hub and the further diversification of our Commercial and Industrial businesses. This facility and its manufacturing capability are vital to the economies of Victoria and Australia, and can have important

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roles to play in Australia's circular economy through the recycling of plastics. The acquisition of this business opens the door for innovation and the development of new business opportunities.”

The transaction is for 100% of LBA through a share sale. In addition, the parties have agreed to a suite of import and distribution arrangements that will deliver Viva Energy and LyondellBasell (Global) with a long-term relationship to build the business, delivering value to both parties.

The initial purchase price is \$15 million, subject to customary adjustments at completion, with an agreed earnout mechanism across a 6-year period, not to exceed a further \$25 million. The transaction remains subject to regulatory approvals which are expected to progress in the coming months.

**Authorised for release by:** the Board of Viva Energy Group Limited

**Further enquiries:**

**Media Enquiries**

Michael Cave  
T: +61 409 647 910  
E: michael.cave@vivaenergy.com.au

**Investor Relations**

Cameron Sinclair  
T: +613 8823 4811  
E: investors@vivaenergy.com.au

[www.vivaenergy.com.au](http://www.vivaenergy.com.au)

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