

Prospectus

and Product Disclosure Statement

**Date of this
Offer Document**
22 July 2016

In relation to an offer of 414.1 million Stapled Securities, each comprising one Unit in Viva Energy REIT Trust (ARSN 613 146 464) and one Share in Viva Energy REIT Limited (ACN 612 986 517).



Joint Lead Managers

Deutsche Bank 

Merrill Lynch 

Important notices

This information is important and requires your attention

It is important that you read this Offer Document carefully and in its entirety prior to making your investment decision with respect to the Offer. In particular you should pay careful consideration to the risk factors outlined in Section 10 of this Offer Document as they relate to your personal investment objectives, financial circumstances and needs. If you have any queries or uncertainties relating to aspects of this Offer Document or the Offer, please consult your stockbroker, accountant or other independent financial adviser before deciding whether to invest.

The issuer

This Offer Document is issued by Viva Energy REIT and relates to an offer of Shares and Units in Viva Energy REIT. Viva Energy REIT comprises:

- VER Limited (ABN 43 609 868 000) (AFSL 483795) as responsible entity of the Viva Energy REIT Trust (ARSN 613 146 464); and
- Viva Energy REIT Limited (ACN 612 986 517).

Product disclosure statement

To the extent that this Offer Document relates to an offer of Units in the Trust, it is a product disclosure statement for the purposes of Part 7.9 of the Corporations Act and has been issued by the Responsible Entity.

Prospectus

To the extent that this Offer Document relates to an offer of Shares in the Company, it is a prospectus for the purposes of Chapter 6D of the Corporations Act and has been issued by the Company.

Stapled Securities

The Offer is for Stapled Securities, each comprising one Unit in the Trust and one Share in the Company. Refer to Section 5 for further details of the Offer.

Lodgement and listing

This replacement Offer Document is dated 22 July 2016 and was lodged with ASIC on that date.

It is a replacement Offer Document, which replaced the document dated 11 July 2016 and lodged with ASIC on that date (**Original Offer Document**). For the purposes of this document, this replacement offer document will be referred to as the Offer Document.

The key changes that have been made to the Original Offer Document are:

- in the Important Notices section, deleting a statement that Viva Energy REIT disclaims liability for information extracted or derived from the Industry Report;
- in the Chairman's letter, including additional disclosure of the key risks associated with an investment in Viva Energy REIT;
- in the Chairman's letter and the Investment Overview, including disclosure that the involvement of Viva Energy Group with Viva Energy REIT presents potential risks for Viva Energy REIT;
- in the Chairman's letter and the Investment Overview, disclosing that the acquisition of the Portfolio will be substantially funded by the proceeds of the initial draw down under the Debt Facility;
- in the Investment Overview, including a new topic "Who is the Sub Trustee", and in Section 2.1, making disclosure the roles of the Sub Trustee and Finco, and the composition of the boards of those companies;
- in the Investment Overview, deleting the reference to 'peers' when discussing the FY17 forecast management corporate expenses, and in the Investment Overview and in Section 12.1, clarifying the amount and nature of the management fees;
- in Section 2.6.1, correcting references to Viva Energy Group (which previously only referred to "Viva Energy");
- in Section 2.6.1, deleting reference to the net debt / EBITDA ratio from the pro forma balance sheet table for Viva Energy Group;

- in Section 2.6.1.1, removing the graph titled "Australian fuel retail market share (by volume)" and its associated footnote;
- in Section 3.5, deleting the graph titled "Petrol sales mix (by volume)" and its associated footnote, and amending the lead-in statement to that graph;
- in Section 14.15, deleting a footnote and text that related to that footnote; and
- minor changes as a consequence of this Offer Document replacing the Original Offer Document.

Viva Energy REIT applied on 11 July 2016 for the admission of Viva Energy REIT to the Official List of ASX and the quotation of the Stapled Securities on ASX. Neither ASIC nor ASX takes any responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

ASX reserves the right (but without limiting its absolute discretion) to remove one or more entities with stapled securities from the ASX Official List if any of their securities cease to be "stapled" together, or any equity securities are issued by one entity which are not stapled to equivalent securities in the other entity or entities.

Not investment advice

The information contained in this Offer Document should not be taken as financial product advice and has been prepared as general information only, without consideration for your particular investment objectives, financial circumstances or particular needs.

In particular you should pay careful consideration to the risk factors outlined in Section 10 in light of your personal circumstances, recognising that other risk factors may exist in addition to those identified and should also be considered before deciding whether to invest.

If you have any queries or uncertainties relating to aspects of this Offer Document or the Offer, please consult your stockbroker, accountant or other independent financial adviser before deciding whether to invest.

Similarly, the tax implications of your investment will vary depending on your personal financial circumstances and investment objectives. You should consider the tax implications outlined in Section 11 of this Offer Document and obtain and rely on your own professional taxation advice prior to deciding whether to invest in this Offer.

No cooling-off rights

Cooling-off rights do not apply to an investment in the Stapled Securities pursuant to the Offer. This means that, in most circumstances, you will be unable to withdraw your Application once it has been accepted.

Rights and liabilities attached to the Stapled Securities

All Stapled Securities will rank equally in all respects. Details of the rights and liabilities attached to each Stapled Security are set out in Section 13.14 of this Offer Document and in the Constitutions of the Company and the Trust. A copy of each of those documents will be made available for inspection at the registered office of Viva Energy REIT within normal business hours.

Electronic PDS

An electronic copy of this Offer Document may be viewed online by Australian and New Zealand residents at www.vivaenergyreit.com.au.

The Offer made under this Offer Document when in electronic form is available only to persons receiving this Offer Document in electronic form in Australia or New Zealand. If you access the Offer Document electronically, please ensure that you download and read the Offer Document in its entirety.

A paper form of this Offer Document can be obtained, free of charge, during the Offer Period by contacting the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 between 8.30am and 5.30pm (Melbourne time) Monday to Friday (excluding public holidays).

Important notices (cont)

Applications for Stapled Securities will only be considered if applied for on an Application Form attached to or accompanied by a copy of this Offer Document (refer to Section 5 for further information).

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is accompanied by this Offer Document in its paper form or the complete and unaltered electronic form.

Exposure period

The Corporations Act prohibits Viva Energy REIT from processing Applications in the seven day period after the date of lodgement of the Original Offer Document. This period was formally extended by ASIC by a further 7 days and expires on 25 July 2016 (Exposure Period). The purpose of the Exposure Period is to enable the Offer Document to be examined by market participants before the sale of Stapled Securities.

Applications received during the Exposure Period have not been processed and will not receive any preference. No offer is being made to New Zealand investors during the Exposure Period.

Expiry date

This Offer Document expires on 12 August 2017, 13 months after the date of the Original Offer Document. No Stapled Securities will be issued on the basis of the Offer Document after that date.

Overseas investors

This Offer Document does not constitute an offer or invitation of Stapled Securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

Distribution of this Offer Document outside of Australia and New Zealand (whether electronically or otherwise) may be restricted by law. Persons who receive this Offer Document outside of Australia and New Zealand are required to observe any such restrictions. Failure to comply with such restrictions may find you in violation of applicable security laws.

Unless otherwise agreed with Viva Energy REIT, any person subscribing for Stapled Securities in the Offer shall by virtue of such subscription be deemed to represent that they are not in a jurisdiction which does not permit the making of an offer or invitation as detailed in this Offer Document, and are not acting for the account or benefit of a person within such jurisdiction.

None of Viva Energy REIT, the Joint Lead Managers, nor any of their respective directors, officers, employees, consultants, agents, partners or advisers accepts any liability or responsibility to determine whether a person is able to participate in the Offer.

See Section 14.19 for further details.

Important information related to U.S. securities law restrictions

The Offer is not an offer or invitation in any jurisdictions where, or to any person to whom, such an offer or invitation would be unlawful. This Offer Document may not be distributed in the United States or elsewhere outside Australia or New Zealand unless it is attached to, or constitutes part of, the International Offering Circular that describes selling restrictions applicable in the United States and other jurisdictions outside Australia or New Zealand, and may only be distributed to persons to whom the Offer may be lawfully made in accordance with the laws of any applicable jurisdiction.

The Stapled Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Offers to any persons in the United States are only being made pursuant to, and in accordance with the terms described in, the International Offering Circular.

Important information for New Zealand investors

Warning statement

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the Offer Document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange risk

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Updated information

Information regarding the Offer may need to be updated from time to time. Any updated information about the Offer that is considered not materially adverse to investors will be made available on the Viva Energy REIT website at www.vivaenergyreit.com.au and Viva Energy REIT will provide a copy of the updated information free of charge to any eligible investor who requests a copy by contacting the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 (outside Australia) between 8.30am and 5.30pm (Melbourne time) Monday to Friday (excluding public holidays).

In accordance with its obligations under the Corporations Act, Viva Energy REIT may issue a supplementary Offer Document to supplement any relevant information not disclosed in this Offer Document. You should read any supplementary disclosures made in conjunction with this Offer Document prior to making any investment decision.

Important notices (cont)

Financial information

Unless otherwise specified, all financial and operational information contained in this Offer Document is believed to be current as at the date of this Offer Document.

All currency amounts are in Australian dollars unless otherwise specified.

This Offer Document includes forecast financial information based on the best estimate of assumptions of the directors of the Company and the Responsible Entity. The financial information presented in this Offer Document, which consists of the Pro Forma Balance Sheet, the Statutory Forecast Financial Information and the Forecast Distribution Statements, is unaudited. See “Forward-looking Statements” below and Section 6 for further details on the Financial Information.

This Offer Document does not include any historical financial statements or historical financial information, other than the Pro Forma Balance Sheet as at the Establishment Date (being 14 June 2016, the date on which Viva Energy REIT was established) set out in Section 6.5, assuming the impact of the Transaction and completion of the Offer as at the Establishment Date. This is on the basis that no historical financial statements or predecessor accounts of Viva Energy REIT exist as the business was only established on the Establishment Date, and did not exist in its current form as a subsidiary of Viva Energy.

Viva Energy REIT will operate on a financial year ending 31 December. Accordingly, Viva Energy REIT’s first statutory financial period will be the period from the Establishment Date to 31 December 2016, although Viva Energy REIT’s operations will not commence until acquisition of the properties in the Portfolio at Settlement.

Independent valuations

This Offer Document contains information regarding the independent valuations of the properties in the Portfolio by independent valuers Colliers International, in each case as of 1 July 2016. You should note that the estimated Portfolio valuation represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole. Valuations are an estimate of market value and prediction of price, not a guarantee of current or future market value. By necessity, valuations require the valuer to make subjective judgements and are subject to a number of assumptions and conditions, that, even if logical and appropriate, may differ from those made by a purchaser or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values or those assumptions and conditions may not be met.

Property values can change substantially, even over short periods of time, and an independent valuer’s opinion of value could differ significantly if the date of valuation were to change. Periods of high market volatility may lead to fluctuations in values over a short period of time.

It is encouraged that you read the Independent Valuation Report contained in Section 8 in its entirety prior to making your investment decision with respect to the Offer.

Industry data, information and industry report

This Offer Document contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to Viva Energy REIT’s business and markets. Unless otherwise indicated, such information is based on an industry report (Industry Report) that Viva Energy REIT commissioned from Colliers International, as well as Viva Energy REIT’s analysis of such information. See Section 9 for further information relating to the Industry Report and Collier International’s engagement. The information contained in the Industry Report has been accurately reproduced, and, as far as the Board is aware, no facts have been omitted which would render the information provided inaccurate or misleading.

The Industry Report includes or is otherwise based on information supplied to Colliers International by or on behalf of Viva Energy REIT, including internal financial and operational information of Viva Energy REIT. In addition, Viva Energy REIT understands from Colliers International that the Industry Report includes or is otherwise based on information obtained from (i) various data collection agencies, industry associations, forums and institutes and private market analysts; and (ii) publicly available information, such as federal and state government budgets, tender publications, and other information publicly released by corporations and government departments, as well as primary interviews conducted with industry experts and participants and secondary market research.

Investors should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions.

Forward-looking statements

Certain “forward-looking statements” have been provided in this Offer Document. These statements can be identified by the use of words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “could”, “may”, “target”, “predict”, “guidance”, “plan” and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Preparation of these forward-looking statements was undertaken with due care and attention; however, forward-looking statements remain subject to known and unknown risks, uncertainties and other factors, many of which are beyond the control of Viva Energy REIT such that actual performance differs materially to any performance indicated in the forward-looking statements. Some of the risk factors that impact on forward-looking statements in this Offer Document are set out in Section 10. No assurance can be provided that actual performance will mirror the guidance provided.

Other than as required by law, none of Viva Energy REIT, its respective directors, officers, employees or advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Offer Document will actually occur. You are cautioned not to place undue reliance on those statements.

The forward-looking statements in this Offer Document reflect the views held only immediately before the date of this Offer Document, unless otherwise stated. Subject to the Corporations Act and any other applicable law, each of Viva Energy REIT, its respective directors, officers, employees and advisers disclaims any duty to disseminate after the date of this Offer Document any updates or revisions to any such statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Offer Management Agreement

Deutsche Bank and Merrill Lynch have been appointed by Viva Energy REIT as Joint Lead Managers to the Offer, subject to certain terms and conditions stipulated within the Offer Management Agreement.

The Offer Management Agreement sets out a number of circumstances where the Joint Lead Managers may terminate the agreement and their obligations. For further information on the terms and conditions of the Offer Management Agreement, you should refer to Section 13.15 of this Offer Document.

Photographs, diagrams and artist’s renderings

Photographs, diagrams and artist’s renderings contained in this Offer Document that do not have accompanying descriptions are intended for illustrative purposes only. They should not be interpreted to mean an endorsement of this Offer Document or its contents by any person shown in these images. Furthermore, assets not accompanied by a description should not be interpreted as being owned by Viva Energy REIT.

Diagrams used in this Offer Document are also intended for illustrative purposes only and may not be drawn to scale.

Important notices (cont)

Definitions, abbreviations and other information

Explanations of defined terms and abbreviations used throughout this Offer Document can be found in the Glossary (Appendix B).

Unless otherwise stated or implied, references to times in this Offer Document are Melbourne time. Similarly, references to dates or years in this Offer Document are financial years ending 31 December unless otherwise stated or implied.

Rounding of the figures provided in this Offer Document may result in some discrepancies between the sum of components and the totals outlined within the tables and percentage calculations.

The references within this document to Viva Energy REIT entering into certain arrangements do not specify whether the arrangements are entered by the Company, the Trust or a wholly owned entity of either of them and this is a matter of convenience. Certain arrangements will be entered into by the Company, the Trust or any of their wholly owned entities uniquely. The reference to Viva Energy REIT should not be considered to imply that the Company or the Trust are associates. Neither of the stapled entities controls or has the ability to control the other stapled entity for income tax purposes. For a description of the structure of the stapled entities, see Section 2.2.

There are references within this document to the Board performing certain activities which do not specify whether the activities are performed by the Board of the Company, the Board of the Responsible Entity or the board of directors of any wholly owned entity of the Company or the Trust. Each of those boards will have separate responsibilities (as relevant) and will undertake the necessary activities to provide proper corporate governance frameworks for that relevant entity. The Board of the Company does not control or have the ability to control the Board of the Responsible Entity (and vice versa) for income tax purposes. However, having regard to Viva Energy REIT's stapling arrangements and pursuant to the terms of its constituent documents, those Boards must have regard to the interests of Unitholders and Shareholders as a whole.

Disclaimer

No person is authorised to give any information, or to make any representation, in connection with the Offer that is not contained in this Offer Document.

Any information or representation that is not in this Offer Document may not be relied on as having been authorised by Viva Energy REIT in connection with the Offer. Except as required by law, and only to the extent so required, neither Viva Energy REIT, its respective directors nor any other person, warrants or guarantees the future performance of Viva Energy REIT, the repayment of capital, or any return on any investment made pursuant to this information.

The Joint Lead Managers have not authorised, permitted or caused the issue, lodgement, submission, despatch or provision of this Offer Document and do not make or purport to make any statement in this Offer Document and there is no statement in this Offer Document which is based on any statement by the Joint Lead Managers. The Joint Lead Managers and their respective affiliates, officers and employees, to the maximum extent permitted by law, expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Offer Document and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Offer Document.

Any references within this Offer Document to Viva Energy REIT's website www.vivaenergyreit.com.au are for informational purposes only; the information on the website is not incorporated in this Offer Document.

Privacy

By filling out an Application Form to apply for Stapled Securities, you are providing personal information to Viva Energy REIT and the Registry. Viva Energy REIT may also collect, hold and use that personal information in order to process your Application. Viva Energy REIT may also collect, hold and use that personal information in order to service your needs as a Securityholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, Viva Energy REIT and the Registry may not be able to process or accept your Application.

Your personal information may also be provided to Viva Energy REIT's agents and service providers on the basis that they deal with such information in accordance with their respective privacy policies. These agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian laws. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Joint Lead Managers in order to assess your Application;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing Viva Energy REIT's Securityholders base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administration and advising on, the Stapled Securities and for associated actions.

You may request access to your personal information held by or on behalf of Viva Energy REIT. You may be required to pay a reasonable charge to the Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Registry as follows:

Telephone: 1800 502 355 (within Australia) and
+61 1800 502 355 (from outside Australia)

Address: Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

If any of your information is not correct or has changed, you may require it to be corrected.

Further questions

If you have any queries relating to aspects of this Offer Document, please call the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 (outside Australia) between 8.30am and 5.30pm (Melbourne time) Monday to Friday (excluding public holidays).

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Key offer statistics and important dates

Key dates	
Original Offer Document lodgement date	Monday, 11 July 2016
Replacement Offer Document lodgement date	Friday, 22 July 2016
Broker Firm Offer, Priority Offer and Employee Offer periods commence	Tuesday, 26 July 2016
Broker Firm Offer, Priority Offer and Employee Offer close	Thursday, 28 July 2016
Institutional bookbuild	Thursday, 28 July 2016 to Friday, 29 July 2016
Commencement of trading on a conditional and deferred settlement basis on ASX	Wednesday, 3 August 2016
Settlement of Offer	Tuesday, 9 August 2016
Allotment of Stapled Securities and commencement of trading on a deferred settlement basis on ASX	Wednesday, 10 August 2016
Dispatch of holding statements	Thursday, 11 August 2016
Commencement of trading on a normal settlement basis on ASX	Friday, 12 August 2016

The timetable above is indicative only. Viva Energy REIT, in conjunction with the Joint Lead Managers, reserves the right to amend any or all of these dates subject to the Corporations Act, the Listing Rules and other applicable laws, including closing the Offer early, extending the Offer, deferring the Allotment or accepting late Applications either generally or in particular cases, or to withdraw the Offer, without prior notice. The quotation and commencement of trading of the Stapled Securities is subject to confirmation from ASX.

Key offer statistics and important dates (cont)

Key offer statistics ¹	
Offer Price per Stapled Security	\$2.20
Number of Stapled Securities available under the Offer	414.1 million
Proceeds from the Offer	\$911.0 million
Number of Stapled Securities on issue on Allotment	690.2 million
Market capitalisation at the Offer Price ²	\$1,518 million
Forecast Distributions for the period from Establishment Date to 31 December 2016	5.09 cents
Forecast Distributions for the 12 months to 31 December 2017	13.07 cents
Forecast annualised Distribution Yield ³ (from Establishment Date to 31 December 2016)	5.80%
Forecast Distribution Yield (12 months to 31 December 2017)	5.94%
Notional one year forward forecast annualised distribution growth ⁴	4.3%
Distribution growth between FY16 annualised and FY17 full year reporting periods ⁵	2.4%
Forecast payout ratio (Distribution / Distributable Earnings) ⁶	100%
Forecast tax deferred component of Distributions (from Establishment Date to 31 December 2016)	41.9%
Forecast tax deferred component of Distributions (12 months to 31 December 2017)	26.9%
NTA per Stapled Security	\$2.00
Offer Price premium to NTA per Stapled Security	10.0%

1. The Forecast Financial Information is based on a number of estimates, assumptions and pro forma adjustments that are subject to business, economic and competitive uncertainties and contingencies, which are subject to change and may in many cases be outside the control of the Directors. Actual financial results may vary from the Forecast Financial Information presented in this Offer Document and these differences may be material. See Section 6 for a discussion and analysis of the Forecast Financial Information, including, the assumptions on which it is based and the key sensitivities to which it is subject and Section 10 for a discussion of the associated risk factors. The Establishment Date refers to the date on which Viva Energy REIT Trust was established, being 14 June 2016.
2. Calculated as the total number of Stapled Securities on issue following Allotment, multiplied by the Offer Price. Stapled Securities may not trade at the Offer Price after Listing.
3. The yield of 5.80% is calculated as the annualised amount of the targeted distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.
4. This measure shows what the growth in forecast distributions would be if the business of Viva Energy REIT had been established on 1 January 2016 and other forecast assumptions remained in place, including compliance with Viva Energy REIT's distribution policy and target gearing range and the timing of rent increases relative to the start of the leases. As a consequence, it reflects what distributions for the years ending 31 December 2016 and 2017 would have been if the initial rent increases under the leases applied from 1 January 2016 rather than 8 August 2016 and so income in 2017 reflected the full year effect of those rent increases. This measure has been included because Viva Energy REIT believes that it is more representative of expected distribution growth for future periods; however, it is not a forecast for distribution growth between actual accounting periods and does not represent actual growth for these periods. Accordingly, investors should not place undue reliance on this measure.
5. This measure shows the growth between the distribution for the first annualised reporting period (from Establishment Date to December 2016) and distribution for the first full year reporting period (ending December 2017). This measure represents less than the distribution growth that an investor would expect to achieve year on year due to the annualisation calculation for the first reporting period. Annualising the first financial period effectively extends the period until which Viva Energy REIT will experience an increase in rental growth (in August 2017), from 365 days to 585 days, as the first reporting period is extended from 146 to 366 days.
6. See Section 6.10 for full details of the distribution policy.

Key offer statistics and important dates (cont)

Key Portfolio information as at Settlement Date (unless otherwise specified)	
Number of properties	425
Independent Valuation ⁷	\$2,105m
Tenant	Viva Energy
Occupancy	100%
Contracted rental growth during lease term	3.0%p.a.
Weighted Average Lease Expiry (WALE) ⁸	15.3 years
Weighted Average Capitalisation Rate (WACR) ⁹	5.9%
Portfolio passing yield ¹⁰	5.9%
Portfolio reversionary yield ¹¹	5.9%
Initial Gearing ¹² at Settlement Date	35%
Target Gearing range ¹²	35% - 45%

Dates may change

The dates above are indicative only and may be subject to change without notice.

How to invest

Instructions on how to apply for Stapled Securities are set out in Section 5.

Questions

Please call the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 (outside Australia) between 8.30am and 5.30pm (Melbourne time) Monday to Friday (excluding public holidays). If you are unclear in relation to any matter or are uncertain as to whether Viva Energy REIT is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

7. As at 1 July 2016. The estimated Portfolio value represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole.

8. WALE weighted by rental income as at the Settlement Date.

9. Average adopted Capitalisation Rate weighted by property value as at 1 July 2016.

10. Passing yield reflects actual rents divided by property valuation.

11. Reversionary yield reflects market rents divided by property valuation.

12. the ratio of:

(a) total liabilities (as adjusted to exclude mark to market on hedging, transactional costs and expenses (including stamp duty) in respect of the acquisition of any properties, any subordinated debt and exceptional, extraordinary or non-recurring items or liabilities) (TL); to

(b) total tangible assets (TTA). TL and TTA will, subject to such adjustments, be calculated in accordance with generally accepted Australian Accounting Standards.

Chairman's letter

Dear Investor,

On behalf of my fellow Directors it is my pleasure to invite you to become an investor in Viva Energy REIT.

Viva Energy REIT is being established to initially own a portfolio of 425 service station sites located across Australia. All of the properties in the Portfolio will be leased to Viva Energy, one of Australia's market leading fuel suppliers¹.

Viva Energy REIT will provide Securityholders with:

- A real estate portfolio that forms part of a market leading national fuel retailing and convenience store network¹.
- Security of income through long-term, Triple Net leases to Viva Energy, a high quality tenant.
- An attractive forecast Distribution Yield.
- Contracted revenue growth and further growth potential through acquisitions.
- Experienced Directors and management team² with a low forecast management expense ratio.
- A strong corporate governance framework with a majority of independent Directors, including my role as independent Chairman.
- Alignment of interest between Viva Energy REIT and Viva Energy Group through Viva Energy holding a significant stake in Viva Energy REIT upon completion of the Offer³.

Upon completion of the Offer, Viva Energy REIT will be Australia's only listed REIT owning solely service stations with a Portfolio of 425 service station sites across all Australian States and Territories. Viva Energy REIT's objective is to maximise the long-term income and capital returns from its ownership of the Portfolio for the benefit of Securityholders.

The Portfolio has been independently valued at \$2,105 million⁴ based on a Weighted Average Capitalisation Rate of 5.9% and a Weighted Average Lease Expiry of 15.3 years as at the Settlement Date. The acquisition of the Portfolio will be funded by the proceeds of the initial drawdown under the Debt Facility and the issue of Stapled Securities under the Offer, together with the issue of Stapled Securities to Viva Energy Group. All of the Leases over the Portfolio have a 3.0% per annum fixed increase in rent and are Triple Net in nature, which means the tenant, Viva Energy, is responsible for all property Outgoings. Viva Energy has also agreed to indemnify Viva Energy REIT in respect of certain liability for historical environmental Contamination across the Portfolio and, if any property in the Portfolio is Contaminated by the tenant or its invitee during the term of a Lease, the tenant under that Lease must remediate it to a standard consistent with operating the site as a service station⁵. Overall, this is intended to provide Securityholders with a long-term stable, secure and growing income stream.

As set out in Section 6, Viva Energy REIT is forecast to generate an annualised Distribution Yield of 5.80% for the period from the Establishment Date to 31 December 2016⁶, and a Distribution Yield of 5.94% for the 12 months ending 31 December 2017. The notional one year forward forecast annualised distribution growth is 4.3%⁷.

1. As measured by volume of fuel sales in 2015.
2. Management employed by Viva Energy Group and made available to the Manager on a full time and exclusive basis.
3. Viva Energy Group will hold approximately 40% of Stapled Securities upon completion of the Offer. Those Stapled Securities are not subject to escrow arrangements. It should be noted that the involvement of Viva Energy Group with Viva Energy REIT presents potential risks for Viva Energy REIT - see Section 10.1, including Sections 10.1.1-10.1.3 and 10.1.8.
4. As at 1 July 2016 as determined by Colliers International based on an independent valuation of the Portfolio. The estimated Portfolio valuation represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole.
5. Please refer to Section 2.7 for a more detailed description of the extent to which Viva Energy has agreed to indemnify Viva Energy REIT in relation to, and otherwise accept responsibility for, environmental liabilities and works in respect of the properties in the Portfolio.
6. The yield of 5.80% is calculated as the annualised amount of the targeted distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.
7. This measure shows what the growth in forecast distributions would be if Viva Energy REIT had been established on 1 January 2016 and other forecast assumptions remained in place, including compliance with Viva Energy REIT's distribution policy and target gearing range and the timing of rent increases relative to the start of the leases. As a consequence, it reflects what distributions for the years ending 31 December 2016 and 2017 would have been if the initial rent increases under the leases applied from 1 January 2016 rather than 8 August 2016 and so income in 2017 reflected the full year effect of those rent increases. This measure has been included because Viva Energy REIT believes that it is more representative of expected distribution growth for future periods; however, it is not a forecast for distribution growth between actual accounting periods and does not represent actual growth for these periods. Accordingly, investors should not place undue reliance on this measure.

Chairman's letter (cont)

Viva Energy REIT is a stapled property group comprising the Company, the Trust and their wholly owned entities. The Responsible Entity is a wholly owned subsidiary of the Company and the service station sites in the Portfolio will be owned by a wholly owned entity of the Trust.

The Board is responsible for the overall strategic direction of Viva Energy REIT. It has engaged the Manager, which is a member of the Viva Energy Group, to manage the Portfolio on a day-to-day basis and provide strategic, operational and administrative services to Viva Energy REIT.

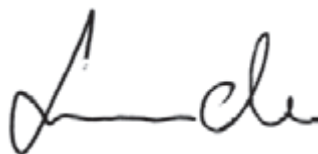
This Offer Document contains detailed information about Viva Energy REIT, the Offer and the key risks involved in an investment of this nature. The key risks associated with an investment in Viva Energy REIT are set out in Section 10 and include, among others, risks associated with having a single tenant and operating in a single industry sector, Viva REIT's reliance on the Manager, risks associated with the arrangements under which Coles Express occupies the properties in the Portfolio, the CGT implications of any future disposal of properties in the Portfolio, risks relating to the Debt Facility Agreement and risks regarding the disposal and re-leasing of properties in the Portfolio. Further, the involvement of the Viva Energy Group, including the Manager, in the activities of Viva Energy REIT may give rise to actual or perceived conflicts of interest between the Viva Energy Group and Viva Energy REIT.

I encourage you to read the Offer Document in full and to carefully consider the Offer, including the risks of investing in Viva Energy REIT outlined in Section 10. Please consult your financial, or other, adviser before making an investment decision.

On behalf of the Directors, I invite you to consider this Offer and look forward to welcoming you as an investor in Viva Energy REIT.

Yours sincerely,

Laurence Brindle



Chairman,
Viva Energy REIT

Section 1

Investment overview



1. Investment overview

Topic	Summary	For more information
Viva Energy REIT overview		
What is Viva Energy REIT?	Viva Energy REIT is an Australian property group which, prior to completion of the Offer, will have acquired from Viva Energy a portfolio of 425 service station sites located throughout all Australian States and Territories. All of the properties in the Portfolio will be leased to Viva Energy, one of Australia's market leading fuel suppliers ¹ .	Section 2
How will Viva Energy REIT generate income?	Viva Energy REIT, as landlord, and Viva Energy, as tenant, will enter into long-term Triple Net leases over all of the properties in the Portfolio which will take effect immediately following completion of the Transfers. Viva Energy REIT will generate income by collecting rent from Viva Energy under those Leases.	Section 2
Who is the Tenant?	<p>The tenant under each Lease in respect of the properties in the Portfolio will be Viva Energy.</p> <p>Viva Energy operates an integrated Australian fuel refining and retailing business that includes fuel manufacturing, supply and marketing. Viva Energy was launched in August 2014 following the acquisition by a Vitol-led consortium of the majority of Royal Dutch Shell plc's Australian fuel refining and marketing business².</p>	Section 2.6
Who operates the service stations in the Portfolio?	<p>The service stations which are located on the properties in the Portfolio are operated by Coles Express pursuant to the Alliance Agreement between Viva Energy and Coles Express³. Coles Express is affiliated with the Coles chain of supermarkets, one of Australia's leading retailers, and forms part of the Wesfarmers Limited Group, an ASX top 10 listed company⁴. Coles currently brands the service station convenience stores with "Coles Express" branding.</p> <p>The service stations are currently operated under "Shell" branding pursuant to a Shell Brand Licence Agreement.</p> <p>Viva Energy REIT will not operate the service stations in the Portfolio and is not a party to the Alliance Agreement with Coles Express⁵ or the Shell Brand Licence Agreement.</p>	Section 2
What are the investment objectives and growth strategies?	<p>Viva Energy REIT's investment objective is to own a portfolio of high quality and strategically located service station sites throughout Australia, subject to long-term leases to tenants with strong financial credit profiles.</p> <p>Viva Energy REIT will seek to acquire additional properties where the Board believes it is beneficial to Securityholders to do so.</p>	Section 2.4

1. As measured by volume of fuel sales in the 12 months ended 30 June 2014.

2. Excluding Shell's aviation business, although Viva Energy remains the exclusive fuel supplier for Shell's aviation business.

3. References in this Offer Document to the 425 properties in the Portfolio means all of Viva Energy's freehold interests in the service stations operated by Coles Express under the Alliance Agreement, excluding four freehold properties that do not form part of Viva Energy REIT and have not been included as they may be closed, but including two unmanned truck stops which carry only Shell branding and are outside of the Alliance.

4. As at the date of this Offer Document.

5. However, see Sections 2.6.1.2, 10.1.5, 10.1.6, 10.1.9, 13.5 and 13.10 for details of Viva Energy REIT's contractual obligations to Coles Express in relation to the Site Agreements and the risks to Viva Energy REIT relating to them.

1. Investment overview (cont)

Topic	Summary	For more information	
Portfolio			
Key Portfolio information as at the Settlement Date (unless otherwise specified)	Number of properties	425	Section 3
	Independent Valuation ⁶	\$2,105 million	
	Tenant	Viva Energy	
	Occupancy	100%	
	Contracted rental growth	3.0%p.a.	
	Weighted Average Lease Expiry (WALE) ⁷	15.3 years	
	Weighted Average Capitalisation Rate (WACR) ⁸	5.9%	
	Portfolio passing yield ⁹	5.9%	
	Portfolio reversionary yield ¹⁰	5.9%	
	Initial Gearing ¹¹ at the Settlement Date	35%	
Target Gearing ¹¹ range	35 – 45%		
Key lease terms			
What is the term of the Leases?	The term of each Lease is between 10 and 18 years. The WALE of the Portfolio is 15.3 years as at the Settlement Date.	Section 2.3 and Section 13.1	
What is the contracted rental growth?	The Leases between Viva Energy REIT and Viva Energy for all properties in the Portfolio have fixed rental increases of 3.0% per annum during the term of those Leases. There is a market rent review at the commencement date of each extension of the contractual term of each Lease where an option to extend is exercised.	Section 2.3 and Section 13.1	
Are there any lease extension options?	Viva Energy has seven 10 year options to extend each Lease. If Viva Energy exercises an option in respect of a property in the Portfolio, the rent payable under that Lease will be reset subject to a market rent review and will thereafter increase by 3.0% per annum for the new term of the Lease.	Section 2.3 and Section 13.1	
Who is responsible for property outgoings, repairs and maintenance?	The Lease structure is Triple Net. This means that under each Lease, all property Outgoings are the responsibility of the Tenant, Viva Energy. The Leases also govern the funding and other matters relating to major capital expenditures, including the construction of a building, or a major extension or alteration to an existing building.	Section 2.3	

6. As at 1 July 2016 as determined by Colliers International based on an independent valuation of the Portfolio. The estimated Portfolio valuation represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole.

7. WALE weighted by rental income.

8. Average adopted Capitalisation Rate weighted by property value as at 1 July 2016.

9. Passing yield reflects actual rents divided by property valuation.

10. Reversionary yield reflects market rents divided by property valuation.

11. the ratio of:

(a) total liabilities (as adjusted to exclude mark to market on hedging, transactional costs and expenses (including stamp duty) in respect of the acquisition of any properties, any subordinated debt and exceptional, extraordinary or non-recurring items or liabilities) (TL); to

(b) total tangible assets (TTA). TL and TTA will, subject to such adjustments, be calculated in accordance with generally accepted Australian Accounting Standards.

1. Investment overview (cont)

Topic	Summary	For more information
Who bears the environmental liabilities of the Portfolio?	Viva Energy will indemnify Viva Energy REIT in relation to certain environmental liabilities (including liability associated with Contamination migrating offsite) arising in connection with historical Contamination or Contamination caused during the term of each Lease in respect of each property in the Portfolio, in accordance with the Master Agreement. Viva Energy (or any other tenant of the property from time to time) must also undertake any remediation of Contamination caused during the term of each Lease so that each property in the Portfolio is returned to the standard required under the Lease. ¹²	Section 2.3, Section 2.7 and Section 13.2
Structure and corporate governance		
What is the structure of Viva Energy REIT?	Viva Energy REIT is a stapled property group comprising the Company, the Trust and their wholly owned entities. The Responsible Entity of the Trust is a wholly owned subsidiary of the Company and the service station sites in the Portfolio will be owned by a wholly owned entity of the Trust.	Section 2.2
What are Stapled Securities?	Each Stapled Security comprises one Unit and one Share, stapled to each other pursuant to the Constitutions of the Company and the Trust and the Stapling Deed.	Section 2.2
Who are the Directors of Viva Energy REIT?	<p>The Board comprises the directors of the Company and the directors of the Responsible Entity. Those Directors are:</p> <ul style="list-style-type: none"> • Laurence Brindle (Independent Chairman) • Michael Bradburn (Viva Energy representative, non-independent Non-Executive Director) • Georgina Lynch (Independent Non-Executive Director) • Stephen Newton (Independent Non-Executive Director) • Scott Wyatt (Viva Energy representative, non-independent Non-Executive Director)¹³ <p>The Board is responsible for the overall strategic direction of Viva Energy REIT.</p>	Section 4.1
Who are the Directors of the Responsible Entity?	The Board of the Responsible Entity is the same as the Board of the Company, with the exception of Scott Wyatt, who is not a member of the Responsible Entity Board.	Section 4.1
Who is the Sub Trustee?	The Sub Trustee is a wholly owned subsidiary of the Company and has the same directors as the Company. The Sub Trustee is the trustee of the Sub Trust, which was established for the purpose of holding the properties in the Portfolio. All of the units in the Sub Trust are owned by the Responsible Entity.	Section 2.1

12. Please refer to Section 2.7 for a more detailed description of the extent to which Viva Energy has agreed to indemnify Viva Energy REIT in relation to, and otherwise accept responsibility for, environmental liabilities and works in respect of the properties in the Portfolio.

13. Scott Wyatt is not a director of the Responsible Entity.

1. Investment overview (cont)

Topic	Summary	For more information
<p>How will Viva Energy REIT be managed?</p>	<p>VER Manager Pty Ltd, a member of the Viva Energy Group, will manage Viva Energy REIT on a day-to-day basis and provide strategic, operational and administrative services to Viva Energy REIT under the Management Agreement. In doing so, the Manager must act in good faith and in a manner consistent with what it reasonably considers to be in the best interests of Viva Energy REIT and the holders of Stapled Securities.</p> <p>The Manager will have available to it an experienced management team with a deep knowledge of the Portfolio who will work on providing services to Viva Energy REIT on a full time and exclusive basis.</p> <p>The Manager will manage the Portfolio on a day-to-day basis in accordance with the Management Agreement. The Manager will also make recommendations to Viva Energy REIT which will be reviewed by the Board if they relate to matters outside the scope of the Manager's delegated authority. The Board will consider each such recommendation and approve its implementation unless the Board considers that the recommendation is not in the best interests of Securityholders.</p> <p>The Board may also make any proposal or recommendation to the Manager in relation to the services the Manager provides to Viva Energy REIT, which proposal or recommendation the Manager must use reasonable endeavours to promptly implement.</p>	<p>Section 13.3</p>
<p>Who is the Manager?</p>	<p>The Manager was formed for the sole purpose of managing Viva Energy REIT.</p> <p>The senior executives available to the Manager on a full time and exclusive basis are:</p> <ul style="list-style-type: none"> • Margaret Kennedy, Managing Director – Margaret has over 27 years of experience in the Oil and Gas sector working for Shell and Viva Energy. • Guy Farrands, Chief Financial Officer – Guy has over 30 years of experience in direct and listed property markets across commercial, retail, industrial, residential and retirement asset classes. 	<p>Section 4.2</p>
<p>How can the Manager's role be terminated?</p>	<p>The Management Agreement has no fixed term.</p> <p>The Board can remove the Manager for a material unremedied breach of the Management Agreement or a substantial unremedied failure to carry out its obligations as Manager or if the Manager becomes insolvent and in certain other limited circumstances.</p> <p>The Manager can terminate the Management Agreement at any time with six months' notice and with immediate effect if Viva Energy REIT is insolvent and in certain other limited circumstances.</p>	<p>Section 13.3</p>
<p>What fees will the Manager receive?</p>	<p>The Manager will be reimbursed for actual costs incurred in performing the management services under the Management Agreement. The Manager will not receive fees in respect of any acquisitions, disposals or leasing transactions and will not receive a performance fee.</p> <p>The Directors are required to review and approve Manager costs and budgets each financial year. The Manager must use reasonable endeavours to ensure its costs are within the estimated costs which have been agreed with Viva Energy REIT.</p>	<p>Section 12 and Section 13.3</p>

1. Investment overview (cont)

Topic	Summary	For more information												
Will Viva Energy hold Stapled Securities in Viva Energy REIT?	A member of the Viva Energy Group is expected to hold approximately 40% of the Stapled Securities upon completion of the Offer. Viva Energy Group has informed Viva Energy REIT that its substantial investment in Viva Energy REIT is strategically significant for it and that it has no current intention to reduce the extent of that investment, although it is not restricted from doing so. In that regard, Viva Energy Group will not be subject to any escrow arrangements with respect to its holding of Stapled Securities.	Section 2.2												
Has Viva Energy REIT adopted corporate governance arrangements?	Viva Energy REIT is committed to upholding high standards of corporate governance, underpinned by the appointment of a majority of independent Directors, including an independent Chairman. The decision making processes of Viva Energy REIT will be guided by its corporate governance policies which have been developed with regard to the ASX Guidelines.	Section 4.4												
Significant interest of key people and related party transactions														
What significant benefits are payable to Directors and other persons connected with Viva Energy REIT or the Offer and what significant interest do they hold?	As at the date of this Offer Document, none of the Directors holds any Stapled Securities, whether directly or indirectly. However, the Directors intend to participate in the Offer as follows: <table border="1" data-bbox="470 958 1228 1232"> <thead> <tr> <th>Directors</th> <th>Stapled Securities to be purchased under the Offer</th> </tr> </thead> <tbody> <tr> <td>Laurence Brindle</td> <td>100,000</td> </tr> <tr> <td>Michael Bradburn</td> <td>50,000</td> </tr> <tr> <td>Georgina Lynch</td> <td>50,000</td> </tr> <tr> <td>Stephen Newton</td> <td>25,000</td> </tr> <tr> <td>Scott Wyatt</td> <td>50,000</td> </tr> </tbody> </table> <p>Viva Energy REIT has set a non-executive director fee cap of \$750,000 per annum. Each independent non-executive Director of Viva Energy REIT (other than the Chairman) is entitled to receive \$100,000 per annum inclusive of statutory superannuation contributions for acting as a Director.</p> <p>The Chairman of Viva Energy REIT is entitled to receive \$200,000 per annum inclusive of statutory superannuation contributions. The Chairman does not receive additional fees for membership of the Audit and Risk Management Committee. In addition to the above Directors' fees, the Chairman of Viva Energy REIT's Audit and Risk Management Committee will be paid \$20,000 annually and other independent non-executive Directors who are members of the Audit and Risk Management Committee will be paid \$10,000 annually for their services provided to the committee.</p> <p>The Chairman has received consultancy fees of \$16,667 per month since 1 June 2015 and will continue to receive that monthly fee until Listing, and will also receive a further \$25,000 upon Listing. The other Non-Executive Directors have received consultancy fees of \$8,333 per month from 1 June 2016 and will continue to receive that monthly fee until Listing.</p> <p>Advisers and other service providers are entitled to fees for services and have other interests as disclosed in Section 14.6.</p> <p>Deutsche Bank and Bank of America NA, Australian Branch (a banking affiliate of Merrill Lynch) will be lenders to Viva Energy REIT under the Debt Facility Agreement summarised in Section 13.8, and as existing lenders to the Viva Energy Group may be repaid in part or in full from the cash amount payable to Viva Energy as part consideration for the Transfers.</p>	Directors	Stapled Securities to be purchased under the Offer	Laurence Brindle	100,000	Michael Bradburn	50,000	Georgina Lynch	50,000	Stephen Newton	25,000	Scott Wyatt	50,000	Section 14.5
Directors	Stapled Securities to be purchased under the Offer													
Laurence Brindle	100,000													
Michael Bradburn	50,000													
Georgina Lynch	50,000													
Stephen Newton	25,000													
Scott Wyatt	50,000													

1. Investment overview (cont)

Topic	Summary	For more information
Are there any related party transactions?	A number of related party transactions will occur in connection with the establishment and listing of Viva Energy REIT on the terms disclosed in this Offer Document. Further, Viva Energy and Viva Energy REIT have each granted to the other a number of important rights in respect of the properties in the Portfolio, which rights may be exercised in certain circumstances following Listing, as more fully described in this Offer Document.	Section 13.1, Section 13.2, Section 13.9 and Section 14.15
Key investment highlights		
A real estate portfolio that forms part of a leading fuel retailing and convenience store network	<ul style="list-style-type: none"> The Portfolio consists of 425 service station sites, located across all Australian States and Territories, with 76% of the Portfolio (by value) in metropolitan locations¹⁴. High quality Portfolio which has been assembled over a period of more than 100 years and would be difficult to replicate given its scale and the scarcity of available properties in strategically significant locations. The service stations in the Portfolio are currently operated by Coles Express under a long-term Alliance Agreement (and related Site Agreements) between Viva Energy and Coles Express with Shell and Coles Express branding¹⁵. Coles Express is affiliated with the Coles chain of supermarkets, one of Australia's leading retailers, and forms part of the Wesfarmers Limited Group, an ASX top 10 listed company¹⁶. The Portfolio consists of all of the freehold properties currently owned by Viva Energy that are operated under the Alliance Agreement¹⁷. 	Section 3
Security of income through long-term, Triple Net leases to Viva Energy, a high quality tenant	<ul style="list-style-type: none"> The sole Tenant, Viva Energy, is a leading company in fuel manufacturing, supply and marketing in Australia¹⁸. 15.3 year WALE as at the Settlement Date. Triple Net lease structure, with the Tenant responsible for all property Outgoings. Viva Energy has agreed to indemnify Viva Energy REIT in relation to certain environmental liabilities, including liabilities associated with Contamination migrating offsite, in each case to the extent arising in connection with historical Contamination or Contamination caused during the term of each Lease in respect of each property in the Portfolio. Viva Energy (or any other tenant of the property from time to time) must also undertake any remediation of Contamination caused during the term of each Lease so that each property in the Portfolio is returned to the standard required under the Lease. See Sections 13.1 and 13.2 for summaries of the Leases and Master Agreement, respectively, which include certain limitations on Viva Energy's obligations to indemnify and remediate.¹⁹ Tenant stability underpinned by relatively inelastic demand for motor vehicle fuel. 	Section 2.3 and Section 2.6

14. Metropolitan and regional split as independently determined by Colliers International as part of the independent valuation process as at 1 July 2016.

15. With the exception of two unmanned truck stops which carry Shell branding only and are outside of the Alliance.

16. As at the date of this Offer Document.

17. Excludes four freehold properties that do not form part of Viva Energy REIT and have not been included as they may be closed.

18. As measured by volume of fuel sales in the 12 months ended 30 June 2014.

19. Please refer to Sections 2.7, 13.1 and 13.2 for a more detailed description of the extent to which Viva Energy has agreed to indemnify Viva Energy REIT in relation to, and otherwise accept responsibility for, environmental liabilities and works in respect of the properties in the Portfolio.

1. Investment overview (cont)

Topic	Summary	For more information
Attractive forecast Distribution Yield	<ul style="list-style-type: none"> Annualised forecast Distribution Yield of 5.80%²⁰ with 41.9% tax deferred component for the period from Establishment Date (being 14 June 2016) to 31 December 2016²¹. Forecast Distribution Yield of 5.94% with 26.9% tax deferred component for the 12 months to 31 December 2017. See Section 6.3 for further information on Forecast Financial Information. 	Section 6
Contracted revenue growth which may be further enhanced through future acquisitions	<ul style="list-style-type: none"> Fixed 3.0% annual rental growth throughout each Lease term underpins Viva Energy REIT's forecast income growth (with a market rent review if an option to extend the Lease is exercised where rents may go up or down). Part of Viva Energy REIT's growth strategy is to acquire or develop properties to derive additional rental income with a focus on sustainable risk adjusted returns. Viva Energy REIT and Viva Energy have entered into a Site Acquisition and Leasing Agreement for the purpose of enabling them to work together for their mutual benefit in connection with future acquisition and leasing opportunities and with the intention that each of them will further its commercial objectives which: <ul style="list-style-type: none"> For Viva Energy REIT, is to receive commercial gain through the expansion of its portfolio of service station sites in appropriate circumstances, with a resulting increase in rental income. For Viva Energy, is to receive commercial gain through the growth of its service station network. The arrangement does not oblige Viva Energy REIT to acquire any properties that Viva Energy identifies and also does not oblige Viva Energy to bring opportunities to the attention of Viva Energy REIT. Both parties may acquire sites outside of the arrangement. Viva Energy REIT may acquire service station sites or groups of service station sites that are operated by operators of networks that compete with Viva Energy. Viva Energy REIT will also have the right to acquire any service station sites currently owned or in the future owned by Viva Energy that are offered for sale by Viva Energy, subject to the rights of Coles Express if the site is the subject of a Site Agreement. As part of the Debt Facilities, subject to the satisfaction of all relevant conditions precedent, Viva Energy REIT will have a \$100 million three year revolving credit facility and may, at any time after the first anniversary of Financial Close, request an increase to the facility limit of the revolving credit facility by an additional \$200 million pursuant to the terms and conditions of the Debt Facility Agreement. Existing Lenders will have the choice as to whether or not to participate in any such facility increase. The revolving credit facility is expected to be primarily available to fund the acquisition of service stations in Australia and New Zealand pursuant to the terms of the Debt Facility Agreement. 	Section 2.4 and Section 13.8

20. The yield of 5.80% is calculated as the annualised amount of the targeted distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.

21. The Forecast Financial Information is based on a number of estimates, assumptions and pro forma adjustments that are subject to business, economic and competitive uncertainties and contingencies, which are subject to change and may in many cases be outside the control of the Directors. Actual financial results may vary from the Forecast Financial Information presented in this Offer Document, and these variations may be material. See Section 6 for a discussion and analysis of the Forecast Financial Information, including the assumptions on which it is based and the key sensitivities to which it is subject and Section 10 for a discussion of the associated risk factors.

1. Investment overview (cont)

Topic	Summary	For more information
Experienced management team with low forecast management expense ratio	<ul style="list-style-type: none"> The Manager has available to it an experienced management team with a deep knowledge of the Portfolio who will provide services to Viva Energy REIT on a full time and exclusive basis. FY17 forecast management and corporate expenses of \$6.8 million represent approximately 0.32% of Viva Energy REIT's pro forma total assets²². 	Section 4.2 and Section 12
Strong corporate governance framework with majority independent Board and independent Chairman	<ul style="list-style-type: none"> Majority of independent Directors with extensive property and funds management experience. Board responsible for governance of Viva Energy REIT. A conflicts of interest policy has been adopted to assist with the management of any actual or perceived conflicts of interest. Viva Energy REIT is committed to upholding high standards of corporate governance. 	Section 4.1 and Section 4.4
Alignment of interest between Viva Energy REIT and Viva Energy	<ul style="list-style-type: none"> A member of the Viva Energy Group is expected to hold approximately 40% of the Stapled Securities on the Allotment date. Viva Energy Group has informed Viva Energy REIT that its substantial equity investment in Viva Energy REIT is strategically significant for it and that it has no current intention to reduce the extent of that investment, although it is not restricted from doing so. Viva Energy has informed Viva Energy REIT that it regards the stake as strategically important because Viva Energy REIT's properties represent a significant part of Viva Energy's retail fuel distribution network. Viva Energy will not be subject to any escrow arrangements with respect to its holding in Viva Energy REIT. It should be noted that the involvement of Viva Energy Group with Viva Energy REIT presents potential risks for Viva Energy REIT. 	Section 2.6 and Sections 10.1.1-10.1.3 and 10.1.8
Key risks		
Note: Investors should consider all of the risks set out in Section 10 before deciding whether or not to apply for Stapled Securities.		
<i>Risks specific to an investment in Viva Energy REIT</i>		
Tenant concentration risk, financial standing and sector concentration risk	<ul style="list-style-type: none"> As Viva Energy will be, upon commencement of the Leases, the sole Tenant of the Portfolio, 100% of Viva Energy REIT's rental income will be received from Viva Energy. If Viva Energy's financial standing materially deteriorates, Viva Energy's ability to make rental payments to Viva Energy REIT will be adversely impacted, which would have a materially adverse impact on Viva Energy REIT's results of operation, financial position and ability to service and/or obtain financing. Termination of the Alliance Agreement, including the removal of Coles Express branding from the properties, could adversely affect Viva Energy's ability to meet its rental obligations, the value of the Portfolio and Viva Energy REIT's ability to service and/or obtain financing. Termination of Viva Energy's right to use Shell branding could also adversely affect Viva Energy's ability to meet its rental obligations, the value of the Portfolio and Viva Energy REIT's ability to service and/or obtain financing. 	Section 10.1.1

22.As at the Establishment Date.

1. Investment overview (cont)

Topic	Summary	For more information
Reliance on the Manager and its personnel	<ul style="list-style-type: none"> • A member of the Viva Energy Group will also act as the Manager of Viva Energy REIT, and will manage the properties in the Portfolio pursuant to the Management Agreement as described in Section 13.3. • Viva Energy REIT has limited rights to replace the Manager and no right to replace the Manager's representatives including the senior executives of Viva Energy responsible for managing Viva Energy REIT. • The Manager has the right to terminate the Management Agreement on six months' notice. • If the Management Agreement is terminated, Viva Energy REIT may not be able to appoint a new manager with the same expertise, which could have a materially adverse impact on the management and financial performance of Viva Energy REIT. • Because Viva Energy is also Viva Energy REIT's sole tenant, and a potential counterparty in future sale and leasing transactions, there is an inherent risk of actual or perceived conflicts of interest between Viva Energy and Viva Energy REIT. 	Section 10.1.2
New standalone group with no previous trading history	<ul style="list-style-type: none"> • Viva Energy REIT will be a new standalone entity with no previous trading history or historical financial statements. 	Section 10.1.5
Risk of assignment of Leases if Alliance Agreement is terminated	<ul style="list-style-type: none"> • In certain circumstances following the occurrence of a termination event under the Alliance Agreement, Coles Express may require Viva Energy to assign and transfer to Coles Express all of Viva Energy's rights under the Leases. If this were to occur, Coles Express (or any assignee of its rights) would become the tenant of Viva Energy REIT's properties. 	Section 10.1.6 and Section 13.13
Exposure to Site Agreements in the event the Leases are terminated	<ul style="list-style-type: none"> • If a Lease between Viva Energy and Viva Energy REIT terminates or expires while a Site Agreement in respect of the same Property remains on foot, it is possible that Coles Express would continue to have its rights under that Site Agreement, with Viva Energy REIT becoming its direct landlord. In such a circumstance, Viva Energy REIT would be the direct landlord to Coles Express under the terms of that Site Agreement and would, in that capacity, be bound by its terms for the remaining term of that Site Agreement. • The terms of the Site Agreements are not as favourable to the landlord as the terms of the Leases (see Section 13.10 for a summary of the standard terms of a Site Agreement). In particular, the rent payable under the Site Agreements is materially less than the rent payable under the Leases²³ and they are not on a "triple-net" basis. Further, if it is required to perform the obligations of the landlord under a Site Agreement, Viva Energy REIT is likely to have obligations with regard to maintenance of the fuel equipment, and with regard to subsequent environmental contamination, in respect of that site. 	Section 10.1.7

23. Viva Energy has informed Viva Energy REIT that the rental income it currently derives under the Site Agreements is only one of a number of income streams it generates from its participation in the Alliance and the broader suite of commercial arrangements which arise under the Alliance, and such rental was not set on the same basis that market rents have been set with Viva Energy REIT. Please refer to Section 8 for the opinion of Colliers International in relation to the market rental for each property in the Portfolio.

1. Investment overview (cont)

Topic	Summary	For more information
Significant retained holding by Viva Energy	<ul style="list-style-type: none"> Because of the size of the interest in Viva Energy REIT that will be held by the Viva Energy Group upon completion of the Offer, the Viva Energy Group will have, for so long as it retains that substantial equity investment, significant influence over the election of Directors and the potential outcome of matters submitted to a vote of Securityholders. In addition, the Manager of Viva Energy REIT is a member of the Viva Energy Group and the Viva Energy Group will be the sole tenant of the Portfolio. The interests of Viva Energy may differ from the interests of Viva Energy REIT and the interests of other Securityholders who purchase Stapled Securities in the Offer. 	Section 10.1.8
Guarantee of Viva Energy's obligations under Site Agreements	<ul style="list-style-type: none"> In order to satisfy the Transfer Requirements under the Alliance Agreement in connection with the grant of the Leases, Viva Energy REIT must guarantee to Coles Express that Viva Energy will perform its obligations to Coles Express under each Site Agreement which relates to a property that is the subject of a Lease. While Viva Energy has undertaken to Viva Energy REIT that it will perform those obligations, if Viva Energy is unable to perform them, Coles Express may call upon Viva Energy REIT to do so and also demand indemnification for any associated liability or loss. 	Section 10.1.9
Disposal of properties and CGT implications	<ul style="list-style-type: none"> The establishment of Viva Energy REIT involves a transfer of the freehold interest in each of the properties²⁴ in the Portfolio to Viva Energy REIT. One of the consequences of the transfer is that the CGT cost base of Viva Energy in those assets, including any subsequent adjustments to that cost base, will be inherited by Viva Energy REIT. The cost base is currently estimated to be approximately \$1,130 million (based on current law); however, changes to the law have been previously proposed which, if introduced and implemented, could increase or reduce the tax cost base. It is not yet certain whether, and in what manner, changes in law will be implemented. As the inherited CGT cost base for the properties in the Portfolio is significantly below the current market value of those assets, if Viva Energy REIT disposes of any of the properties in the Portfolio, its taxable gain or loss for tax purposes will be calculated having regard to the difference between the sale price and the cost base of those properties regardless of the amount paid by Viva Energy REIT for the properties. Further, if the cost base of the properties is further reduced (whether that change is due to a change in law, or due to a change in the cost base of Viva Energy), the taxable gain or loss on any disposal for existing and future Securityholders would be calculated by reference to that adjusted cost base. Viva Energy REIT has no current intention to sell any of the properties in the Portfolio, but it may do so in the future. 	Section 10.1.10
Risks regarding disposal of properties	<ul style="list-style-type: none"> If Viva Energy REIT wishes to sell a property in the Portfolio that is leased to Viva Energy, Viva Energy REIT will need to comply with certain rights of first refusal granted in favour of Viva Energy and Coles Express. The existence of these rights of first refusal may make it more difficult for Viva Energy REIT to attract a third party purchaser who is willing to enter into an agreement to buy a property from Viva Energy REIT on commercially acceptable terms. 	Section 13.1

24. Properties in ACT are not true freehold properties because of the crown lease arrangements in that State.

1. Investment overview (cont)

Topic	Summary	For more information
Re-leasing and market rent reviews	<ul style="list-style-type: none"> • At Lease expiry, Viva Energy REIT may not be able to negotiate an extension with Viva Energy or replace Viva Energy on substantially the same terms. Viva Energy may also have a right of first refusal over any lease offered to a third party. • At Lease expiry or upon exercise of an option to extend by Viva Energy, rents will be subject to prevailing market conditions and market rent reviews, as a result of which rents may go up or down. • At expiry or on termination of the Alliance Agreement, Coles Express may cease to operate the service stations on the properties in the Portfolio. If Coles Express ceases to be the operator of the properties in the Portfolio, the value and performance of the Portfolio may be adversely impacted. As a result, any market-based rents achieved at Lease expiry or upon exercise of an option to extend the Lease by Viva Energy REIT may be lower. • In addition, if the Portfolio properties cease to be Shell and/or Coles Express branded, the value and performance of the Portfolio may be adversely impacted. As a result, market-based rents achieved at lease expiry or upon exercise of an option to extend the Lease by Viva Energy REIT may be lower. • Viva Energy REIT is not a party to these agreements and has no rights regarding enforcement, renewal or termination.²⁵ 	Section 10.1.12
Gearing	<ul style="list-style-type: none"> • Any increase in Viva Energy REIT's Gearing level will also increase the extent to which its financial performance and financial position are affected by changes in interest rates, asset prices and other financial indicators. • If the market considers Viva Energy to be highly geared, the cost of replacement (or incremental) funding may increase relative to current levels and refinancing options may become difficult to secure. • In order to mitigate any such interest rate exposure, it is intended Viva Energy REIT will enter into appropriate interest rate hedging arrangements as contemplated under the terms of the Debt Facility Agreement. 	Section 10.1.15
Margin step-up under the Debt Facility Agreement and Viva Energy Group ownership	<ul style="list-style-type: none"> • The margin under the Debt Facility Agreement is variable, depending on the Gearing of Viva Energy REIT as outlined in Section 6.8. • If, in aggregate, 30% or more (by rental income value) of all tenants either do not possess an investment grade credit rating or are not guaranteed by an entity who possesses (or whose parent company possesses) an investment grade credit rating, an increased margin will apply under the Debt Facility Agreement. That increased margin may also apply in certain other situations, as described in Section 10.1.14. • If the Viva Energy Group ceases to beneficially own and Control, either directly or indirectly, at least 20% of the Stapled Securities by selling or transferring its interests in the Stapled Securities, or an entity other than a member of the Viva Energy Group Controls either of the Company or the Trust, then this would constitute a review event under the terms of the Debt Facility Agreement and, subject to certain agreed negotiation and notification periods, a repayment of the Debt Facilities may be required. 	Section 10.1.14

25. However, see Sections 2.6.1.2, 10.1.5, 10.1.6, 10.1.9, 13.5 and 13.10 for details of Viva Energy REIT's contractual obligations to Coles Express in relation to the Site Agreements and the risks to Viva Energy REIT relating to them.

1. Investment overview (cont)

Topic	Summary	For more information
Breach of Debt Facility Agreement	<ul style="list-style-type: none"> If there is a breach of any of the financial covenants contained in the Debt Facility Agreement which is not remedied within 30 business days by way of an equity cure, an event of default will occur under the terms of the Debt Facility Agreement. If an event of default occurs, the Majority Lenders may require immediate repayment of the Debt Facilities. In these circumstances, Viva Energy REIT may need to dispose of some or all of its properties for less than their market value, raise additional equity, or reduce or suspend Distributions in order to repay the Debt Facilities. 	Section 10.1.17
<i>Risks specific to an investment in property</i>		
Portfolio value	<ul style="list-style-type: none"> The value of the Portfolio may be adversely affected by a number of other factors, including a number of factors outside the control of Viva Energy REIT, such as supply and demand for service station sites, fuel volume throughput of the properties, gross fuel margin, gross convenience store sales, general property market conditions, the availability of credit, the ability to attract and implement economically viable rental arrangements, Viva Energy not extending the term of Leases, re-leasing of properties, capitalisation rates and general economic factors such as the level of inflation and interest rates. The valuation of properties may fall, and potentially quickly, if the underlying assumptions on which the Independent Valuations outlined in this Offer Document are based prove to be incorrect. As changes in valuations are recorded on the income statement, any decreases in value will have a negative impact on the income statement and in turn the price of Viva Energy REIT's Stapled Securities may fall. Decreases in property valuations may also cause Viva Energy REIT to breach its financial covenants under the Debt Facility Agreement. 	Section 10.2.1
Property illiquidity	<ul style="list-style-type: none"> Viva Energy REIT may be required to dispose of its property assets in response to adverse business conditions. Given the relatively illiquid nature of property investments, Viva Energy REIT may not be able to achieve the disposal of the asset in a timely manner or at a sale price that matches the carrying value of the property. This may affect Viva Energy REIT's net asset value or trading price per Stapled Security. 	Section 10.2.2
Other risks: Further detail on the specific key risks to an investment in Viva Energy REIT and additional general risks are set out in Section 10.		
Distributable Earnings and Distributions		
What are the forecast Distributable Earnings?	<p>The forecast Distributable Earnings²⁶ are:</p> <ul style="list-style-type: none"> 5.09 cents per Stapled Security for the period from the Establishment Date to 31 December 2016; and 13.07 cents per Stapled Security for the 12 months to 31 December 2017. 	Section 6.3

26. The Forecast Financial Information is based on a number of estimates, assumptions and pro forma adjustments that are subject to business, economic and competitive uncertainties and contingencies, which are subject to change and may in many cases be outside the control of the Directors. Actual financial results may vary from the Forecast Financial Information presented in this Offer Document, and these variations may be material. See Section 6 for a discussion and analysis of the Forecast Financial Information, including the assumptions on which it is based and the key sensitivities to which it is subject and Section 10 for a discussion of the associated risk factors.

1. Investment overview (cont)

Topic	Summary	For more information
What are the forecast Distributions?	<p>The forecast Distributions²⁶ are:</p> <ul style="list-style-type: none"> • 5.09 cents for the period from the Establishment Date to 31 December 2016; and • 13.07 cents for the 12 months to 31 December 2017. <p>These Distributions represent:</p> <ul style="list-style-type: none"> • a forecast annualised Distribution Yield of 5.80% for the period from the Establishment Date to 31 December 2016²⁷; and • a forecast Distribution yield of 5.94% for the 12 months to 31 December 2017. <p>Refer to Section 6 for full details of the Forecast Financial Information and Section 10 for details of the key risks that may affect Distributions.</p>	Section 6.3
What is Viva Energy REIT's Distribution policy?	<p>The current intention is to distribute 100% of Distributable Earnings each Financial Year to Securityholders, reflecting the underlying net cash flow from operating activities²⁸.</p> <p>Viva Energy REIT intends to pay Distributions on a half yearly basis with distribution periods ending 30 June and 31 December each year. Due to the potential for variation of management expenses and the timing of rent reviews throughout the year, Distributable Earnings, and accordingly, the Distributions to Securityholders, may vary across half-yearly periods.</p> <p>Distributions will generally be paid within 12 weeks of the relevant record date and will only be paid by electronic direct credit. No cheques will be issued.</p> <p>Distributions are at the absolute discretion of the Board. No assurance or guarantee can be given about future Distributions or the Distribution Yields for any future period as these matters will depend on a number of factors, many of which are beyond the control of the Board, including the key risks set out in Section 10.</p> <p>Pursuant to the terms of the Debt Facility Agreement, Viva Energy REIT will not be permitted to pay Distributions if an event of default or a potential event of default is continuing (or during any remedy period) immediately before or immediately after such Distribution is paid without the prior written consent of the Facility Agent (acting on the instructions of the Majority Lenders).</p>	Section 6.10 and Section 13.8
Financial Information		
What is the pro forma Net Tangible Assets per Stapled Security?	The pro forma NTA per Stapled Security will be \$2.00 at the Settlement Date.	Section 2.1
How was the pro forma NTA determined?	<p>Colliers International was appointed to undertake an independent valuation of the properties in the Portfolio. Colliers International determined that the value of the properties in the Portfolio was \$2,105 million as at 1 July 2016²⁹.</p> <p>The pro forma NTA per Stapled Security has been determined based on the Independent Valuation of the Portfolio and other tangible assets and liabilities of Viva Energy REIT.</p>	Section 8

27. The yield of 5.80% is calculated as the annualised amount of the targeted distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.

28. See Section 6.10 for full details of the Distribution policy.

29. The property valuations were prepared on the basis of a hypothetical sale of each individual property. The Portfolio value is an aggregate of the individual property values and, as such, does not represent a valuation of the Portfolio if sold as a whole.

1. Investment overview (cont)

Topic	Summary	For more information
What is Viva Energy REIT's target Gearing policy?	<p>Viva Energy REIT will initially have pro forma Gearing of 35% at the Settlement Date.</p> <p>Viva Energy REIT has a target Gearing range of 35% to 45% in the normal course of business; however, Gearing may be higher if the Board considers the circumstances warrant a short-term increase and it is prudent to increase Gearing, including where the Board approves one or more acquisitions of properties or interests in properties. Investors should note that no acquisitions of properties or interests in properties have been assumed in the preparation of the Forecast Financial Information.</p> <p>Pursuant to the terms of the Debt Facility Agreement, Viva Energy REIT is not permitted to request a drawdown under the Debt Facilities if such drawing would result in the Gearing (as adjusted from time to time) exceeding 45%. In addition, Viva Energy REIT's Gearing must be below 50% on 30 June and 31 December of each year.</p>	Section 2.4 and Section 6
What is Viva Energy REIT's interest rate hedging policy?	Viva Energy REIT's interest rate risk management policy is set out in Section 6.11 and includes recommended hedging levels and hedging tenor.	Section 6.11
What is the valuation policy of Viva Energy REIT?	The fair value of the properties will be reviewed by the Directors and the Manager at each reporting date. The Directors' assessment of fair value will be periodically confirmed by engaging an independent valuer to assess the fair value of individual properties at least once every three consecutive years with at least 30% of the properties within the Portfolio being valued on an annual rolling basis, with the first such valuation occurring as at 31 December 2017. Valuations may occur more frequently if there is reason to believe that the fair value of a property has materially changed from its book value (e.g. as a result of changes in market conditions, leasing activity in relation to the property or capital expenditure).	Section 6.9
What are the Debt Facilities?	<p>Viva Energy REIT has entered into a syndicated facility agreement with a number of domestic and international commercial banks under which those lenders have agreed, subject to the satisfaction of all relevant conditions precedent, to provide unsecured debt facilities comprising a term loan of approximately \$737 million, which will be used to fund the acquisition of the properties in the Portfolio and to meet transaction and other expenses of the Offer (including stamp duty), and a \$100 million revolving credit facility, which may be drawn to fund Permitted Acquisitions and satisfy working capital and other general corporate requirements from time to time. The Debt Facilities will be provided by the banks on a syndicated basis. Viva Energy REIT may, at any time after the first anniversary of Financial Close, request an increase to the facility limit of the revolving credit facility (on a pre-approved, but non-committed basis, meaning that existing Lenders will have the choice as to whether or not to participate in any such facility increase) by an additional \$200 million pursuant to the terms and conditions of the Debt Facility Agreement. The weighted average tenure of committed Debt Facilities expected to be drawn at Settlement is four years.</p> <p>Pursuant to the terms of the Debt Facility Agreement, Viva Energy REIT is not permitted to request a drawdown under the Debt Facilities if such drawing would result in the Gearing (as adjusted from time to time) to exceed 45%. The purchase price of the Portfolio will be partly funded by the proceeds of the initial drawdown under the Debt Facility.</p>	Section 6.8

1. Investment overview (cont)

Topic	Summary	For more information																								
Overview of the Offer																										
What is the Offer?	The Offer is an initial public offering of 414.1 million Stapled Securities at an Offer Price of \$2.20 per Stapled Security, and is expected to raise approximately \$911.0 million. In connection with the Offer, Viva Energy Group will be issued with an additional 276.1 million Stapled Securities as part consideration for the sale of the Portfolio to Viva Energy REIT.	Section 5																								
What is the Offer Price?	The Offer Price is \$2.20 per Stapled Security.	Section 5																								
How will the acquisition of the Portfolio and transaction be funded?	The proceeds of the Offer, borrowings under the Debt Facilities and the issuance of additional Stapled Securities to Viva Energy, will be used to acquire the Portfolio and fund portfolio acquisition, Transaction costs and working capital.	Section 5.2																								
How will the proceeds of the Offer be used?	<p>The cash proceeds of the Offer are expected to be approximately \$911.0 million.</p> <p>The following table shows the sources and uses of funds including proceeds of the Offer and uses under the Transaction:</p> <table border="1"> <thead> <tr> <th>Sources of funds</th> <th>\$ million</th> <th>Uses of funds</th> <th>\$ million</th> </tr> </thead> <tbody> <tr> <td>Proceeds from the issue of Stapled Securities under the Offer</td> <td>911.0</td> <td>Contribution towards acquisition of the property Portfolio</td> <td>832.3</td> </tr> <tr> <td></td> <td></td> <td>Portfolio acquisition costs</td> <td>30.4</td> </tr> <tr> <td></td> <td></td> <td>Transaction and Offer costs</td> <td>41.3</td> </tr> <tr> <td></td> <td></td> <td>Working and regulatory capital³⁰</td> <td>7.0</td> </tr> <tr> <td>Total sources</td> <td>911.0</td> <td>Total uses</td> <td>911.0</td> </tr> </tbody> </table>	Sources of funds	\$ million	Uses of funds	\$ million	Proceeds from the issue of Stapled Securities under the Offer	911.0	Contribution towards acquisition of the property Portfolio	832.3			Portfolio acquisition costs	30.4			Transaction and Offer costs	41.3			Working and regulatory capital ³⁰	7.0	Total sources	911.0	Total uses	911.0	Section 5.2.1
Sources of funds	\$ million	Uses of funds	\$ million																							
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		Transaction and Offer costs	41.3																							
		Working and regulatory capital ³⁰	7.0																							
Total sources	911.0	Total uses	911.0																							
How is the Offer structured?	<p>The Offer is structured as follows:</p> <ul style="list-style-type: none"> • The Institutional Offer – which consists of an invitation to bid to Institutional Investors in Australia and New Zealand and a number of eligible jurisdictions under the International Offering Circular or this Offer Document (as applicable) to acquire Stapled Securities. • The Broker Firm Offer – which is open only to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation of Stapled Securities from their Broker. • The Priority Offer – which is made to selected investors nominated by Viva Energy and Viva Energy REIT who have received a Priority Offer invitation to apply for Stapled Securities at the Offer Price. • The Employee Offer – which is open to Eligible Employees who are nominated by Viva Energy and Viva Energy REIT and who are Australian residents. <p>No separate public offer of Stapled Securities will be made under the Offer, other than through the ability of the public to apply through the Broker Firm Offer. Members of the public in Australia and New Zealand wishing to apply for Stapled Securities under the Offer must do so through a Broker with a firm allocation.</p>	Section 5.4																								

30. The Responsible Entity and the Sub Trustee (each in their personal capacity) are required to hold an aggregate unencumbered cash amount of \$5,500,000 at all times to satisfy certain regulatory requirements relating to the terms and conditions of the Responsible Entity's AFSL.

1. Investment overview (cont)

Topic	Summary	For more information
Who can participate in the Offer?	<p>Institutional Investors in Australia, New Zealand and certain other jurisdictions will be invited to participate in the Institutional Offer.</p> <p>The Broker Firm Offer is open to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation from their Broker. Retail investors from jurisdictions outside Australia and New Zealand are not eligible to participate in the Broker Firm Offer.</p> <p>The Priority Offer is available to investors nominated by Viva Energy and Viva Energy REIT who have received a Priority Offer invitation to apply for Stapled Securities³¹. The Viva Energy and Viva Energy REIT Employee Offer is open to Eligible Employees who are nominated by Viva Energy and Viva Energy REIT and who are Australian residents.</p>	Section 5
What is the allocation policy?	<p>The allocation of Stapled Securities between the Institutional Offer, the Broker Firm Offer, the Priority Offer, and the Viva Energy and Viva Energy REIT Employee Offer will be determined by the Joint Lead Managers, in consultation with Viva Energy REIT and Viva Energy.</p> <p>In relation to the Broker Firm Offer, Brokers will determine how they allocate firm stock among their eligible retail clients.</p>	Section 5
How can I apply?	<p>Broker Firm Offer Applicants</p> <p>Any Application must be made through your Broker. There is no separate public offer of Stapled Securities other than through the ability of the public to apply through the Broker Firm Offer.</p> <p>If you are a resident of Australia or New Zealand and you have received a firm allocation of Stapled Securities from your Broker and you wish to apply for Stapled Securities under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions.</p> <p>Priority Offer</p> <p>Investors who have been invited by Viva Energy and Viva Energy REIT may apply for Stapled Securities online and must comply with the instructions on the website, www.vivaenergyreit.com.au.</p> <p>Viva Energy and Viva Energy REIT Employee Offer Applicants</p> <p>Eligible Employees who are Australian residents may apply for Stapled Securities online and must comply with the instructions on the website, www.vivaenergyreit.com.au</p>	Section 5.6.2, Section 5.7.2 and Section 5.8.2
What is the minimum Application size under the Offer?	<p>If you apply in the Broker Firm Offer, you must apply for a minimum amount of \$5,000 and in incremental amounts of \$500 thereafter. There is no maximum value of Stapled Securities that may be applied for under the Broker Firm Offer.</p> <p>If you apply in the Priority Offer or the Viva Energy and Viva Energy REIT Employee Offer, you must apply for a minimum amount of \$2,000 and in incremental amounts of \$500 thereafter. There is a maximum value of \$20,000 per Eligible Employee of Stapled Securities that may be applied for under the Employee Offer. There is no maximum value of Stapled Securities that may be applied for under the Priority Offer.</p>	Section 5.6.3, Section 5.7.3 and Section 5.8.3
When will I know if my Application has been accepted?	Holding statements confirming your allocation under the Offer are expected to be despatched on Thursday, 11 August 2016.	Section 5.13.3
Is there a cooling-off period?	Cooling-off rights do not apply to Applications. Once you lodge an Application, you cannot withdraw it.	Section 5.9

31. Viva Energy and Viva Energy REIT have the discretion to extend the Priority Offer to selected persons in other jurisdictions if Viva Energy and Viva Energy REIT is satisfied that it is able to do so without breaching Australian or foreign laws.

1. Investment overview (cont)

Topic	Summary	For more information
Can the Offer be withdrawn?	Yes, Viva Energy REIT reserves the right to withdraw the Offer, extend it or close it early. If the Offer is withdrawn, all Application Monies will be refunded in full, without interest.	Section 5.10
Is there any brokerage or commission payable by Applicants?	No brokerage or commission is payable by Applicants upon acquisition of the Stapled Securities under the Offer.	Section 5.11
Is the Offer underwritten?	The Offer is not underwritten.	Section 13.15
Will the Stapled Securities be listed?	Viva Energy REIT will apply no later than seven days after the date of lodgement of the Offer Document for admission of the Viva Energy REIT to the Official List of ASX and for quotation of Stapled Securities on ASX. Viva Energy REIT's code is expected to be VVR.	Section 5.13.1
When can I sell my Stapled Securities on ASX?	<p>It is expected that the trading of the Stapled Securities will commence on or about Wednesday, 3 August 2016, initially on a conditional and deferred settlement basis. This will be before certain conditions set by ASX for the commencement of unconditional trading will have been satisfied, including Settlement and Allotment occurring. It is expected that Settlement will occur on or about Tuesday, 9 August 2016.</p> <p>Once these conditions to trading are satisfied, the Stapled Securities will commence trading on ASX on an unconditional but deferred settlement basis until despatch of the holding statements. This is expected to occur on or about Thursday, 11 August 2016. Stapled Securities are expected to commence trading on ASX on an unconditional and normal settlement basis on or about Friday, 12 August 2016.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading in Stapled Securities. Applicants who sell Stapled Securities before they receive an initial holding statement do so at their own risk.</p>	Section 5.13.3
Fees and costs		
What are the fees and costs associated with the Offer?	There are various fees and costs associated with the Offer including advisory fees, legal fees, accountants' fees, statutory fees and other transaction costs. The fees and costs associated with the Offer are expected to include transaction costs of approximately \$41.3 million inclusive of GST (including fees payable and costs to be reimbursed to the Joint Lead Managers in respect of the Offer under the Offer Management Agreement and commitment and other fees payable to the Lenders under the Debt Facility Agreement) and Portfolio acquisition costs of approximately \$30.4 million (relating to stamp duty). These costs will be paid by Viva Energy REIT.	Section 5.11
Taxation implications		
Taxation	<p>The acquisition of Stapled Securities under the Offer may have Australian taxation implications for Australian resident investors participating in the Offer.</p> <p>These implications will differ depending on the individual circumstances and tax jurisdiction of each investor who participates in the Offer.</p> <p>The taxation treatment of Australian securities may not be the same as those for securities in foreign jurisdictions.</p> <p>Investors should obtain and only rely on their own taxation advice.</p>	Section 11
Other information		
Where can I obtain further information about the Offer?	If you have further enquiries regarding the Offer, please contact the Viva Energy REIT Offer Information line on 1800 810 827 (toll free within Australia) or on +61 1800 810 827 between 8.30am and 5.30pm (Melbourne time) Monday to Friday during the Offer Period (excluding public holidays).	Section 5.15

Section 2

VIVA Energy REIT



2. VIVA Energy REIT

2.1. Overview of Viva Energy REIT

On Settlement, Viva Energy REIT will own the Portfolio, consisting of 425 service station sites located throughout Australia. Viva Energy REIT will acquire the properties in the Portfolio from Viva Energy. Vitol, one of the world's largest independent energy trading companies, has the largest economic interest in Viva Energy. Viva Energy was launched in 2014 following the acquisition by a Vitol-led consortium of the majority of Shell's Australian fuel refining and retailing business, which included all of its service station sites (many of which are included in the Portfolio). The properties in the Portfolio are operated by Coles Express¹ under the terms of the Alliance Agreement between Viva Energy and Coles Express, which will expire in 2024 and can be extended by either party for an additional five years. The service stations are currently Coles Express branded and Shell branded under the Shell Brand Licence Agreement, which will expire in 2024 unless terminated or extended. Subject to certain conditions, the Shell Brand Licence Agreement may be extended by up to 10 years.

The operator of the sites is Coles Express, which is affiliated with Coles, a retail group which operates more than 2,300 retail outlets nationally, making it one of Australia's leading retailers. Coles Express and Coles form part of Wesfarmers Limited (ticker WES.ASX), a diversified Australian conglomerate with an extensive portfolio of businesses and a market capitalisation in excess of \$45 billion as at the date of this Offer Document, making it one of Australia's top 10 largest companies listed on the ASX (by market capitalisation) as at that date.

Viva Energy REIT is not a party to the Alliance Agreement² or the Shell Brand Licence Agreement, has no ownership or direct economic interest in the business conducted on the properties and has no rights to use the Coles Express or Shell brands.

Contemporaneously with Viva Energy REIT's acquisition of the properties in the Portfolio, Viva Energy REIT will lease all of those properties to Viva Energy and, during their term, will generate income by collecting rent from Viva Energy under the Leases. The properties in the Portfolio will continue to be leased or licensed by Viva Energy to Coles Express under the Site Agreements, and Coles Express will continue to operate the retail service stations and convenience store offering during the terms of those Site Agreements¹. The properties in the Portfolio are, and immediately following Settlement will remain, Shell branded, under the Shell Brand Licence Agreement between Viva Energy and Shell.

The terms of the Leases of properties in the Portfolio between Viva Energy REIT and Viva Energy range between 10 years and 18 years, with a Weighted Average Lease Expiry, or WALE, of 15.3 years as at the Settlement Date and fixed rental increases of 3.0% per annum. The Leases are structured as Triple Net leases, which means that the Tenant is responsible for all property Outgoings.

The properties in the Portfolio have been independently valued by Colliers International at \$2,105 million as at 1 July 2016³. A summary of Colliers International's valuation reports is set out in Section 8.

Section 9 of this Offer Document contains an Independent Industry Report, which was prepared by Colliers International and provides background industry information on the Australian service station property market and the broader Australian fuel retailing market.

Viva Energy REIT is a stapled group comprising the Company, the Trust and their wholly owned entities. The Responsible Entity is a wholly owned subsidiary of the Company, and the service station sites in the Portfolio will be owned by the Sub Trustee in its capacity as trustee of the Sub Trust. The Responsible Entity is the owner of all of the units in the Sub Trust. Finco is the borrower under the Debt Facility Agreement and it will on lend the amount borrowed to the Sub Trustee which amount the Sub Trustee will then use to part fund the purchase price of the properties in the Portfolio.

Viva Energy REIT has a majority of independent Directors and an independent Chairman. The Viva Energy REIT Board comprises the boards of the Company and the Responsible Entity, which are the same, except that Scott Wyatt is not a member of the board of the Responsible Entity. The Sub Trustee and Finco have the same directors as the Company.

The Manager, a member of the Viva Energy Group, will manage Viva Energy REIT on a day-to-day basis and provide strategic, operational and administrative services to Viva Energy REIT under the Management Agreement. In doing so, the Manager must act in good faith and in a manner consistent with what it reasonably considers to be in the best interests of Viva Energy REIT and the holders Stapled Securities. The Manager will have available to it an experienced management team with a deep knowledge of the Portfolio who will provide services to Viva Energy REIT on a full time and exclusive basis. See Section 4.2 for further information on the role and services provided by the Manager.

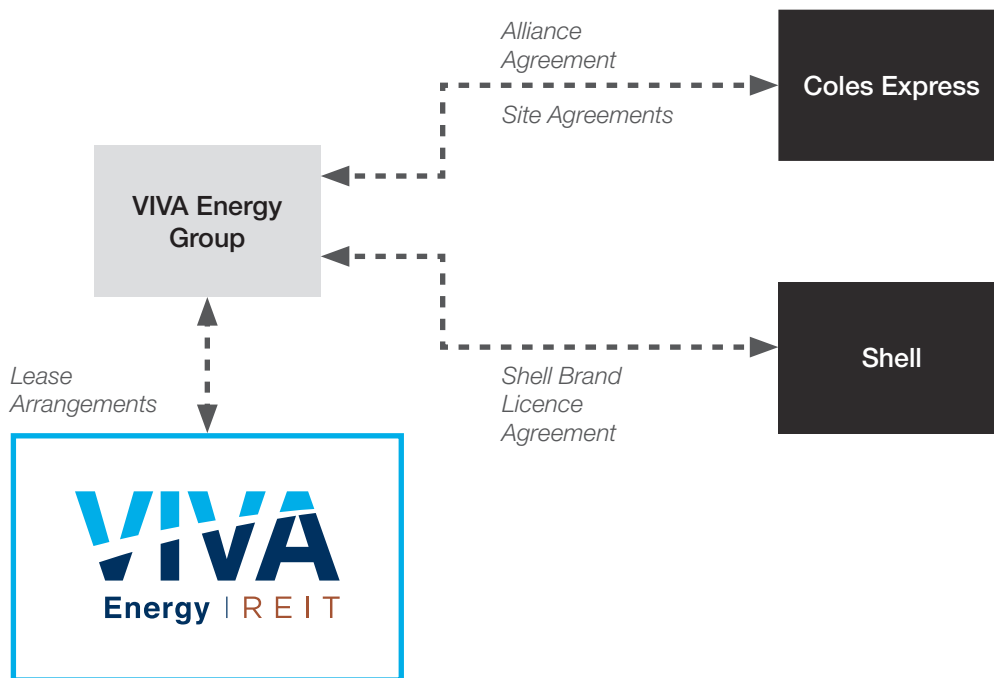
1. With the exception of two unmanned truck stops which carry only Shell branding and are outside of the Alliance.

2. However, see Sections 2.6.1.2, 10.1.5, 10.1.6, 10.1.9, 13.5 and 13.10 for details of Viva Energy REIT's contractual obligations to Coles Express in relation to the Site Agreements and the risks to Viva Energy REIT relating to them.

3. The estimated Portfolio value represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole.

2. VIVA Energy REIT (cont)

The key commercial arrangements outlined in this section are illustrated in a simplified diagram below.



2. VIVA Energy REIT (cont)

The table below sets out certain key metrics with respect to Viva Energy REIT:

Key metrics ⁴	
Initial Gearing at the Settlement Date	35%
Target Gearing range	35 – 45%
Net tangible assets per Stapled Security	\$2.00
Forecast annualised Distributable Earnings Yield from Establishment Date to 31 December 2016 ⁵	5.80%
Forecast Distributable Earnings Yield for the 12 months to 31 December 2017	5.94%
Forecast Distributions for the period from Establishment Date to 31 December 2016	5.09 cents
Forecast Distributions for the 12 months to 31 December 2017	13.07 cents
Forecast annualised Distribution Yield (from Establishment Date to 31 December 2016) ⁵	5.80%
Forecast Distribution Yield (12 months to 31 December 2017)	5.94%
Notional one year forward forecast Distribution growth ⁶	4.3%
Distribution growth between FY16 annualised and FY17 full year reporting periods ⁷	2.4%
Forecast tax deferred component of Distributions (from Establishment Date to 31 December 2016)	41.9%
Forecast tax deferred component of Distributions (12 months to 31 December 2017)	26.9%

2.2. Structure

Viva Energy REIT is a stapled group consisting of the Company, the Trust and their wholly owned entities. The Trust will indirectly own the Portfolio and receive rent under the Leases. The Company directly owns all of the shares in the Responsible Entity. Each Stapled Security will consist of one Share in the Company and one Unit in the Trust. The Shares and the Units will be stapled on and from Allotment in accordance with the Constitutions of the Company and the Trust and the Stapling Deed and will trade together on the ASX. The Stapling Deed requires Viva Energy REIT to ensure that no issue, transfer or other dealing with a Share may occur unless there is a corresponding and identical issue, transfer or other dealing of a Unit (and vice versa). For so long as the stapling arrangements are in force, the Directors must act in the best interests of Securityholders as a whole.

The Trust is intended to be treated as a “flow-through” entity for Australian income tax purposes such that the net income of the Trust will be taxable in the hands of the Securityholders. See Section 11 for a taxation summary addressing the Australian and New Zealand tax consequences of Securityholders acquiring and disposing of Stapled Securities in Viva Energy REIT.

The Board has overall responsibility for the strategic direction of Viva Energy REIT including monitoring the performance of the Manager under the Management Agreement.

- The Forecast Financial Information is based on a number of estimates, assumptions and pro-forma adjustments that are subject to business, economic and competitive uncertainties and contingencies, which are subject to change and in many cases are outside the control of the Directors. Actual financial results may vary from the Forecast Financial Information presented in this Offer Document, and these variations may be material. See Section 6 for a discussion and analysis of the Forecast Financial Information, including the assumptions on which it is based and the key sensitivities to which it is subject and Section 10 for a discussion of the associated risk factors.
- The yield of 5.80% is calculated as the annualised amount of the targeted Distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.
- This measure shows what the growth in forecast Distributions would be if Viva Energy REIT had been established on 1 January 2016 and other forecast assumptions remained in place, including compliance with Viva Energy REIT’s distribution policy and target gearing range and the timing of rent increases relative to the start of the Leases. In addition, it reflects what Distributions for the years ending 31 December 2016 and 2017 would have been if the initial rent increases under the Leases applied from 1 January 2016 rather than 8 August 2016, and so income in 2017 reflected the full year effect of those rent increases. This measure has been included because Viva Energy REIT believes that it is more representative of expected distribution growth for future periods; however, it is not a forecast for distribution growth between actual accounting periods and does not represent actual growth for these periods. Accordingly, investors should not place undue reliance on this measure.
- This measure shows the growth between the Distribution for the first annualised reporting period (from Establishment Date to December 2016) and Distribution for the first full year reporting period (ending December 2017). This measure represents less than the distribution growth that an investor would expect to achieve year on year due to the annualisation calculation for the first reporting period. Annualising the first financial period effectively extends the period until which Viva Energy REIT will experience an increase in rental growth (in August 2017), from 365 days to 585 days, as the first reporting period is extended from 146 to 366 days.

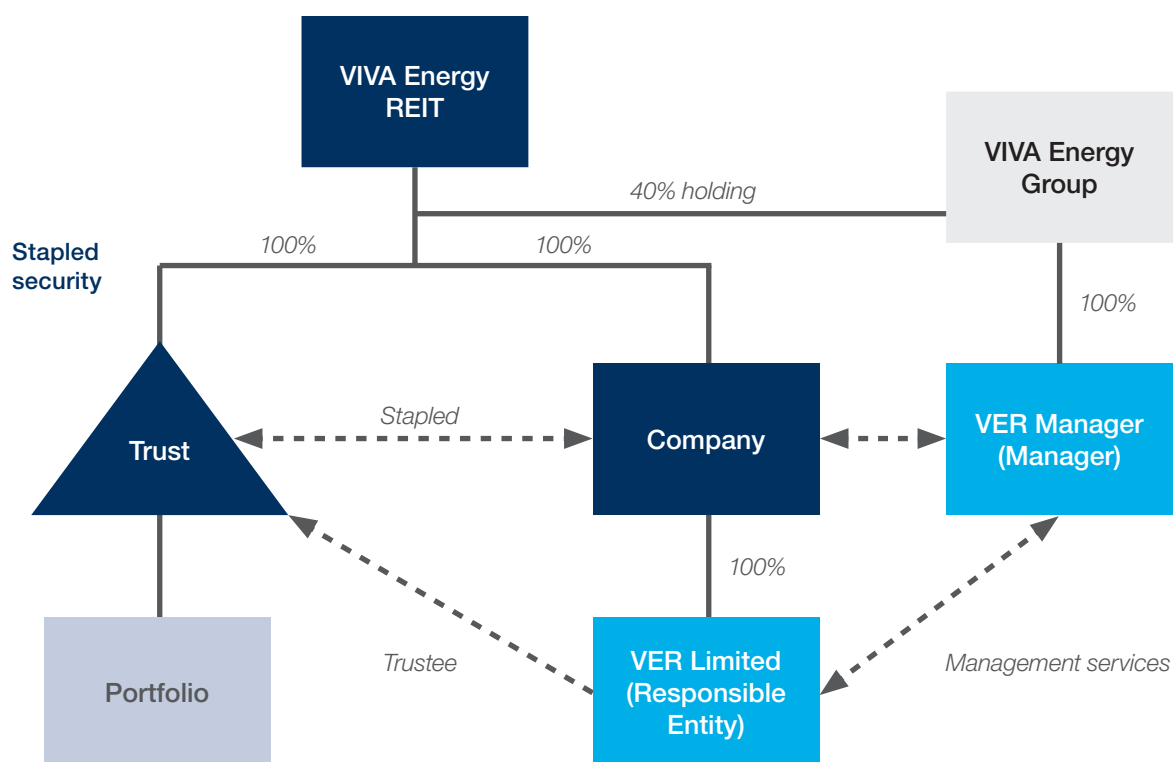
2. VIVA Energy REIT (cont)

Viva Energy REIT and the Manager have agreed to enter into a Management Agreement. Under this agreement:

- Viva Energy REIT appoints the Manager to manage its assets and liabilities (including the Portfolio) and provide strategic, operational and administrative services to Viva Energy REIT on a cost recovery basis;
- the Manager will manage the Portfolio on a day-to-day basis;
- the Manager will also make recommendations to Viva Energy REIT which will be reviewed by the Board if they relate to matters outside the scope of the Manager's delegated authority. The Board will consider each such recommendation and approve its implementation unless the Board considers that the recommendation is not in the best interests of Securityholders, or would breach or be inconsistent with Viva Energy REIT's constituent documents, obligations under any document by which it is bound or relevant law; and
- the Board may also make any proposal or recommendation to the Manager in relation to the services the Manager provides to Viva Energy REIT, which proposal or recommendation the Manager must use reasonable endeavours to promptly implement.

A summary of the Management Agreement is provided in Section 13.3.

A simplified structure of the ownership and property interests of Viva Energy REIT at Settlement is shown below. Immediately following completion of the Offer, it is expected that a member of the Viva Energy Group will have a 40% securityholding in Viva Energy REIT. Viva Energy Group has informed Viva Energy REIT that its substantial equity investment in Viva Energy REIT is strategically significant for it and that it has no current intention to reduce the extent of that investment, although there is no restriction on Viva Energy doing so. In that regard, Viva Energy will not be subject to any escrow arrangements with respect to those Stapled Securities. In addition, the Manager is a member of the Viva Energy Group.



2.3. Summary of Lease and Master Agreement arrangements

Each property in the Portfolio is subject to a separate Lease with Viva Energy. The Leases are on substantially the same terms other than lease maturity and rent. A high-level summary of: (a) the Lease terms is provided below in Section 2.3.1 and a detailed summary is provided in Section 13.1; and the Master Agreement arrangements is provided below in Section 2.3.2 and a detailed summary is provided in Section 13.2. Further information on the environmental framework is outlined in Sections 2.7, 13.1 and 13.2.

2. VIVA Energy REIT (cont)

2.3.1. Lease summary

Tenant	<ul style="list-style-type: none"> Viva Energy.
Lease basis	<ul style="list-style-type: none"> Triple Net, with Viva Energy responsible for all Outgoings.
Lease term	<ul style="list-style-type: none"> Initial Lease terms ranging from 10 to 18 years. 15.3 year Weighted Average Lease Expiry as at the Settlement Date.
Renewal options	<ul style="list-style-type: none"> Viva Energy has seven 10 year options to extend each Lease.
Rent review structure	<ul style="list-style-type: none"> 3.0% fixed annual increase. Market rent reviews upon exercise of option to extend the Lease term.
Major Capital Works	<ul style="list-style-type: none"> Major Capital Works would include construction of a building, or major extension or alterations to an existing building, the cost of which would, in aggregate, exceed \$250,000, to the extent that such structural and/or capital works would not otherwise be Viva Energy's responsibility under the Lease. Viva Energy may elect to undertake Major Capital Works at its own expense (which election must be approved by Viva Energy REIT, such approval not be unreasonably withheld), or submit a proposal for Major Capital Works to Viva Energy REIT. If Viva Energy REIT agrees to fund and undertake Major Capital Works, the rent payable under the relevant Lease will be increased by an amount and over a period detailed in Viva Energy's proposal or by an amount and period otherwise agreed by the parties. In this case, the Major Capital Works will be owned by Viva Energy REIT and will form part of Viva Energy REIT's property. If Viva Energy elects to undertake the Major Capital Works and completes them at its expense, Viva Energy may elect to vary the Lease so that the term remaining under the Lease is 15 years (or such other period as agreed between the parties) and the rent payable under the Lease will be subject to a market rent review with the condition that the rent payable cannot decrease as a result of that review. In this case, the Major Capital Works will be owned by Viva Energy. Viva Energy REIT may purchase the improvements comprising the Major Capital Works paid for by Viva Energy at market value upon expiry of the Lease.
Right of first refusal	<ul style="list-style-type: none"> Viva Energy has a first right to acquire any leased site that Viva Energy REIT offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement⁸.
Environmental	<ul style="list-style-type: none"> Viva Energy must indemnify Viva Energy REIT in respect of certain environmental liabilities, including liabilities associated with Contamination migrating offsite, in each case to the extent arising in connection with historical Contamination or Contamination caused during the term of each Lease in respect of each property in the Portfolio. Viva Energy (or any other tenant of the property from time to time) must also undertake any remediation of Contamination caused during the term of each Lease so that each property in the Portfolio is returned to the standard required under the Lease. See Sections 13.1 and 13.2 for summaries of the Leases and Master Agreement, respectively, which include certain limitations on Viva Energy's obligations to indemnify and remediate.⁹

8. Coles Express has a right of first refusal in respect of any disposal of any site that is the subject of a Site Agreement, but that right is unlikely to apply to any transfer between Viva Energy and Viva Energy REIT, provided that, at the time of transfer, the transferee is a Permitted Transferee. Please refer to Section 13.10 for a summary of the Site Agreements.

9. Please refer to Sections 2.7, 13.1 and 13.2 for a more detailed description of the extent to which Viva Energy has agreed to indemnify Viva Energy REIT in relation to, and otherwise accept responsibility for, environmental liabilities and works in respect of the properties in the Portfolio.

2. VIVA Energy REIT (cont)

2.3.2. Summary of the Master Agreement

Viva Energy REIT and Viva Energy have entered into a Master Agreement to govern, among other things, certain rights and obligations with respect to the properties in the Portfolio and any additional service station sites that become the subject of a lease between the parties in the future.

Viva Energy REIT's first right of refusal	<ul style="list-style-type: none"> Viva Energy REIT has a first right to acquire any service station site that Viva Energy offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹⁰.
Viva Energy's first right of refusal	<ul style="list-style-type: none"> Viva Energy has a first right to acquire any property that is subject of a Lease or which is used as a retail service station and which Viva Energy REIT offers for sale, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹⁰.
Viva Energy's call option	<ul style="list-style-type: none"> Viva Energy has a call option to acquire all or any part of the Portfolio upon certain insolvency trigger events. If a call option trigger event occurs and the call option is exercised by Viva Energy in respect of a site, Viva Energy may acquire that site for a price determined via an independent valuation process, subject to the rights of Coles Express if that site is the subject of a Site Agreement¹⁰.
Right of first refusal on new lease properties	<ul style="list-style-type: none"> If Viva Energy REIT proposes to grant a new lease in respect of a site which is not (and has not been) the subject of a lease to Viva Energy, Viva Energy REIT must first offer to lease that site to Viva Energy before entering into a new lease with another party.
Environmental management and indemnity	<ul style="list-style-type: none"> Viva Energy must indemnify Viva Energy REIT for losses incurred by Viva Energy REIT arising from Contamination on, in or under, or migrating from any property in the Portfolio, to the extent that: <ul style="list-style-type: none"> the Contamination exists as at the date the property is transferred to Viva Energy REIT; or the Contamination was caused or contributed to by Viva Energy, Coles Express or any person invited on to a property by Viva Energy at any time during the term of the Lease in respect of that property. Viva Energy REIT will not be indemnified by Viva Energy for losses arising from environmental contamination on a property in the Portfolio including to the extent that the loss: <ul style="list-style-type: none"> is incurred or increased as a result of certain actions by Viva Energy REIT; relates to any environmental remedial action which exceeds what is necessary to ensure that the condition of the property meets a standard consistent with operating the site as a service station; or arises in connection with any change of use of the property to a use that is more environmentally sensitive than service station use.¹¹

10. Coles Express has a right of first refusal in respect of any disposal of any site that is the subject of a Site Agreement, but that right is unlikely to apply to any transfer between Viva Energy and Viva Energy REIT, provided that, at the time of transfer, the transferee is a Permitted Transferee. Please refer to Section 13.10 for a summary of the Site Agreements.

11. Please refer to Section 2.7 for a more detailed description of the extent to which Viva Energy has agreed to indemnify Viva Energy REIT in relation to, and otherwise accept responsibility for, environmental liabilities and works in respect of the properties in the Portfolio.

2. VIVA Energy REIT (cont)

2.4. *Viva Energy REIT investment objectives and growth strategies*

Viva Energy REIT intends to hold interests in income-producing service station sites. Viva Energy REIT believes that these assets will generate stable income returns with the potential for both income and capital growth over time, with contracted rental growth of 3% per annum for the properties comprising the Portfolio during the Lease term including options/lease extensions, but subject to a market review at the commencement of any extended term of a Lease.

Viva Energy REIT's investment objectives and growth strategies are to:

- own high quality and strategically located service station sites;
- own a portfolio of properties that are subject to long-term leases to Viva Energy and other tenants with a strong financial credit profile;
- maintain a geographically diversified portfolio throughout Australia;
- provide Securityholders with the potential for capital growth over time if the value of Viva Energy REIT's Portfolio appreciates;
- maintain a capital structure with a target Gearing range of 35% to 45%; and
- consider and participate in acquisition and site development opportunities, both with Viva Energy and with other parties. It is expected that any such opportunities will be pursued with an intention to hold properties for the long term in order to derive new or increased rent and with a focus on sustainable risk adjusted returns and acquisitions which are accretive to Distributions per Stapled Security.

Viva Energy REIT's growth strategy partly includes Viva Energy, from time to time, identifying new properties for acquisition by Viva Energy REIT. Reflective of this ongoing relationship, Viva Energy REIT and Viva Energy have entered into a Site Acquisition and Leasing Agreement for the purpose of enabling them to work together for their mutual benefit in connection with future acquisition and leasing opportunities and with the intention that each of them will further its commercial objective which:

- for Viva Energy REIT, is to receive commercial gain through the expansion of its portfolio of service station sites in appropriate circumstances, with a resulting increase in rental income; and
- for Viva Energy, is to receive commercial gain through the growth of its service station network.

The arrangement does not oblige Viva Energy REIT to acquire any properties that Viva Energy identifies and also does not oblige Viva Energy to bring opportunities to the attention of Viva Energy REIT. Both parties may acquire sites outside of the arrangement.

Viva Energy REIT may also grow via acquisition of properties currently owned by Viva Energy should they be offered for sale. Viva Energy REIT has the right, but not the obligation, to acquire any service station site that is offered for sale by Viva Energy, subject to any rights of Coles Express if that site is the subject of a Site Agreement¹².

In addition to the service stations that will form part of the Portfolio, Viva Energy leases approximately 261¹³ service station sites from third party owners. Under the leases for approximately 169 of those sites, Viva Energy has the right to match offers to buy those sites received by the owner. If Viva Energy has the opportunity to buy any of these sites, it may (but will not be obliged to) offer them to Viva Energy REIT.

Viva Energy REIT may also have opportunities to acquire individual service station sites or groups of service station sites that are operated by independent operators or operators of networks of service stations that compete with Viva Energy. To the extent that Viva Energy REIT acquires, and then wishes to grant a new lease in respect of, any such site, it must first offer to lease that site to Viva Energy in accordance with the right of first refusal on new lease properties described in Section 2.3.2.

While Viva Energy REIT's current growth strategy is focused on Australian opportunities, other opportunities may be considered, if the acquisition would otherwise meet the investment objectives and the acquisition is considered to be in the best interests of Securityholders.

12. Coles Express has a right of first refusal in respect of any disposal of Alliance sites, but that right is unlikely to apply to any transfer between Viva Energy and Viva Energy REIT, provided that, at the time of transfer, the transferee is a Permitted Transferee. Please refer to Section 13.10 for a summary of the Site Agreements.

13. Includes 31 sites owned by Coles Express that form part of the Alliance.

2. VIVA Energy REIT (cont)

As part of the Debt Facilities, subject to the satisfaction of all relevant conditions precedent¹⁴, Viva Energy REIT will have a \$100 million committed revolving credit facility that will be available primarily to fund the acquisition of service stations in Australia and New Zealand pursuant to the terms of the Debt Facility Agreement¹⁵. Viva Energy REIT may, at any time after the first anniversary of Financial Close, request an increase to the facility limit of the revolving credit facility (on a pre-approved, but non-committed basis, meaning that existing Lenders will have the choice as to whether or not to participate in any such facility increase) by an additional \$200 million pursuant to the terms and conditions of the Debt Facility Agreement. Pursuant to the terms of the Debt Facility Agreement, Viva Energy REIT is not permitted to request a drawdown under the Debt Facilities if such drawing would result in the Gearing (as adjusted from time to time) exceeding 45%.

The Board will periodically review Viva Energy REIT's investment objectives and growth strategies and may consult with the Manager in relation to any variations to them.

Viva Energy REIT may also sell any property in the Portfolio should the Board decide it is in the best interests of Securityholders to do so, subject to the permitted disposals regime as set out in the Debt Facility Agreement. If Viva Energy REIT decides to sell a property in the Portfolio, the sale will be subject to any rights of first refusal in favour of Viva Energy or Coles Express. There is no current intention to sell any of the properties in the Portfolio within the Forecast Period.

2.5. *Viva Energy REIT and Foreign Investment Review Board requirements*

Viva Energy REIT will be treated as a "foreign person" because of the ongoing ownership interest of Viva Energy. Further, because of the ownership structure of Viva Energy, both it and Viva Energy REIT are regarded as "foreign government investors".

As a result, Viva Energy REIT will usually be required to obtain the approval of Australia's Foreign Investment Review Board in respect of the acquisition of any additional property in Australia. This requirement is not expected to materially restrict the ability of Viva Energy REIT to acquire property. There may be filing fees associated with these approvals; currently, fees for acquiring non-vacant commercial land are \$25,300 per site.

2.6. *Relationship with Viva Energy*

Upon completion of the Offer, Viva Energy will be the sole Tenant of the Portfolio, and a member of the Viva Energy Group is expected to hold approximately 40% of the Stapled Securities. Viva Energy has informed Viva Energy REIT that its substantial equity investment in Viva Energy REIT is strategically significant for it and that it has no current intention to reduce the extent of that investment, although it is not restricted from doing so. Viva Energy Group will not be subject to any escrow arrangements with respect to those Stapled Securities. In addition, the Manager is also a member of the Viva Energy Group.

This involvement of Viva Energy, including the Manager, in the activities of Viva Energy REIT may give rise to actual or perceived conflicts of interest between Viva Energy and Viva Energy REIT. For example, the acquisition of assets from, and the negotiation of leases with, Viva Energy are transactions which will or may give rise to such conflicts, and their respective strategies may diverge over time. To assist with the management of such actual or perceived conflicts:

- Viva Energy REIT has appointed a majority independent Board (including an independent Chairman), to have overall responsibility for the strategic direction of Viva Energy REIT. The Board is responsible for overseeing and reviewing the performance of the Manager. It may also make delegations of authority to the Manager and review each recommendation made by the Manager that falls outside the scope of any such delegated authority;
- Viva Energy REIT has adopted corporate governance policies which have been developed with regard to the ASX Guidelines; and
- the Manager will have available to it an experienced management team with a deep knowledge of the Portfolio who will provide services to Viva Energy REIT on a full time and exclusive basis.

14. Please refer to Section 13.8 for a summary of the conditions precedent to the provision of commitments and participation in the utilisation of the Debt Facilities by the Lenders.

15. Please refer to Section 13.8 for a description of Permitted Acquisitions under the Debt Facility Agreement.

2. VIVA Energy REIT (cont)

Further details of the corporate governance framework are outlined in Section 4.4.

2.6.1. *Viva Energy Group overview*

The discussion below relates to Viva Energy Group and not to Viva Energy REIT.

Viva Energy Group owns and operates an integrated Australian fuel manufacturing and supply business, including fuel refining at the Geelong Refinery in Victoria, importation and distribution through a nationwide network of terminals and pipelines, supply to large fuel users such as mining and transport companies and a retail fuel supply business that includes service station sites that are part of the Alliance with Coles Express. Investors should note that these operations are not part of Viva Energy REIT.

Viva Energy Group was formerly part of the Royal Dutch Shell group of companies. In 2014, it was acquired by a Vitol-led consortium, following which the group was rebranded as 'Viva Energy'.

On completion of the acquisition, Viva Energy Group and Shell entered into a long-term licence agreement allowing Viva Energy Group to continue to use the Shell brand in retail and transport. This Shell Brand Licence Agreement is due to expire in 2024, unless terminated or extended. Subject to certain conditions, the Shell Brand Licence Agreement may be extended by up to ten years. Viva Energy REIT is not a party to the Shell Brand Licence Agreement.

Viva Energy Group's largest beneficial shareholder is Vitol, one of the world's largest independent energy trading companies. Vitol is a significant investor in global infrastructure and downstream assets and physically trades over 5 million barrels of crude oil and oil products per day on average. Vitol's 2015 revenues were US\$168 billion.

In 2015, the Viva Energy Group sold 14.7 billion litres of fuel products, had revenues of \$16.5 billion and pro forma EBITDA (replacement cost) of \$622 million.

In order to provide potential investors in Viva Energy REIT with information regarding the financial strength of its sole Tenant, Viva Energy has prepared the following unaudited pro forma financial information to illustrate what the financial position of the Viva Energy Group at 31 December 2015 and the financial results of the Viva Energy Group for the year ended 31 December 2015 may have been had the establishment of Viva Energy REIT, the transfer of the Portfolio and the Leases been in place from 1 January 2015.

The following unaudited pro forma financial information is based on Viva Energy Group's audited financial statements as of and for the year ended 31 December 2015, adjusted on a pro forma basis to give effect to the following:

- the sale of the Portfolio to Viva Energy REIT as of 1 January 2015 for \$2,105 million, funded by \$1,569 million of new equity and debt proceeds (net of transaction costs and working capital requirements) and issuance of securities representing a 40% interest in Viva Energy REIT with an equivalent dollar value of \$536 million;
- the use of the proceeds of the sale of the Portfolio to reduce Viva Energy Group's net debt by \$1,158 million;
- the payment to Viva Energy REIT of rental payments totalling \$125 million;
- the receipt from Viva Energy REIT of distributions totalling \$36 million;
- a reduction in interest payments for the year of \$59 million, reflecting the lower net debt level; and
- income statement adjustments resulting in a net gain of \$134 million to remove one-off restructuring and transaction costs, unrealised gains and losses on derivatives and one-off gains and losses relating to the acquisition of Viva Energy Group by the Vitol-led consortium.

Income statement information is shown on both a historical cost and "replacement cost" basis with respect to the cost of goods sold:

- Historical cost is calculated in accordance with IFRS and shows the cost of goods sold at the actual prices paid by the business using a first in, first out accounting methodology. As such, historical cost accounting includes gains and losses resulting from the timing differences between purchases and sales and the rise and fall of oil and product prices during the intervening period. Gains and losses arising from the rise and fall of oil and product prices are typically offset by a change in working capital because of the higher or lower cost to replenish inventory.
- Replacement cost is a non-IFRS measure whereby the cost of goods sold is calculated based on theoretical new purchases instead of the actual cost of inventory. As a result, it removes the effect of these timing differences in order to better reflect the underlying performance of the business.

2. VIVA Energy REIT (cont)

Pro forma Viva Energy Group key balance sheet items (as at 31 December 2015)	\$ million	\$ million	\$ million
Cash and cash equivalents		188	
Borrowings ¹⁶		187	
Net debt ¹⁶		(1)	
Net assets ¹⁷		2,112	
Total assets ¹⁸		3,880	
Pro forma normalised Viva Energy Group key financial metrics (for the year ended 31 December 2015)¹⁹		Replacement cost basis	Historical cost basis
Revenue		16,504	16,504
EBITDAR ²⁰		844	675
Operating lease expenses ²¹		(222)	(222)
EBITDA ²²		622	453
EBIT ²³		545	376
EBITDA/net cash interest ²⁴		40.9x	29.7x
EBITDAR/operating lease expenses ²⁵		3.8x	3.0x
Fixed charge cover ²⁶		3.5x	2.8x

16. Pro forma for the application of the proceeds of the sale of the Portfolio to reduce Viva Energy Group's net debt by \$1,158 million. During the financial year 2015 net debt (bank debt net cash) was reduced by \$471.7 million due to \$479.8 million of operating and investing cash flow. Assumes \$2.20 offer price.

17. Pro forma for the sale of the Portfolio to Viva Energy REIT as of 31 December 2015 for \$2,105 million funded by \$1,569 million of new equity and debt proceeds (net of transaction costs and working capital requirements) and issuance of securities representing a 40% interest in Viva Energy REIT.

18. Pro forma for the sale of the Portfolio to Viva Energy REIT as of 31 December 2015 for \$2,105 million and issuance of securities representing a 40% interest in Viva Energy REIT. Also pro forma for the application of the proceeds of the sale of the Portfolio to reduce Viva Energy's net debt by \$1,158 million.

19. Income statement pro forma for the Transaction as at 1 January 2015, with a full calendar year financial impact on income statement items.

20. Pro forma Earnings before interest, tax, depreciation, amortisation and rent (EBITDAR) for receipt from Viva Energy REIT of Distributions totalling \$36 million. Also pro forma for income statement adjustments resulting in a net gain of \$134 million to remove one-off restructuring and transaction costs, unrealised gains and losses on derivatives and one-off gains and losses relating to the acquisition of Viva Energy Group by the Vitol-led consortium.

21. Pro forma for payment to Viva Energy REIT of rental payments totalling \$125 million, also includes \$97 million of other operating lease expenses.

22. Pro forma Earnings before interest, tax, depreciation and amortisation (EBITDA) for the payment to Viva Energy REIT of rental payments totalling \$125 million, receipt from Viva Energy REIT of distributions totalling \$36 million. Also pro forma for income statement adjustments resulting in a net gain of \$134 million to remove one-off restructuring and transaction costs, unrealised gains and losses on derivatives and one-off gains and losses relating to the acquisition of Viva Energy Group by the Vitol-led consortium.

23. Earnings before interest and tax (EBIT)

24. Pro forma for the reduction in interest payments for the year of \$59 million, reflecting the lower net debt level. Net cash interest includes interest on interest-bearing liabilities of \$24 million, net interest income of \$9 million.

25. Calculated as (pro forma normalised EBITDA before operating lease expenses payment to Viva Energy REIT of rental payments of \$125 million, and \$97 million of other operating lease expenses) divided by (payment to Viva Energy REIT of rental payments of \$125 million and \$97 million of other operating lease expenses).

26. Calculated as (pro forma normalised EBITDA before operating lease expenses payment to Viva Energy REIT of rental payments of \$125 million, and \$97 million of other operating lease expenses) divided by (payment to Viva Energy REIT of rental payments of \$125 million, \$97 million of other operating lease expenses, \$7 million of interest on finance leases, \$24 million of interest on interest-bearing liabilities, net \$9 million of interest income).

2. VIVA Energy REIT (cont)

Pro forma Viva Energy Group summary balance sheet	Actual as at 31 Dec 2015	Pro forma adjustments ²⁷	Pro forma as at 31 Dec 2015
Cash and cash equivalents	188		188
Trade and other receivables	1,204		1,204
Inventories	672		672
Property, plant and equipment	1,737	(720) ²⁸	1,017
Intangible assets	11		11
Investment in Viva Energy REIT	0	536 ²⁹	536
Other assets	251		251
Total assets	4,064	(184)	3,880
Trade and other payables	1,245		1,245
Provisions	270		270
Short-term bank loans	557	(371) ³⁰	187
Long-term bank loans	787	(787) ³⁰	0
Other liabilities	66		66
Total liabilities	2,926	(1,158)	1,768
NET ASSETS	1,138	974	2,112

27. Pro forma adjustments reflecting pre-tax impacts of the Transaction on Viva Energy Holding Pty Ltd's balance sheet as at 31 December 2015.

28. Pro forma for the sale of the Portfolio to Viva Energy REIT as at 31 December 2015 for \$2,105 million.

29. Pro forma for issuance of securities to Viva Energy Group representing a 40% interest in Viva Energy REIT. Assumes \$2.20 offer price.

30. Pro forma for the application of the proceeds of the sale of the Portfolio to reduce Viva Energy Group's net debt of \$1,169 million net of an \$11 million expense in relation to debt establishment costs. Assumes \$2.20 offer price.

2. VIVA Energy REIT (cont)

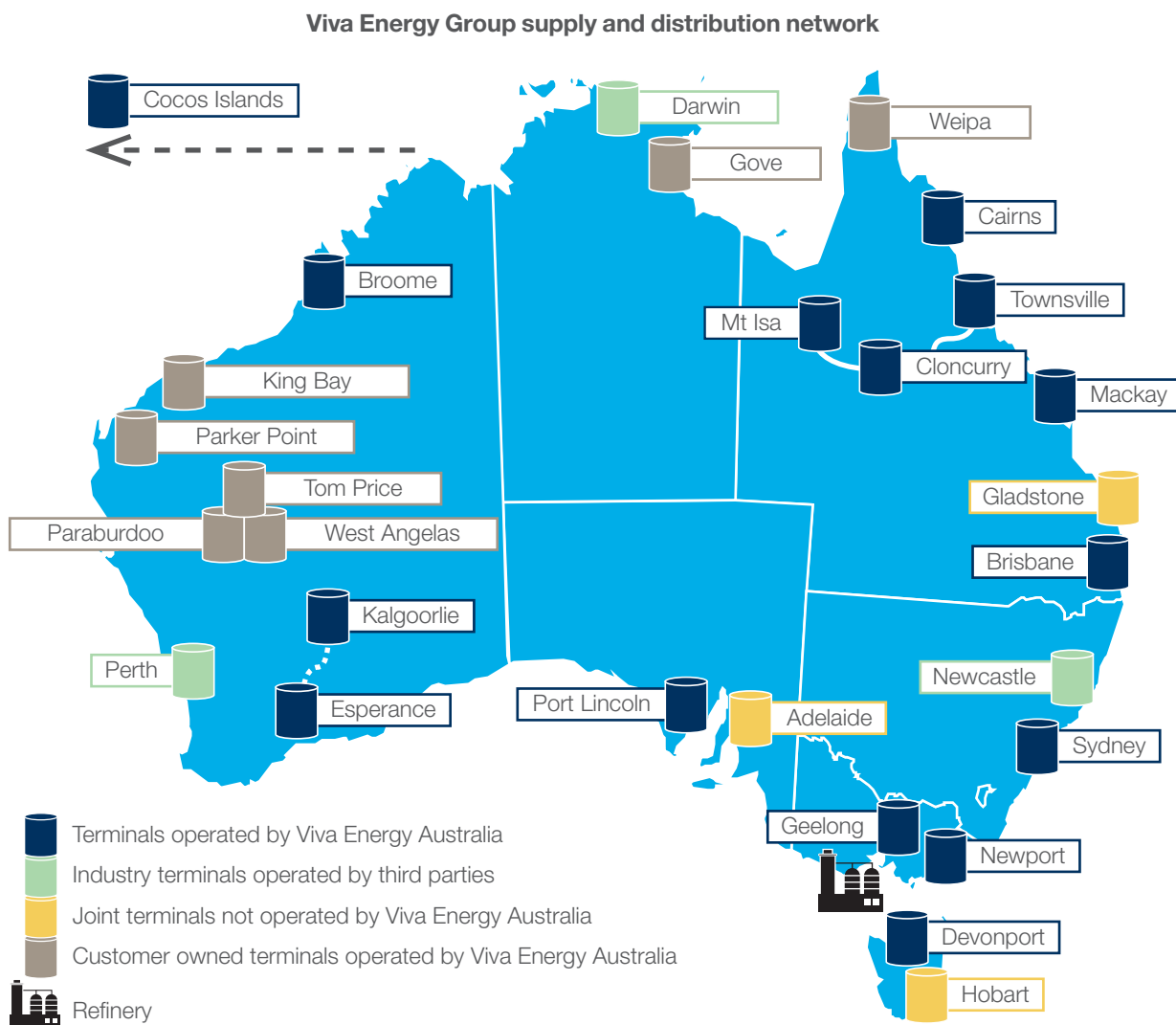
The table below outlines Viva Energy Group's business segments:

Business segment	Description
Retail marketing	<p>Viva Energy supplies a variety of petroleum products, including automotive gasoline, LPG and diesel products, to a national retail network of 881 service stations that are operated by Coles Express or other independent dealers. In calendar year 2015, Viva Energy sold a total volume of 6.0 billion litres of automotive fuel products through its retail marketing business. Viva Energy's retail marketing business had a 26% market share in 2014³¹.</p> <p>Further detail on the fuel retail marketing business is provided in Section 2.6.1.1.</p>
Commercial marketing	<p>Viva Energy supplies medium-to-large sized enterprises in the fuel reseller, mining, construction, transport and industrial sectors. It supplies bulk fuels to customers' own sites, as well as to Shell Card customers through dedicated commercial refuelling sites and retail service stations.</p> <p>In 2015, Viva Energy sold a total volume of 8.8 billion litres of fuel products through its commercial fuels business.</p>
Refining	<p>Viva Energy Group owns the Geelong Refinery, Australia's second largest and second most complex refinery. The refinery is the largest in Victoria, with a nameplate capacity of 120,000 barrels per day.</p> <p>Main grade products make up over 92% of the refinery's production; however, its flexible configuration allows it to produce a wide range of specialty products.</p> <p>Viva Energy Group manufactured 37.8 million barrels of petroleum products in 2015.</p>
Supply and distribution	<p>Viva Energy is responsible for the supply, storage, transportation and distribution of crude oil and oil products into Australia and around the country to both Viva Energy's retail and commercial customer base.</p> <p>Viva Energy has a comprehensive infrastructure footprint, operating 22 terminals and depots and utilising a further six industry or joint terminals operated by third parties. In 2015, Viva Energy supplied an additional 3.7 billion litres of fuel products via its supply and distribution networks beyond sales made through its retail marketing and commercial marketing businesses.</p>

31. Source: ACCC report: Monitoring of the Australian petroleum industry (December 2014). Equivalent ACCC report not published for any subsequent period. Market share represents share of volume of retail petrol sales from entities monitored by the ACCC for the period from 1 July 2013 to 30 June 2014.

2. VIVA Energy REIT (cont)

The following map provides an overview of Viva Energy Group's integrated supply and distribution network as at 31 December 2015. Industry or joint terminals are used by Viva Energy Group under contractual arrangements; Viva Energy does not own these terminals. Investors should note that Viva Energy REIT has no interest in the Viva Energy Group business or the supply and distribution network described below.



Note: These are not assets of Viva Energy REIT.

2. VIVA Energy REIT (cont)

Viva Energy has a strong competitive position across all Australian States and Territories based on total petroleum volumes, as indicated by the following table:

Market share by state (total petroleum volumes sold in 2015)

	Viva Energy market share
New South Wales	28.0%
Queensland	23.1%
Victoria	34.1%
Western Australia	22.9%
South Australia	21.9%
Others	22.4%
Australia	25.7%

Sources: Australian Petroleum Statistics (November/December 2015) and Viva Energy 2015 financial data.

2.6.1.1. Retail marketing business

Viva Energy supplies and markets fuel in Australia through one of Australia's largest retail fuel networks (as measured by fuel volume sold). The network has been assembled over a period of more than 100 years under Shell and Viva Energy ownership.

Viva Energy supplies fuel and other petroleum products under the Shell brand to 881 service stations nationwide³², including:

- 688 stations operated by Coles Express through a combination of 427 freehold and 261³³ leasehold properties under the Alliance where Viva Energy is the exclusive supplier of fuel and other oil products under the Shell brand; and
- 193 dealer operated and unmanned truck stops branded Shell and supplied by Viva Energy.

The Portfolio represents all of Viva Energy's freehold interests in the Shell/Coles Express branded Alliance properties excluding four freehold properties that do not form part of Viva Energy REIT and have not been included, as they may be closed in the future³⁴.

Viva Energy retail network³⁵

	Existing Viva Energy properties	Viva Energy REIT properties
Alliance properties		
Freehold	427	423
Leasehold	261	-
Total Alliance properties	688	423
Dealer operated properties	175	-
Unmanned truck stops ³⁶	18	2
Total Viva Energy network	881	425

Viva Energy's retail fuel network has a market leading position in Australia (by volume), with approximately 5.5 billion litres of total fuel products sold through the Alliance network in 2015. Properties in the Alliance network have an average throughput of approximately 8 million litres per annum.

32. Network figures as at 1 June 2016.

33. Includes 31 sites owned by Coles Express.

34. The Portfolio also includes two unmanned truck stops which carry Shell branding only and are outside of the Alliance.

35. As at 1 June 2016.

36. Viva Energy REIT will own two unmanned heavy vehicle refuelling stations which are Shell branded only and are outside of the Alliance.

2. VIVA Energy REIT (cont)

2.6.1.2. Alliance Agreement

Properties which are part of the Alliance (and therefore the subject of a Site Agreement) represent an important part of Viva Energy's fuel retailing network.

The Alliance was formed in 2003 to bring together Viva Energy's service station sites and fuel supply and distribution network, with Coles Express' retail expertise and convenience store offering.

The Alliance has been a success for both Viva Energy and Coles Express. Since its establishment, gross fuel margin for Viva Energy grew by a CAGR of 5.3% between 2007 and 2015³⁷. The Alliance network increased by 30 sites during 2015 and 8 sites were added in the period from 1 January 2016 to 31 May 2016³⁸. Convenience store sales grew at a CAGR of 5.2% between the financial year ended 30 June 2007 and the financial year ended 30 June 2015³⁹.

Under the Alliance:

- Viva Energy acts as exclusive supplier of Shell branded products and grants leases/licences to Coles Express to occupy and operate the service stations; and
- Coles Express occupies and operates the service stations.

The following table outlines the commercial arrangement of the Alliance Agreement between Viva Energy and Coles Express.

Viva Energy	Coles Express
<ul style="list-style-type: none"> • Exclusively supplies motor fuels, LPG and lubricants to Coles Express to sell under the Shell brand • Grants leases/licences to occupy fuel station sites, use fuel equipment, and access the convenience store • Maintains Shell and other branding on site signage 	<ul style="list-style-type: none"> • Acts as retail operator and leases/sub-leases sites from Viva Energy • Sets retail fuel and shop prices • Engages with third parties who provide convenience and grocery merchandise through its supply chain and distribution network • Directly employs service station staff

Viva Energy derives income through realising a margin on fuel products supplied to the Alliance, lease payments received from Coles and income generated through the Shell Card program.

The Alliance is primarily governed by an Alliance Agreement, which is due to expire in 2024. Either party may unilaterally extend the term by five years to 2029.

Each property in the Portfolio is the subject of a Site Agreement between Viva Energy and Coles Express⁴⁰, and the Leases to Viva Energy will be concurrent to those Site Agreements.

Viva Energy REIT is not a party to the Alliance Agreement with Coles Express, but will:

- upon acquisition of the properties in the Portfolio, assume all obligations under the Site Agreements pursuant to the Assumption Deed Poll (Transfer); and
- upon grant of the Leases to Viva Energy, assign all of its rights and obligations under the Site Agreements to Viva Energy (other than the Excluded Obligations which will remain with Viva Energy REIT) and provide a guarantee to Coles Express in respect of the performance of those assigned obligations by Viva Energy.

See Sections 13.5 and 13.10 for a more detailed summary of those arrangements and Section 10 for a description of the risks to Viva Energy REIT associated with them (including Sections 10.1.6, 10.1.7 and 10.1.9).

Certain properties in the Portfolio are also the subject of leasing or licensing arrangements with other third parties who occupy parts of the properties in the Portfolio, including convenience and retail food outlets, car wash outlets and auto mechanics. In most cases, those arrangements are between Coles Express and the relevant third party, and Viva Energy REIT is not a party to any of them.

37. Financial data for Coles Express has been sourced from Wesfarmers' annual and interim financial results information filed with the ASX.

38. Includes both freehold and leasehold sites.

39. Financial data for Coles Express has been sourced from Wesfarmers' annual and interim financial results information filed with the ASX.

40. With the exception of two unmanned truck stops which carry Shell branding only and are outside of the Alliance.

2. VIVA Energy REIT (cont)

2.6.1.3. *Coles Express legal proceedings*

In mid-2015, Coles Express commenced legal proceedings in respect of Viva Energy's proposal to establish Viva Energy REIT on the basis that its establishment would result in certain breaches of the Site Agreements and the Alliance Agreement. Coles Express's complaints in relation to those matters were heard and dismissed by the Supreme Court of Victoria and the Victorian Court of Appeal and the period for lodging an appeal with the High Court of Australia with respect to those matters has lapsed.

Coles Express has since publicly confirmed its support for the transaction, and the legal proceedings have concluded.

Both during and after the legal proceedings, Coles Express and Viva Energy each publicly stated that they remain committed to the Alliance and that it forms an important part of their respective businesses.

2.6.1.3.1. *Coles Express letter of support for establishment of Viva Energy REIT*

To Whom It May Concern,

Eureka Operations Pty Ltd ("Eureka") entered into an Alliance agreement with Shell Australia Limited in 2003, now Viva Energy Australia Pty Ltd ("Viva Energy"), which will expire in 2024 and can be extended at either party's option for a further five year period.

Since then the Alliance has proven to be a successful formula for both businesses, as evidenced by the growth in the number of service station sites to more than 685 and providing a compelling retail fuels and convenience offer for Australian consumers. We are excited about our on-going Alliance relationship and our joint plans for further network growth, which will see our two organisations working together with a view to opening more Alliance sites over the coming years.

The Viva Energy A-REIT represents the next exciting phase in the Alliance relationship and Eureka fully supports Viva Energy's plans to establish an A-REIT.

Yours sincerely,

Simon McDowell

DIRECTOR, EUREKA OPERATIONS PTY LTD

2.7. *Environmental overview*

Properties in the Portfolio are subject to various environmental standards, regulations and laws which, from time to time, may give rise to liabilities in respect of the status and remediation of those properties.

The main environmental risk associated with service stations is soil and groundwater Contamination caused by fuel leaks.

Various agreements between Viva Energy REIT and Viva Energy allocate responsibility for certain environmental liabilities associated with the properties in the Portfolio to Viva Energy. In particular:

- under each Lease (see Section 13.1 for a summary of its terms), Viva Energy (or the tenant of the relevant property from time to time) will be responsible for any remediation required in respect of Contamination that would be considered to pose an unacceptable level of risk for the ongoing use of the premises as a service station and that Contamination is caused during the term of that Lease so that, at the end of the term, the premises are not Contaminated in a manner that would pose an unacceptable level of risk for the ongoing use of the premises as a service station; and
- under the terms of the Master Agreement (see Section 13.2 for a summary of its terms), Viva Energy will indemnify Viva Energy REIT with respect to each property in the Portfolio for environmental liability associated with Contamination of those properties (including liability associated with Contamination migrating offsite):
 - which existed as at the date of the transfer of the Portfolio to Viva Energy REIT; or
 - to the extent caused or contributed to by Viva Energy, Coles Express or any person invited on to a property by Viva Energy at any time during the term of the Lease in respect of that property.

in accordance with, and subject to the limitations set out in, the terms of the Master Agreement. In that regard, Viva Energy REIT will not be indemnified by Viva Energy for certain losses arising from Contamination on a property in the Portfolio including to the extent that the loss:

- is incurred or increased (but only to the extent of such increase) as a result of certain actions by Viva Energy REIT;
- relates to any environmental remedial action which exceeds what is necessary to ensure that the condition of the property meets the standard consistent with operating the sites as service stations; or
- arises in connection with any change of use of the property to a use that is more environmentally sensitive than service station use.

2. VIVA Energy REIT (cont)

Viva Energy is a sophisticated and experienced operator of service station infrastructure and has policies and procedures in place to minimise the risk of harmful fuel leaks, with a focus on early fuel leak detection. Viva Energy seeks to comply with all applicable legal requirements, such as groundwater monitoring and vapour recovery. It also undertakes a wet stock management program, whereby fuel in/fuel out is measured at all sites and has a maintenance and investment program to ensure that sites are well maintained and tanks are replaced as they approach the end of their useful life. Viva Energy identifies, ranks and prioritises sites based on the likelihood of an environmental release and potential consequences so that preventative rather than reactive action can be taken. Viva Energy also engages external service providers to undertake leak detection analysis. Viva Energy has environmental provisions of approximately \$9 million related to the Portfolio as at the latest reporting period⁴¹, and this provision remains with Viva Energy, as liability remains with the Tenant.

Generally, principal liability under the environmental regulatory regimes across the States and Territories in Australia is based on the “polluter pays” principle that the party that causes the contamination is liable for its remediation. Viva Energy REIT as landlord is unlikely to cause contamination as it does not operate the sites.

However, in some circumstances (for example, where the regulator is unable to pursue the polluter, the polluter cannot be identified or the polluter is unable to meet its obligations), Viva Energy REIT as owner of the properties in the Portfolio may face liability for breach of environmental laws and regulations.

Environmental arrangements for any properties acquired by Viva Energy REIT in the future (that is, properties other than those which form part of the Portfolio) will be subject to terms agreed by Viva Energy REIT with the sellers of such properties at the time of any such acquisition.

Further detail on environmental risks are contained in Section 10.1.19.

41. Represents amount of balance sheet provision of Viva Energy as at 31 December 2015 that relates to the Portfolio and is calculated in accordance with Australian Accounting Standards, which reflects an estimate of known remediation costs.

Section 3

Portfolio overview



3. Portfolio overview

3.1. Portfolio overview

The Portfolio consists of 425 properties and has been assembled over more than 100 years under Shell and then Viva Energy ownership. The Portfolio would be difficult to replicate given its scale and the limited availability of strategically located land. The Portfolio properties are typically high traffic and high throughput properties. Colliers International has individually inspected and valued each property and concluded that current rent for each property in the Portfolio reflects a market rent as at 1 July 2016. Appendix A contains a register of all of the properties in the Portfolio.

The table below provides a summary of Viva Energy REIT's Portfolio at a State and Territory level. Refer to the Valuation Report in Section 8 for further detail.

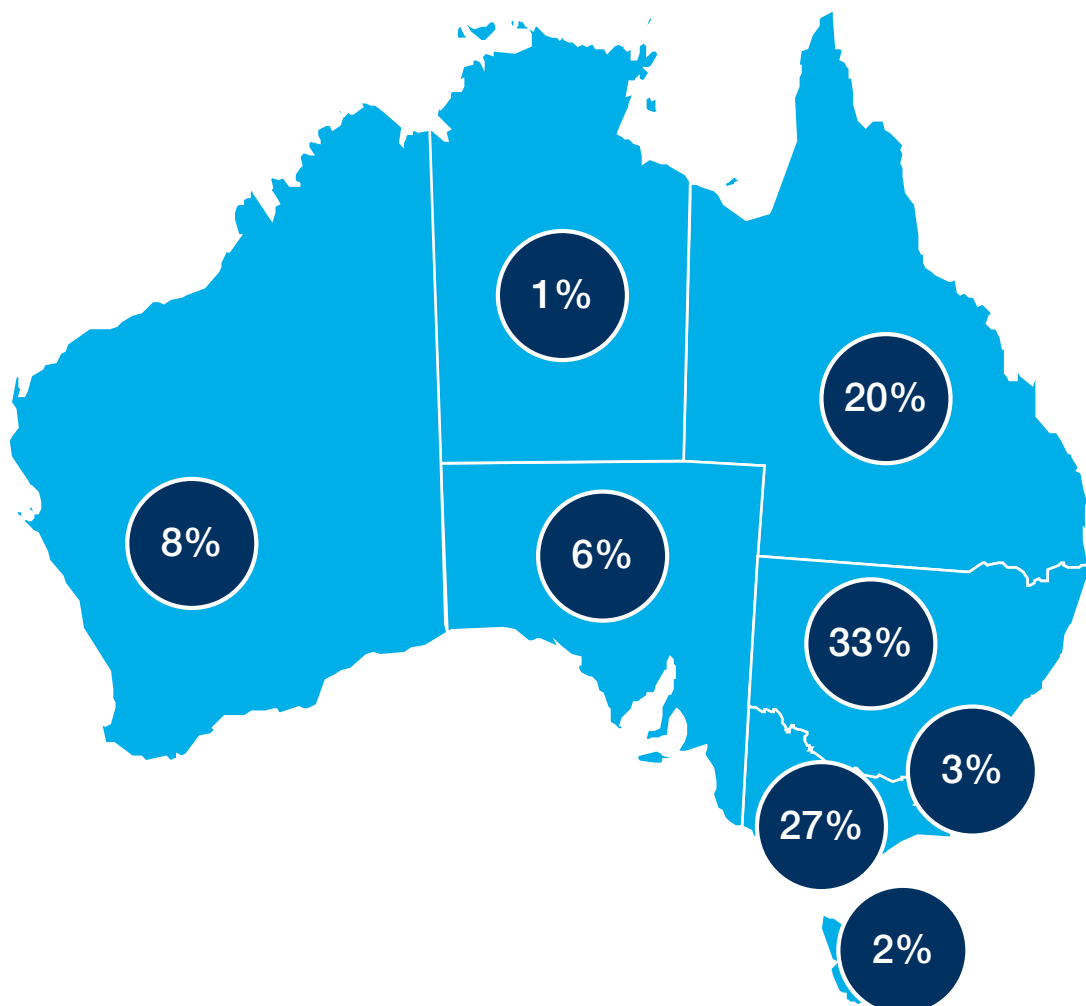
	Number of properties	Independent Valuation (\$ million)	Average property value (\$ million)	WACR	% of CY16 rent ¹	WALE
NSW	133	704.4	5.3	5.7%	32.2%	14.7
VIC	105	567.1	5.4	5.5%	25.4%	16.7
QLD	80	417.6	5.2	5.9%	20.1%	15.5
WA	43	172.6	4.0	6.9%	9.6%	14.2
SA	36	119.5	3.3	6.6%	6.4%	13.9
ACT	11	55.9	5.1	6.2%	2.8%	14.8
TAS	11	41.1	3.7	6.5%	2.2%	13.8
NT	6	26.7	4.4	6.4%	1.4%	13.6
Total portfolio	425	2,104.8	5.0	5.9%	100.0%	15.3

1. The Forecast Financial Information is based on a number of estimates, assumptions and pro forma adjustments that are subject to business, economic and competitive uncertainties and contingencies, which are subject to change and in many cases are outside the control of the Directors. Actual financial results may vary from the Forecast Financial Information presented in this Offer Document, and these variations may be material. See Section 6 for a discussion and analysis of the Forecast Financial Information, including the assumptions on which it is based and the key sensitivities to which it is subject and Section 10 for a discussion of the associated risk factors.

3. Portfolio overview (cont)

3.2. Location of the Portfolio

The properties in the Portfolio are located throughout all Australian States and Territories, with a weighting to Australia's more populous eastern seaboard. The following diagram shows the percentage of total properties (by property value) located in each State and Territory as at 1 July 2016.



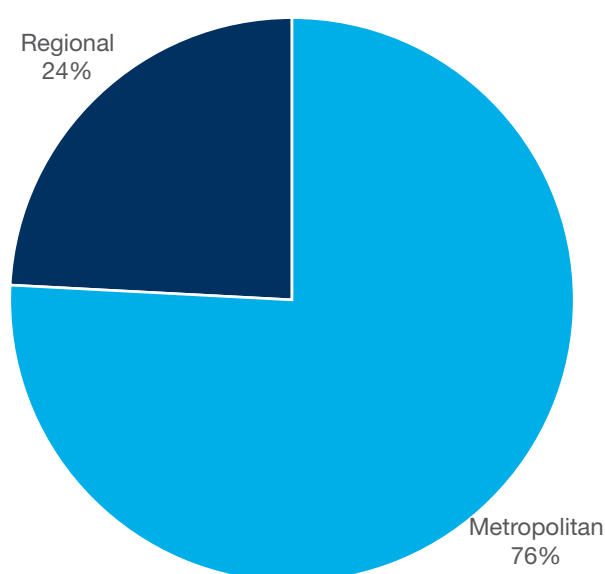
3. Portfolio overview (cont)

Geographic contribution

The following charts show the geographic breakdown of the Portfolio by property value and the split between metropolitan and regional properties as determined by Colliers International as part of its valuation assessment of the properties in the Portfolio as at 1 July 2016. The table below provides an overview of certain average property metrics for metropolitan and regional properties.

As illustrated, the majority of the properties in the Portfolio are located in metropolitan locations, which typically have higher valuation and higher fuel volumes and which attract lower Capitalisation Rates. Regional properties are typically larger than metropolitan properties, with average site areas of 5,176m² and 3,365m² respectively. The properties in the Portfolio have on average six pumps and typically offer a full range of fuel products, including diesel and premium fuels. In addition, a significant number of the properties within the Portfolio have ancillary services, such as car washes, auto mechanics and fast food outlets.

Asset value split by metropolitan and regional locations²



	Number of properties	Independent valuation (\$m)	Average property size (m ²)	Average property value (\$m)	WACR	WALE (years)
Metropolitan	304	1,608	3,365	\$5.3	5.6%	15.5
Regional	121	497	5,176	\$4.1	6.8%	14.6
Total	425	2,105	3,881	\$5.0	5.9%	15.3

2. Metropolitan and regional split as independently determined by Colliers International as part of the independent valuation process. The estimated Portfolio valuation represents an aggregate of individual property valuations and does not represent a valuation of the Portfolio if sold as a whole.

3. Portfolio overview (cont)

Metropolitan site examples

Metropolitan sites in the Portfolio typically have the following key attributes:

- location on major roads with high traffic volumes and in higher population density areas;
- site performance enhanced by branded fuel and retail offering, convenience food offerings and ancillary services;
- ease of entry/exit;
- multiple lanes with premium and/or diesel fuel availability;
- average metropolitan site area of 3,365m².



3. Portfolio overview (cont)

Regional site examples

Regional properties form an important part of the national network offering, particularly for Shell Card customers. The key attributes of regional properties within the Portfolio include:

- highway or main road locations in major regional centres with significant traffic flow;
- larger properties, which allow enhanced retail offering, including onsite services;
- ease of access, particularly for heavy vehicles;
- expanded diesel refueling offer, including AdBlue®³;
- average regional site area of 5,176m²



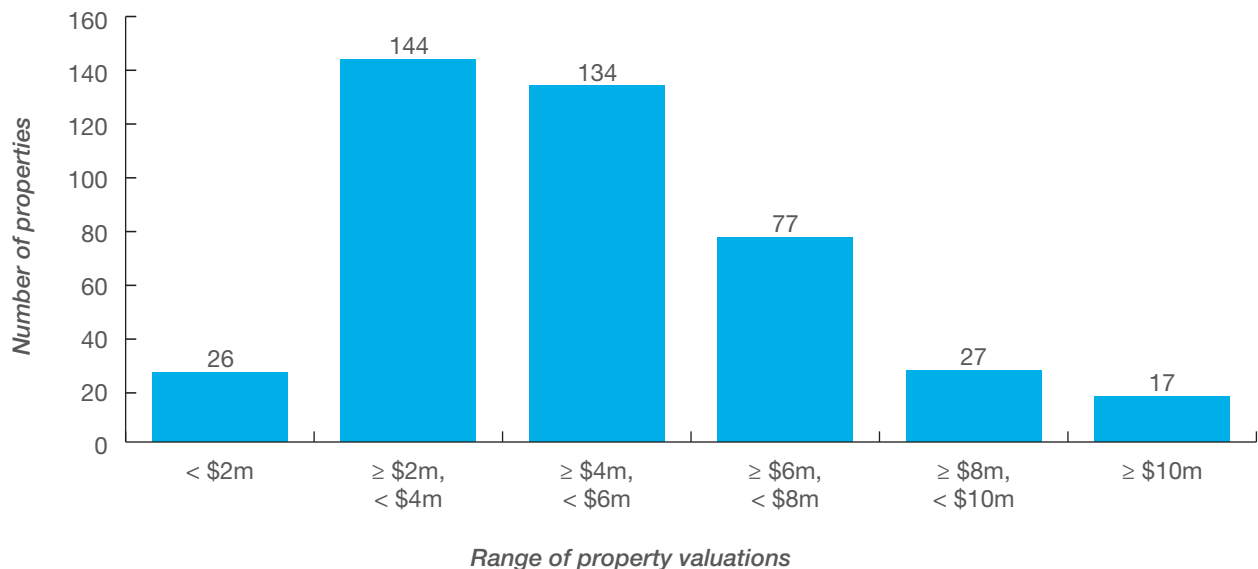
3. AdBlue® is a fluid used in trucks to help them reduce emissions. Viva Energy supplies a high quality AdBlue® solution that meets ISO 22241 1-3 industry requirements.

3. Portfolio overview (cont)

3.3. Valuation and operating metrics

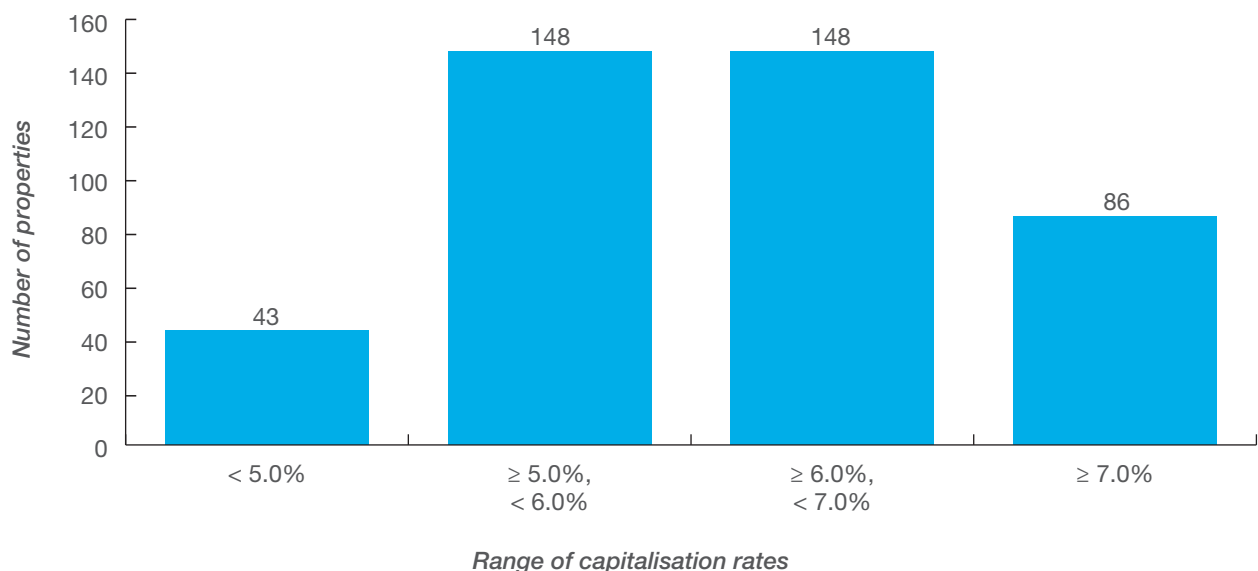
Range of property values

The following graph shows the range of individual property values in the Portfolio. The majority of the properties in the Portfolio have an Independent Valuation of between \$2 million and \$8 million, with an average value of \$5 million, as at 1 July 2016. Property valuations are supported by long lease terms, a high quality tenant, strategic location of the properties, high fuel throughput and strong convenience store sales.



Range of property Capitalisation Rates

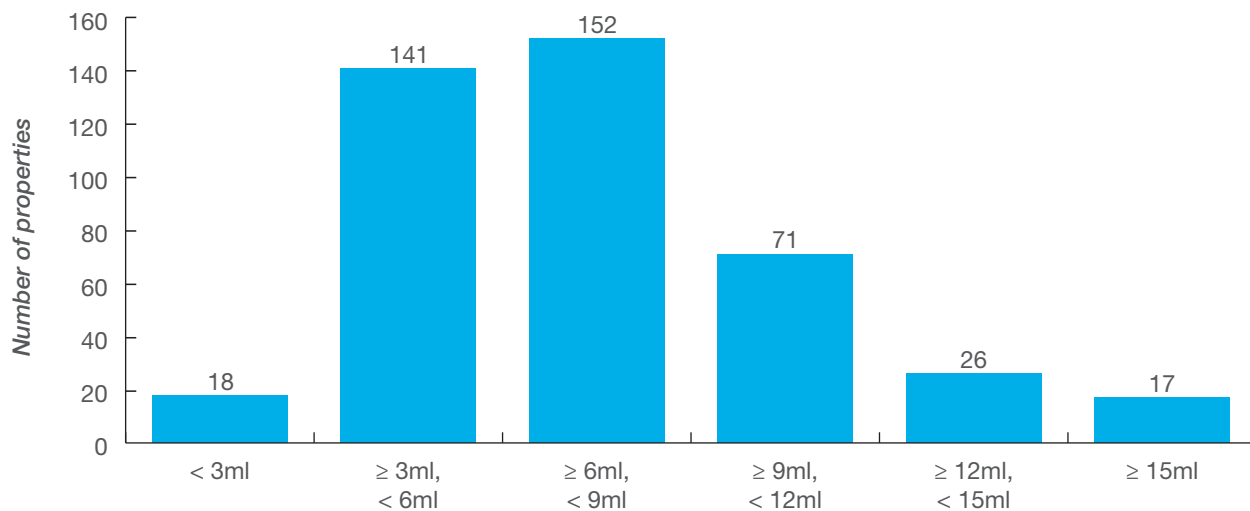
The following graph shows the range of site Capitalisation Rates across the Portfolio. Capitalisation Rates within the Portfolio typically range from 5% to 7% and lower for well located metropolitan properties. The Portfolio's weighted average capitalisation rate is 5.9%, as at 1 July 2016.



3. Portfolio overview (cont)

Range of site fuel volumes per annum

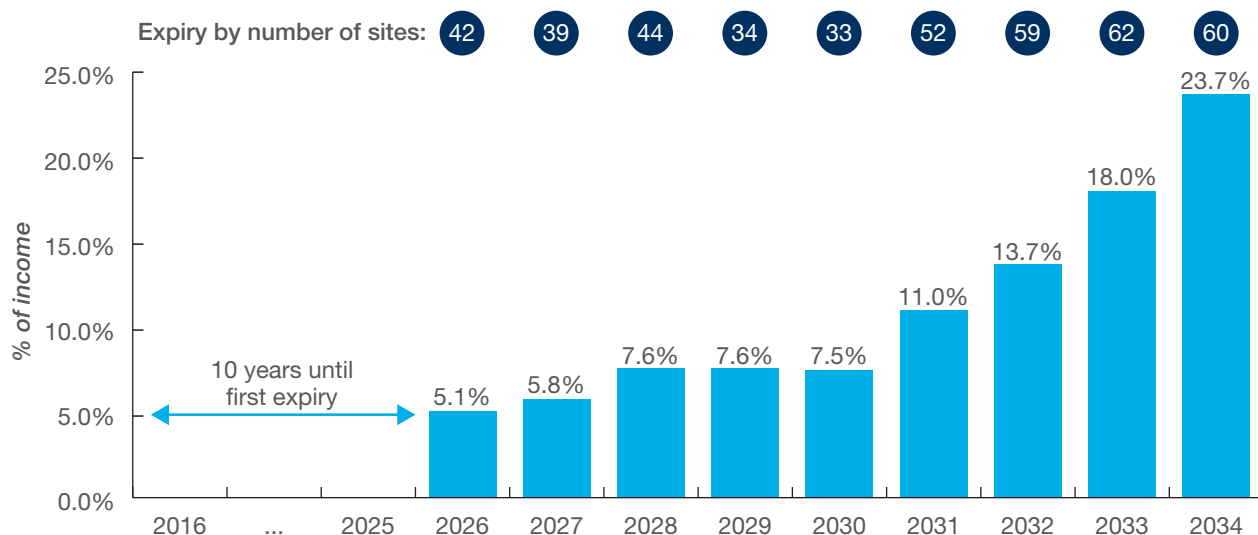
The following graph shows the range of site fuel volumes across the portfolio during 2015. A majority of the properties in the Portfolio have an annual fuel volume of between 3 and 12 million litres per annum.



Range of site fuel volumes during 2015 (ml = millions of litres)

3.4. Lease expiry profile

The following graph shows the range of lease expiries across the Portfolio by income. As at the Settlement Date, the Portfolio will have a WALE of 15.3 years by income and will be 100% occupied, with no lease expiring before 2026, providing security of income. The leases have been staggered to ensure re-leasing risk is not concentrated in any particular year.



3. Portfolio overview (cont)

3.5. *Market rents*

All rents across the Portfolio have been independently assessed and verified as market rent by Colliers International. Market rents typically represent 7% to 10% of shop sales revenue plus 22% to 33% of gross fuel margin⁴. See the Colliers International valuation report in Section 8 for further detail. Across the Portfolio, approximately 63% of initial rent is attributable to fuel sales and 37% attributable to shop sales⁵.

Market rents are underpinned by productivity growth driven by:

- growth in convenience store sales and enhanced consumer store offering;
- Coles Express convenience store sales; convenience store sales grew at a CAGR of 5.2% between the financial year ended 30 June 2007 and the financial year ended 30 June 2015⁶;
- growth in fuel margins; Viva Energy's gross fuel margin has experienced a CAGR of 5.3% between 2007 and 2015; and
- a consumer shift towards higher margin fuel products (that is, premium unleaded petrol and diesel), which is expected to continue.

4. As determined by Colliers International based on national service station rental evidence. This market evidence has been used when assessing the initial market rents across the Portfolio.

5. Indicative split based on initial rent payable across the Portfolio.

6. Financial data for Coles Express has been sourced from Wesfarmers's annual and interim financial results information filed with the ASX.

Section 4

*Directors, management
and governance*



4. Directors, management and governance

The Board of Viva Energy REIT comprises the boards of the Company and the Responsible Entity. It has overall responsibility for the corporate governance of Viva Energy REIT and has adopted a suite of corporate governance policies to assist with the proper discharge of that function.

The Board has responsibility for the overall strategic direction of Viva Energy REIT. However, the Board has engaged the Manager under the Management Agreement to provide strategic, operational and administrative services. In doing so, the Manager must act in good faith and in a manner consistent with what it reasonably considers to be in the best interests of Viva Energy REIT and the holders of Stapled Securities. The Board may delegate authority to the Manager from time to time and review and revise the terms of any such delegated authority when it considers appropriate.

The Manager will also make recommendations to Viva Energy REIT and, for matters that are outside the scope of the Manager's delegated authority, the Board will consider the Manager's recommendations and approve their implementation unless it considers that they are not in the best interests of Securityholders or would breach or be inconsistent with Viva Energy REIT's constituent documents, obligations under any document by which it is bound or relevant law.

The Board may also make any proposal or recommendation to the Manager in relation to the services the Manager provides to Viva Energy REIT, which proposal or recommendation the Manager must use reasonable endeavours to promptly implement.

The Board will be assisted and advised by the Audit and Risk Management Committee, which will monitor the financial reporting, internal control structure, risk management systems and external audit functions of Viva Energy REIT.

Viva Energy REIT's corporate governance framework has been established through, among other things, the Company Constitution, the Trust Constitution, the Stapling Deed and the Management Agreement. In addition, to ensure that Viva Energy REIT operates in accordance with high corporate governance standards, Viva Energy REIT has adopted a suite of corporate governance policies relating to the Board, communications with Securityholders, trading of securities and risk management. These policies have been developed with regard to the ASX Guidelines.

A summary of the documents which establish the governance framework of Viva Energy REIT is in Section 4.4.

4.1. Directors

Viva Energy REIT will have five Directors, each of whom is a Director of the Company and four of whom are Directors of the Responsible Entity.¹ A majority of the Directors are independent, including the Chairman, with the other two Directors being nominees of Viva Energy.



Laurence Brindle – Independent Non-Executive Chairman

- Laurence has extensive experience in funds management, finance and investment and is currently independent non-executive chairman of National Storage REIT.
- Until 2009, Laurence was an executive with Queensland Investment Corporation (QIC). During his 21 years with QIC, he served in various senior positions including Head of Global Real Estate, where he was responsible for a portfolio of \$9 billion. Laurence was also a long-term member of QIC's Investment Strategy Committee.
- Laurence provides advice to a number of investment institutions on real estate investment and funds management matters. He is a former chairman of the Shopping Centre Council of Australia and a former director of Westfield Retail Trust and Scentre Group.
- Laurence is a member of the Audit and Risk Management Committee of Viva Energy REIT.



Michael Bradburn – Non-Executive Director

- Michael is Chief Financial Officer (**CFO**) of Viva Energy Australia.
- Michael joined Viva Energy Australia in January 2016 as CFO and has 20 years of experience in financial, commercial, planning and audit roles across a range of industry sectors. He was previously CFO of Brisbane Airport, with responsibility for commercial negotiations with major customers, financial and management reporting, debt capital markets, treasury, risk and taxation. Prior to Brisbane Airport, Michael had various senior financial and commercial roles at Asciano and Patrick. Michael is a Chartered Accountant, and holds a Master of Business Administration and a Bachelor of Business.
- Michael is a member of the Audit and Risk Management Committee of Viva Energy REIT.

1. Scott Wyatt is not a Director of the Responsible Entity.

4. Directors, management and governance (cont)



Georgina Lynch – Independent Non-Executive Director

- Georgina has over 20 years' experience in the financial services and property industry and is currently a non-executive director of Cbus Property and a consultant to Stockland.
- Georgina has significant global experience in corporate transactions, capital raisings, initial public offerings (IPOs), funds management, corporate strategy and acquisitions and divestments, having previously worked as a solicitor early in her career and having held senior executive roles at AMP Capital Investors and Galileo Funds Management. Georgina holds a Bachelor of Arts and Bachelor of Laws.
- Georgina is a member of the Audit and Risk Management Committee of Viva Energy REIT.



Stephen Newton – Independent Non-Executive Director

- Stephen has extensive industry experience spanning in excess of 35 years across real estate investment and funds management, development and property management, as well as in infrastructure investment and management. Stephen has been a Principal of Arcadia Funds Management for more than 13 years. Prior to that, Stephen held various senior executive positions at Lend Lease over 22 years, including as CEO (Asia Pacific) of Lend Lease Real Estate Investments Limited and as a member of the senior executive group of Lend Lease Corporation Ltd.
- Stephen is currently a non-executive director of Stockland Property Group, Gateway Lifestyle Group, BAI Communications Group (formerly Broadcast Australia Group) and the University of Notre Dame Australia, and a former non-executive director of Australand Property Group.
- Stephen is a member of both the Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors. He holds a Bachelor of Arts (Economics and Accounting) degree from Macquarie University and a Masters of Commerce post graduate degree from the University of New South Wales.
- Stephen Newton is Chair of the Audit and Risk Management Committee of Viva Energy REIT.



Scott Wyatt – Non-Executive Director

- Scott is the Chief Executive Officer (**CEO**) of Viva Energy Australia.
- Scott has nearly 30 years' experience in the downstream oil industry across Australia and New Zealand, including roles within strategy, marketing, oil supply and distribution operations.
- In mid-2013, Scott was appointed the head of country for Shell's downstream businesses in Australia before he transitioned to the role of CEO of Viva Energy following the sale of the business.
- Scott's previous positions with Shell include General Manager of Supply and Distribution for Australia, and an assignment in Singapore to lead a regional strategy team.

4. Directors, management and governance (cont)

4.2. *Manager*

The Manager is a member of the Viva Energy Group. It was formed for the sole purpose of managing Viva Energy REIT on a day-to-day basis and providing it with strategic, operational and administrative services. The senior executives of the Manager are identified below. The senior executives made available to the Manager will provide services to Viva Energy REIT on a full time and exclusive basis. The senior executives will be remunerated by the Viva Energy Group, and such remuneration will be determined solely with respect to the provision of services to Viva Energy REIT, and not to the performance of Viva Energy. The Manager expects to outsource certain administrative functions to other members of the Viva Energy Group where it is economically more efficient to do so. Such services will be provided on a cost recovery basis.



Margaret Kennedy – Managing Director

- Margaret has more than 27 years' experience in the oil and gas sector working for Shell and Viva Energy.
- Margaret has extensive commercial experience and has held a number of leadership positions within Australia and internationally for Shell across the retail, commercial, aviation, and lubricants businesses.
- Margaret's most recent role was as the General Manager Sales for Viva Energy, where she had oversight of all Viva Energy's customer facing businesses, including for Coles Express and the dealer owned retail network as well for all commercial segments (fuels, marine & lubricants). Margaret has had extensive retail network planning experience sitting on the Coles Express and Viva Energy Network Planning Committee for a number of years.
- Margaret's former roles include Retail Business Manager, Aviation Operations and Joint Venture Manager for Asia Pacific, Business Development Manager and LNG Business Manager.



Guy Farrands – Chief Financial Officer

- Guy has over 30 years' experience in direct and listed property markets both in Australia and internationally across commercial, retail, industrial, residential and retirement asset classes.
- Guy was Managing Director and Chief Executive Officer of ASX-listed GEO Property Group (now VillaWorld Group). Prior to that, he was Chief Executive Officer of Valad Property Group (Valad), departing prior to Valad's acquisition of Crownstone/Scarborough.
- Guy's former roles included Division Director of the real estate division of Macquarie Bank's Investment Banking Group, where he managed IPOs, equity raisings and mergers and acquisitions, Associate Director and joint head of property for Heine Management Limited and Manager in the Investment Sales Department at Jones Lang LaSalle.
- Guy is also a non-executive director of Aspen Group, a member of the Remuneration Committee, a member of the Nomination Committee and Chairman of the Audit Committee.

4.3. *Responsible Entity*

VER Limited, a wholly owned subsidiary of the Company, is the Responsible Entity of the Trust. The Responsible Entity holds Australian financial services license (AFSL) number 483795 issued by ASIC, which authorises it to operate the Trust.

The Responsible Entity is responsible for the operation of the Trust and is required to discharge that responsibility in accordance with the obligations imposed on, and pursuant to the powers granted to it, under the Corporations Act, the Trust Constitution, the Stapling Deed, the Management Agreement, the Compliance Plan and general law. The Trust Constitution, the Stapling Deed and the Management Agreement are summarised in Sections 13.14.1, 13.11 and 13.3 respectively.

In discharging those duties in respect of the Trust, the Responsible Entity is permitted to have regard to the interests of the Securityholders (as holders of Shares and Units) as a whole.

Margaret Kennedy and Guy Farrands have been nominated as key persons under the AFSL to perform duties for the Responsible Entity and will perform those duties in their capacity as representatives of the Manager and therefore in accordance with the terms of the Management Agreement.

4. Directors, management and governance (cont)

4.4. Corporate governance

The Board of Viva Energy REIT

The Board monitors the operational and financial position and performance of Viva Energy REIT and oversees its business strategy, including approving the strategic goals of Viva Energy REIT. The Board is committed to maximising performance, generating appropriate levels of Securityholder value and financial return and sustaining the success of Viva Energy REIT. In conducting business with these objectives, the Board is concerned to ensure that Viva Energy REIT is properly managed to protect and enhance Securityholder interests, and that Viva Energy REIT, its Directors and representatives of the Manager operate in an appropriate environment of corporate governance.

Accordingly, the Board has adopted corporate governance policies and practices designed to promote the responsible management and conduct of Viva Energy REIT. The Board's guiding principle in meeting its responsibilities is to act honestly, in good faith and in the best interests of Viva Energy REIT as a whole, in accordance with the law and Viva Energy REIT's code of conduct.

Responsibility for Viva Energy REIT's compliance with its corporate governance policies rests primarily with the Board. However, under the Management Agreement, the Manager must assist Viva Energy REIT to comply with all relevant laws, including the Corporations Act, and the Listing Rules.

The Board must review each recommendation made by the Manager, other than recommendations which are the subject of:

- a standing approval or delegation given by the Company under any guideline or protocol; or
- a permission, approval or delegation given or made in any business plan or budget which has been approved by the Company Board.

The Board will not be required to approve recommendations if it considers that they are not in the best interests of Securityholders or would breach Viva Energy REIT's constituent documents, obligations under any document by which it is bound, or relevant law.

The main policies, charters and practices adopted by Viva Energy REIT are summarised below. Details of these key policies and practices, and the Board Charter and the Audit and Risk Management Committee Charter are available at www.vivaenergyreit.com.au.

In addition, the Corporations Act, Listing Rules, Company Constitution or Trust Constitution (as applicable), Stapling Deed and general law regulate the operations and responsibilities of the Company and the Responsible Entity (and their respective officers). As Viva Energy REIT's Stapled Securities will be constituted by Shares and Units (which will be stapled on and from Allotment), the Company and the Responsible Entity have entered into the Stapling Deed to govern the co-operation between the entities to ensure that the Stapled Securities remain stapled.

The Stapling Deed also sets out parameters in relation to the operation of Viva Energy REIT, including Viva Energy REIT's distribution policy and compliance with relevant laws.

Board Charter

The Board Charter adopted by the Board sets out the role and responsibilities of the Board in greater detail and is designed to "institutionalise" good corporate governance and generally build a culture of best practice in Viva Energy REIT's own internal practices and in its dealings with others. The Board Charter will be reviewed at least annually and may be amended from time to time as the Board considers appropriate. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board will retain ultimate accountability to Securityholders in discharging its duties.

ASX Corporate Governance Principles and Recommendations

As a listed group, Viva Energy REIT will be required to report against the ASX Guidelines by disclosing any ASX Guideline it has not followed and providing reasons for not doing so.

The Board has adopted a number of corporate governance policies that are designed to ensure that Viva Energy REIT is governed efficiently, effectively and with integrity.

The Board has chosen not to establish a nomination and remuneration committee at this time on the basis that the Company does not currently have employees, and the senior executives of the Manager are remunerated by the Viva Energy Group, but Viva Energy REIT will otherwise fully comply with the ASX Guidelines.

4. Directors, management and governance (cont)

Responsible Entity's compliance framework

In order to ensure compliance with the Trust Constitution, the Corporations Act and general law, the Responsible Entity has adopted a Compliance Plan which sets out the key processes, systems and measures that the Responsible Entity will apply in operating the Trust. The Compliance Plan also comprises an extensive compliance management and reporting structure. The Board, the Audit and Risk Management Committee, compliance officer and senior management are committed to the maintenance of a well-structured and well-managed Compliance Plan.

The Responsible Entity has a majority of external Directors, and therefore a compliance committee is not required. The Compliance Plan is overseen by the Board and the responsible managers (who will initially be Margaret Kennedy and Guy Farrands) and will be audited annually by a compliance plan auditor in accordance with the Compliance Plan.

Audit and Risk Management Committee

The Audit and Risk Management Committee will assist the Board in fulfilling its responsibilities for corporate governance and will advise on the establishment and maintenance of a framework of internal control, financial reporting and risk management systems (financial and non-financial) of Viva Energy REIT. This includes confirming the quality and reliability of the financial information prepared by Viva Energy REIT, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm whether they are consistent with maintaining external audit independence.

The Audit and Risk Management Committee provides advice to the Board and reports on the status and management of the risks to Viva Energy REIT. The purpose of the Committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and to ensure that risks are identified, assessed and appropriately managed.

It is intended that the committee will initially comprise the following members:

- Stephen Newton (Chair);
- Laurence Brindle;
- Georgina Lynch; and
- Michael Bradburn.

The Audit and Risk Management Committee will meet at least two times annually and as often as is required to undertake its role effectively.

Nomination and remuneration committee

The ASX Guidelines recommend the establishment of a nomination and remuneration committee. The Board has chosen not to establish a nomination and remuneration committee at this time on the basis that the Company and the Responsible Entity do not currently have employees, and the senior executives of the Manager are remunerated by the Viva Energy Group (see Section 13.3 for a description of the Management Agreement). The Board will consider nomination and remuneration matters from time to time at its regularly scheduled meetings. Any nomination and remuneration committee established will be comprised of non-executive members of the Board.

Under the Company Constitution, the Board may decide the remuneration to which each Director is entitled for his or her services as a Director. However, the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Viva Energy REIT in a general meeting. This amount has been fixed at \$750,000 per annum.

Each independent non-executive Director is currently entitled to receive \$100,000 per annum inclusive of statutory superannuation contributions for acting as a Director. The Chairman is entitled to receive \$200,000 per annum inclusive of statutory contributions, the Chairman does not receive additional fees for membership of the Audit and Risk Management Committee. The Chair of the Audit and Risk Management Committee is entitled to receive an additional \$20,000 per annum inclusive of statutory contributions, other independent non-executive Directors who are members of the Audit and Risk Management Committee are entitled to receive an additional \$10,000 per annum inclusive of statutory contributions.

Code of conduct

Viva Energy REIT has developed and adopted a code of conduct to guide Directors and any future employees in the performance of their duties. The code will also apply to the Manager in the performance of its services and obligations under the Management Agreement. It was developed to reflect the fundamental principles of Viva Energy REIT, including ethical behaviour, honesty, integrity and respect. The principles in it are consistent with the ASX Guidelines.

4. Directors, management and governance (cont)

Securities Trading Policy

Viva Energy REIT has adopted a Securities Trading Policy to regulate dealings in securities by Directors and any future employees of Viva Energy REIT and the senior executives and officers of the Manager. The Securities Trading Policy explains the types of conduct in relation to dealings in any Viva Energy REIT securities that are prohibited under the Corporations Act and establishes best practice procedures to ensure fair and transparent trading in relation to such securities.

Continuous disclosure policy

Once listed, Viva Energy REIT will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to any applicable exceptions, Viva Energy REIT will be required to disclose to the ASX any information concerning Viva Energy REIT which a reasonable person would expect to have a material effect on the price or value of the Stapled Securities were that information to be generally available.

Viva Energy REIT is committed to observing its disclosure obligations under the ASX Listing Rules and the Corporations Act. Viva Energy REIT has adopted a policy which establishes procedures to ensure that Directors and other representatives of Viva Energy REIT understand their responsibilities regarding Viva Energy REIT's obligations in relation to the timely disclosure of price sensitive information. Information will be communicated to Securityholders through the lodgement of all relevant financial and other information with ASX, and continuous disclosure announcements will be made available on Viva Energy REIT's website at www.vivaenergyreit.com.au.

Securityholder communication policy

The Board's aim is to ensure that Securityholders are informed in a timely and readily accessible manner of all major developments affecting the state of affairs of Viva Energy REIT. Information will be communicated to Securityholders through the lodgement of information with ASX as required by Viva Energy REIT's continuous disclosure obligations and publishing information on Viva Energy REIT's website. Information will also be communicated to Securityholders electronically through their registered email address.

Viva Energy REIT's website contains information about it including key policies and will, following listing, also contain general meeting information, financial statements and media releases. All announcements made to the market and any other relevant information will be posted on Viva Energy REIT's website at www.vivaenergyreit.com.au as soon as they have been released to ASX.

Section 5

Details of the Offer



5. Details of the Offer

5.1. Overview of the Offer

This Offer Document relates to an initial public offering of 414.1 million Stapled Securities at an Offer Price of \$2.20 per Stapled Security. If the Offer is fully subscribed at the Offer Price, it will raise approximately \$911.0 million and the total number of Stapled Securities on issue at the completion of the Offer will be 690.2 million. Viva Energy is expected to retain 276.1 million Stapled Securities, or a 40% interest, in Viva Energy REIT.

The Offer is made on the terms, and is subject to the conditions, set out in this Offer Document.

5.2. Purpose of the Offer and use of proceeds

The purpose of the Offer is to:

- achieve listing on ASX and provide a liquid market for the Stapled Securities;
- provide Viva Energy REIT with the benefits of a public profile, transparency and credibility that arises from being a listed entity;
- provide Viva Energy REIT with ongoing access to capital markets to provide capital management flexibility; and
- allow Viva Energy to realise part of its investment in the Portfolio.

The following table shows the sources of funds including proceeds of the Offer and uses under the Transaction.

Sources and uses of funds			
Sources of funds	\$ million	Uses of funds	\$ million
Proceeds from the issue of Stapled Securities under the Offer	911.0	Contribution towards acquisition of the property Portfolio	832.3
		Portfolio acquisition costs (relating to stamp duty)	30.4
		Transaction and Offer costs	41.3
		Working and regulatory capital ¹	7.0
Total sources	911.0	Total uses	911.0

5.2.1. Total transaction sources and uses

The proceeds of the Offer, borrowings under the Debt Facility and Stapled Securities issued to Viva Energy, will be used to acquire the Portfolio and fund Portfolio acquisition, transaction costs and working capital.

Total transaction sources and uses			
Sources of funds	\$ million	Uses of funds	\$ million
Proceeds from the issue of Stapled Securities under the Offer	911.0	Portfolio acquisition	2,104.8
		Portfolio acquisition costs (relating to stamp duty)	30.4
Proceeds from issue of Stapled Securities to Viva Energy Group ²	535.8	Transaction and Offer costs	41.3
Debt Facility	736.7		
		Working and regulatory capital ³	7.0
Total sources	2,183.5	Total uses	2,183.5

1. The Responsible Entity and the Sub Trustee (each in their personal capacity) are required to hold an aggregate unencumbered cash amount of \$5,500,000 at all times to satisfy certain regulatory requirements relating to the terms and conditions of the Responsible Entity's AFSL. The Sub Trustee is a wholly-owned subsidiary of the Company and therefore forms part of Viva Energy REIT.

2. A portion of the value of the Portfolio will be settled by way of an issue of securities to Viva Energy Group.

3. The Responsible Entity and the Sub Trustee (each in their personal capacity) are required to hold an aggregate unencumbered cash amount of \$5,500,000 at all times to satisfy certain regulatory requirements relating to the terms and conditions of the Responsible Entity's AFSL. The Sub Trustee is a wholly-owned subsidiary of the Company and therefore forms part of Viva Energy REIT.

5. Details of the Offer (cont)

5.3. Description of Stapled Securities

The Stapled Securities will be stapled on and from Allotment pursuant to the Constitutions and the Stapling Deed and will trade on ASX as stapled securities (if quotation is accepted). The Units and the Shares will be “stapled” in the sense that a Securityholder cannot transfer a Unit or Share without also transferring the Unit or Share to which it is stapled to the same person. The Company and the Responsible Entity have obligations to ensure that if there is an issue or dealing with a Share, there must be an identical and corresponding issue or dealing with a Unit to the same transferee (and vice versa).

Each Stapled Security in Viva Energy REIT will comprise:

- one Unit in the Trust; and
- one Share in the Company.

5.4. Structure of the Offer

In total, 414.1 million Stapled Securities are being offered under:

- the **Institutional Offer** – which consists of an invitation to bid to Institutional Investors in Australia and New Zealand and a number of eligible jurisdictions under the International Offering Circular or this Offer Document (as applicable) to acquire Stapled Securities;
- the **Broker Firm Offer** – which is open only to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation of Stapled Securities from their Broker;
- the **Priority Offer** – which is made to selected investors nominated by Viva Energy and Viva Energy REIT who have received a Priority Offer invitation to apply for Stapled Securities at the Offer Price; and
- the **Viva Energy and Viva Energy REIT Employee Offer** – which is open to Eligible Employees nominated by Viva Energy and Viva Energy REIT who are Australian residents.

No separate public offer of Stapled Securities will be made under the Offer, other than through the ability of the public to apply through the Broker Firm Offer. Members of the public wishing to apply for Stapled Securities under the Offer must do so through a Broker with a firm allocation.

The allocation of Stapled Securities between the Institutional Offer, the Broker Firm Offer, the Priority Offer and the Viva Energy and Viva Energy REIT Employee Offer will be determined by the Joint Lead Managers, in consultation with Viva Energy REIT and Viva Energy, having regard to the allocation policy outlined in Sections 5.5.3, 5.6.4 and 5.7.4.

5.5. Institutional Offer

5.5.1. Invitations to bid

The Institutional Offer comprises an invitation to Australian and New Zealand resident Institutional Investors and Institutional Investors in certain other overseas jurisdictions to apply for Stapled Securities under this Offer Document or the International Offering Circular, as applicable. The Institutional Offer includes a cornerstone process which was conducted prior to the date of this Offer Document. Selected Institutional Investors have committed to the Joint Lead Managers to acquire Stapled Securities under this Offer Document or the International Offering Circular (as applicable) at the Offer Price.

5.5.2. Institutional Offer process

The Institutional Offer will be conducted using a bookbuild process managed by the Joint Lead Managers. Further details on how to participate will be separately provided to eligible Institutional Investors by the Joint Lead Managers in due course.

Institutional Investors can only bid into the bookbuild via the Joint Lead Managers. The bookbuild will be a fixed price bookbuild at an Offer Price of \$2.20 per Stapled Security.

Bids in the Institutional Offer may be amended or withdrawn at any time up to the close of the Institutional Offer. Any bid not withdrawn at the close of the Institutional Offer is an irrevocable offer by the relevant bidder to subscribe or procure subscribers for the Stapled Securities bid for (or such lesser number as may be allocated) at the Offer Price, on the terms and conditions set out in this Offer Document or the International Offering Circular, as applicable (including any supplementary or replacement document), and in accordance with any bidding instructions provided by the Joint Lead Managers to participants.

Bids can be accepted or rejected in whole or in part without further notice to the bidder. Acceptance of a bid will give rise to a binding contract on allocation of Stapled Securities to Successful Applicants conditional on the quotation of Stapled Securities on ASX and Settlement. Details of the arrangements for notification and Settlement of allocations applying to participants in the Institutional Offer will be provided to participants in the bookbuild process.

5. Details of the Offer (cont)

5.5.3. *Allocation policy under the Institutional Offer*

The allocation of Stapled Securities among bidders in the Institutional Offer will be determined by agreement of the Joint Lead Managers and Viva Energy.

The allocation will be influenced, but not constrained, by the following factors:

- the volume of Stapled Securities bid for;
- the timeliness of bids lodged during the bookbuild by particular bidders;
- Viva Energy REIT's desire for an informed and active trading market in Stapled Securities following the Offer;
- the size and type of funds under management of particular bidders;
- overall level of demand under the Broker Firm Offer, the Priority Offer, the Viva Energy and Viva Energy REIT Employee Offer and Institutional Offer;
- the desire to have a wide spread of Institutional Investors on Viva Energy REIT's register;
- the likelihood the bidder will be a long-term Securityholder in Viva Energy REIT; and
- any other factors that the Joint Lead Managers, Viva Energy REIT and Viva Energy consider appropriate in their absolute discretion.

5.6. *Broker Firm Offer*

5.6.1. *Who can apply in the Broker Firm Offer*

The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have a registered address in Australia or New Zealand and are not located in the United States. Investors who are offered a firm allocation by a Broker will be treated as an Applicant under the Broker Firm Offer in respect of that allocation.

No separate public offer of Stapled Securities will be made under the Offer, other than through the ability of the public to apply through the Broker Firm Offer. Members of the public wishing to apply for Stapled Securities under the Offer must do so through a Broker with a firm allocation.

Investors should contact their Broker to determine whether they may be allocated Stapled Securities under the Broker Firm Offer.

5.6.2. *How to apply for Stapled Securities under the Broker Firm Offer*

If you have received an allocation of Stapled Securities from your Broker and wish to apply for Stapled Securities under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions.

Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Broker Firm Offer Application Form.

Applicants under the Broker Firm Offer will pay the Offer Price of \$2.20 per Stapled Security. The Application Monies must be paid in accordance with instructions from your Broker.

Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Broker Firm Offer Application Form and Application Monies are received before 5.00pm (Melbourne time) on the Closing Date or any earlier closing date as determined by your Broker.

Applicants under the Broker Firm Offer must not send their Broker Firm Offer Application Forms to the Registry.

By making an Application, you declare that you were given access to the Offer Document (including any supplementary or replacement Offer Document), together with a Broker Firm Offer Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Offer Document or the complete and unaltered electronic version of this Offer Document.

5.6.3. *Minimum and maximum Application size*

If you apply in the Broker Firm Offer, you must apply for a minimum amount equal to your firm allocation (if any), but not less than \$5,000 and in incremental amounts of \$500 thereafter. There is no maximum number or value of Stapled Securities that may be applied for under the Broker Firm Offer.

5. Details of the Offer (cont)

5.6.4. *Allocation policy under the Broker Firm Offer*

The allocation of Stapled Securities to Brokers will be determined by agreement of the Joint Lead Managers and Viva Energy. Stapled Securities which are allocated to Brokers for allocation to their Australian or New Zealand resident retail clients will be issued to the Applicants who have received a valid allocation of Stapled Securities from those Brokers. It will be a matter for the Brokers to determine how they allocate Stapled Securities among their eligible retail clients and if any Application Monies need to be refunded. Brokers (not the Joint Lead Managers or Viva Energy REIT and Viva Energy) will be responsible for ensuring that eligible retail clients who have received an allocation from them receive the relevant Stapled Securities.

Applicants in the Broker Firm Offer should confirm their final allocation with the Broker from whom they received their allocation. They may also call the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 (outside Australia) from 8.30am until 5.30pm (Melbourne time) Monday to Friday (excluding public holidays) to confirm their allocations during the Offer Period.

If you sell your Stapled Securities before receiving a holding statement, you do so at your own risk, even if you have confirmed your firm allocation with your Broker or obtained details of your holding from the Viva Energy REIT Offer Information Line.

5.7. *Priority Offer*

5.7.1. *Who can apply in the Priority Offer*

The Priority Offer is open to eligible investors in Australia who have received a Priority Offer invitation to participate⁴. If you are a Priority Offer Applicant, you should have received a personalised invitation to apply for Stapled Securities in the Priority Offer.

5.7.2. *How to apply for Stapled Securities under the Priority Offer*

Eligible Priority Offer Applicants may apply for Stapled Securities online and must comply with the instructions provided in their personalised Priority Offer invitation and with the instructions on the website www.vivaenergyreit.com.au. Applications must be received on or before the Closing Date.

Payment may be made via BPAY only. Application Monies must be received by the Share Registry by 5.00pm (Melbourne time) on Thursday, 28 July 2016.

To make a payment via BPAY, Applicants will need to apply online at www.vivaenergyreit.com.au and must comply with the instructions on the website. It is the Applicant's responsibility to ensure that his or her BPAY payment is received by the Share Registry by no later than 5.00pm (Melbourne time) on Thursday, 28 July 2016. Financial institutions may implement earlier cut-off times with regards to electronic payment, and Applicants should therefore take this into consideration when making payment.

By making an Application, you declare that you were given access to the Offer Document (including any supplementary or replacement Offer Document).

5.7.3. *Minimum and maximum Application size*

If you apply in the Priority Offer, you must apply for a minimum amount equal to, but not less than \$2,000 and in incremental amounts of \$500 thereafter. There is no maximum number or value of Stapled Securities that may be applied for under the Priority Offer.

5.7.4. *Allocation policy under the Priority Offer*

Viva Energy REIT will determine allocation of Stapled Securities among Applicants in the Priority Offer, in consultation with the Joint Lead Managers.

4. Viva Energy and Viva Energy REIT have the discretion to extend the Priority Offer to selected persons in certain other jurisdictions outside of the United States if Viva Energy and Viva Energy REIT are satisfied that they are able to do so without breaching Australian or foreign laws.

5. Details of the Offer (cont)

5.8. *Viva Energy and Viva Energy REIT Employee Offer*

5.8.1. *Who can apply in the Viva Energy and Viva Energy REIT Employee Offer?*

The Viva Energy and Viva Energy REIT Employee Offer is open to Eligible Employees nominated by Viva Energy and Viva Energy REIT that have a registered address in Australia and are outside of the United States.

5.8.2. *How to apply for Stapled Securities under the Viva Energy and Viva Energy REIT Employee Offer*

Eligible Employees who are Australian residents may apply for Stapled Securities online and must comply with the instructions on the website, www.vivaenergyreit.com.au.

Payment may be made via BPAY only. Application Monies must be received by the Share Registry by 5.00pm (Melbourne time) on Thursday, 28 July 2016.

To make a payment via BPAY, Applicants will need to apply online at www.vivaenergyreit.com.au and must comply with the instructions on the website. It is the Applicant's responsibility to ensure that his or her BPAY payment is received by the Share Registry by no later than 5.00pm (Melbourne time) on Thursday, 28 July 2016. Financial institutions may implement earlier cut-off times with regard to electronic payment, and Applicants should therefore take this into consideration when making payment.

By making an Application, you declare that you were given access to the Offer Document (including any supplementary or replacement Offer Document).

5.8.3. *Minimum and maximum Application size*

Applications under the Employee Offer must be for a minimum of \$2,000 worth of Stapled Securities and in multiples of \$500 worth of Stapled Securities thereafter. There is a maximum value of \$20,000 per Eligible Employee of Stapled Securities that may be applied for under the Employee Offer.

Eligible Employees will receive a guaranteed minimum allocation of \$2,000 worth of Stapled Securities (rounded down to the nearest whole Stapled Security). Subject to the guaranteed minimum allocation, the final allocation of Stapled Securities to Applicants in the Employee Offer will be at Viva Energy's absolute discretion and Viva Energy may reject an Application, or allocate fewer Stapled Securities than the amount applied for.

5.9. *No cooling-off*

Applicants should note that there will not be a cooling-off period in relation to Applications, because an application will be made to ASX for Listing of Viva Energy REIT and quotation of the Stapled Securities.

Once an Application has been lodged, it cannot be withdrawn. Should quotation of the Stapled Securities be granted by ASX, Securityholders will have the opportunity to sell their Stapled Securities at the prevailing market price, which may be different to the Offer Price.

5.10. *Offer discretion*

Viva Energy REIT may withdraw the Offer at any time before the issue of Shares and Units (which will form Stapled Securities on Allotment) to successful Applicants or bidders under the Institutional Offer, Broker Firm Offer, the Priority Offer and Viva Energy and Viva Energy REIT Employee Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

Viva Energy REIT and the Joint Lead Managers also reserve the right, subject to the Corporations Act, to extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant fewer Stapled Securities than the amount applied for.

5.11. *Offer costs*

Other than the Broker service fee, no brokerage or commission is payable by Applicants upon acquisition of the Stapled Securities under the Offer. Various fees in relation to the Offer may be payable by Viva Energy REIT to the Joint Lead Managers.

See Section 14.6 for further details.

5. Details of the Offer (cont)

5.12. *Ranking of Stapled Securities and Distributions*

Each Stapled Security will be issued fully paid. From the date of issue, each Stapled Security will rank equally with all other Stapled Securities on issue.

Securityholders will be entitled to receive a first distribution in respect of their Stapled Securities for the period from 31 July 2016 to 31 December 2016, which is forecast to be 5.09 cents per Stapled Security expected to be paid in March 2017.

Thereafter, Distributions are intended to be paid on a half yearly basis. The distribution policy is summarised in Section 6.10.

5.13. *Listing*

5.13.1. *Application for ASX listing and quotation of Stapled Securities*

Viva Energy REIT will apply no later than seven days after the Offer Date for admission to the Official List of ASX and quotation of Stapled Securities on ASX. Viva Energy REIT's code is expected to be VVR.

If Viva Energy REIT has not been admitted to the Official List within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

Viva Energy REIT will be required to comply with the ASX Listing Rules, subject to any waivers obtained by Viva Energy REIT from time to time.

ASX takes no responsibility for this Offer Document or the investment to which it relates. The fact that ASX may admit Viva Energy REIT to the Official List is not to be taken as an indicator of the merits of Viva Energy REIT or the Stapled Securities offered for subscription.

5.13.2. *CHESS and issuer sponsored holdings*

Viva Energy REIT will apply for the Stapled Securities to participate in CHESS, in accordance with the ASX Listing Rules and the ASX Settlement Rules. CHESS is an automated transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in a paperless form.

Viva Energy REIT will also, in accordance with the ASX Listing Rules and the ASX Settlement Rules, maintain an electronic CHESS subregister (for Securityholders who are participants in CHESS or sponsored by such a participant) and an electronic issuer sponsored subregister (for all other Securityholders).

These two subregisters will together make up Viva Energy REIT's principal register of Securityholders. Following allocation of the Shares and Units (which will form Stapled Securities on Allotment) to Successful Applicants, Securityholders will be sent an initial statement of holding that sets out the number of Stapled Securities that have been allocated under the Securityholder's Holder Identification Number, or in the case of issuer sponsored holders, the Securityholder Reference Number.

Securityholders will subsequently receive statements showing any changes to their holding of Stapled Securities. Certificates will not be issued for Stapled Securities.

5. Details of the Offer (cont)

5.13.3. *Conditional and deferred settlement trading and selling Stapled Securities on market*

It is expected that trading of the Stapled Securities will commence on or about Wednesday, 3 August 2016, initially on a conditional and deferred settlement basis.

The contracts formed on acceptance of Applications will be conditional on Settlement and the issue of Stapled Securities occurring. Trades occurring on ASX before Settlement and the issue of Stapled Securities occurring will be conditional on Settlement and issue occurring.

Conditional trading will continue until Viva Energy REIT has advised ASX that Settlement and issue of the Stapled Securities has occurred, which is expected to be on or about Wednesday, 10 August 2016. Trading will then be on an unconditional but deferred settlement basis until Viva Energy REIT has advised ASX that holding statements have been despatched to Securityholders. Normal settlement trading is expected to commence on or about Friday, 12 August 2016.

If settlement has not occurred within 14 days (or such longer period as the ASX allows) after the day Stapled Securities are first quoted on ASX, the Offer and all contracts arising on acceptance of the Offer will be cancelled and of no further effect and all Application Monies will be refunded (without interest). In these circumstances, all purchases and sales made through ASX participating organisations during the conditional trading period will be cancelled and of no effect.

It is the responsibility of each Applicant to confirm their holding before trading in Stapled Securities. Applicants who sell Stapled Securities before they receive an initial statement of holding do so at their own risk. Viva Energy REIT, the Company Directors, the Responsible Entity Directors, the Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Stapled Securities before receiving their initial statement of holding, whether on the basis of a confirmation of allocation provided by any of them, by the Viva Energy REIT Offer Information Line, by a Broker or otherwise.

5.14. *Foreign selling restrictions*

See Section 14.19 for information on the restrictions relating to the distribution of the Offer Document outside of Australia.

5.15. *Further enquiries*

If you have any queries relating to aspects of this Offer Document or the Offer, please call the Viva Energy REIT Offer Information Line on 1800 810 827 (toll free within Australia) or +61 1800 810 827 (outside Australia) between 8.30am and 5.30pm (Melbourne time) Monday to Friday during the Offer Period (excluding public holidays).

If you are unclear in relation to any matter or are uncertain as to whether Viva Energy REIT is a suitable investment, you should seek professional advice from your Broker, lawyer, accountant or other adviser.

Section 6

Financial information



6. Financial information

6.1. Introduction

The Financial Information for Viva Energy REIT contained in this Section has been prepared by the Company and the Responsible Entity of the Trust and comprises:

- statutory forecast consolidated income statements from 14 June 2016 (the Establishment Date) to 31 December 2016 and for the year ending 31 December 2017 (the Statutory Forecast Financial Information) as set out in Section 6.3;
- the pro forma consolidated balance sheet as at the Establishment Date assuming the impact of the Transaction as set out in Section 6.5 and completion of the Offer as at the Establishment Date (the Pro Forma Balance Sheet).

(collectively, the Financial Information).

Also summarised in this Section are:

- the basis of preparation and presentation of the Financial Information (refer to Section 6.2);
- forecast distribution statements from the Establishment Date to 31 December 2016 and for the year ending 31 December 2017 (the Forecast Distribution Statements) (refer to Section 6.4);
- the Directors' best estimate base case assumptions (refer to Section 6.6) underlying the Financial Information and key sensitivities in respect of the Financial Information (refer to Section 6.7);
- Viva Energy REIT's unsecured debt financing arrangements (refer to Section 6.8);
- a description of Viva Energy REIT's valuation policy (refer to Section 6.9);
- a description of Viva Energy REIT's distribution policy (refer to Section 6.10);
- Viva Energy REIT's interest rate and risk management strategy (refer to Section 6.11); and
- a description of Viva Energy REIT's significant accounting policies (refer to Section 6.13).

Rounding of the figures provided in the Financial Information may result in some discrepancies between the sum of components and the totals outlined within the tables and percentage calculations.

No historical financial statements or predecessor accounts of Viva Energy REIT exist as the business was only established on the Establishment Date, and did not exist in its current form as a subsidiary of Viva Energy. Viva Energy REIT will operate on a financial year ending 31 December. Accordingly, Viva Energy REIT's first statutory financial period will be the period from the Establishment Date to 31 December 2016, although Viva Energy REIT's operations will not commence until acquisition of the properties in the Portfolio on the Transfer Date.

Information provided in this Section should be read in conjunction with the sensitivity analysis outlined in Section 6.7, the risk factors outlined in Section 10 and the other information provided in this Offer Document.

The Financial Information has been reviewed by PricewaterhouseCoopers Securities Limited which has issued two Investigating Accountant's Reports, one in respect of the Statutory Forecast Financial Information and one in respect of the Pro Forma Balance Sheet, which are each included in Section 7 of this Offer Document. Investors should note the scope and limitations of the Investigating Accountant's Reports.

6.2. Basis of preparation and presentation of Financial Information

6.2.1. Overview

The Financial Information has been prepared to present the Company, the Trust and any controlled entities on a consolidated basis and the future financial statements of Viva Energy REIT will be presented on this basis. These consolidated financial statements have been prepared as if a Business Combination had occurred between the stapled entities under AASB 3R Business Combinations. For financial reporting purposes, as required by AASB 3R Business Combinations and AASB 127 Separate Financial Statements, one entity in the group must be identified as the acquirer or parent entity for accounting purposes. This entity has been identified as the Company.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles prescribed in the Australian Accounting Standards (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board, which are consistent with IFRS and interpretations issued by the International Accounting Standards Board. The Financial Information is presented in an abbreviated form and does not contain all of the disclosure provided in an annual financial report prepared in accordance with the Australian Accounting Standards and the Corporations Act.

Certain significant accounting policies relevant to the Financial Information are disclosed in Section 6.13.

6. Financial information (cont)

6.2.2. Preparation of the Statutory Forecast Financial Information

The Statutory Forecast Financial Information in Section 6.3 has been prepared using the best estimate assumptions of the Directors of the Company and the Responsible Entity set out in Section 6.6. The Directors of the Company and the Responsible Entity believe that the Statutory Forecast Financial Information has been prepared with due care and attention and consider the best estimate assumptions of the Directors of the Company and the Responsible Entity adopted in Section 6.6, when taken as a whole, to be reasonable at the time of preparing this Offer Document.

Prospective investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Statutory Forecast Financial Information and that this may have a material negative effect on Viva Energy REIT's actual financial performance. In addition, the assumptions in the Statutory Forecast Financial Information are by their very nature subject to significant uncertainties and contingencies, many of which are outside the control of Viva Energy REIT and the Directors of the Company and the Responsible Entity. Accordingly, any deviation in the assumptions on which the Statutory Forecast Financial Information is based may have a material positive or negative effect on Viva Energy REIT's actual financial performance or position. Investors are advised to review the assumptions in Section 6.6 in conjunction with the sensitivity analysis set out in Section 6.7, the risk factors outlined in Section 10 and the other information provided in this Offer Document.

The Statutory Forecast Financial Information has been prepared on the basis that the acquisition of the Portfolio and the drawdown of borrowing under the Debt Facility Agreement (together, the Transaction) are implemented no later than Allotment Date on 10 August 2016.

The Directors of the Company and the Responsible Entity have no intention to update or revise the Statutory Forecast Financial Information or other forward-looking statements following the issue of this Offer Document, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

6.2.3. Preparation of the Pro Forma Balance Sheet

The Pro Forma Balance Sheet in Section 6.5 has been prepared to reflect the acquisition of the properties in the Portfolio and other transactions that are expected to occur by completion of the Offer, as if these transactions occurred at the Establishment Date. Specifically, it assumes that:

- the Portfolio is acquired by Viva Energy REIT for \$2,104.8 million, initially funded via the issuance of promissory notes with an aggregate face value equal to that acquisition price to members of the Viva Energy Group and which will be presented by the holders as consideration for the issuance of Stapled Securities and the payment of a cash amount;
- \$911.0 million is raised under the Offer through the issue of approximately 414.1 million Stapled Securities at \$2.20 per Stapled Security;
- \$736.7 million in borrowings under the Debt Facility Agreement are made available to Viva Energy REIT;
- the promissory notes are presented to, or endorsed in favour of, Viva Energy REIT in consideration for the issuance of 276.1 million Stapled Securities to Viva Energy Australia Group Pty Limited with an equivalent dollar value of \$535.8 million and a cash payment of \$1,569.0 million;
- Viva Energy REIT incurs \$71.7 million of costs, consisting of Transaction and Offer costs of \$41.3 million (including establishment costs of \$5.8 million in respect of the Debt Facilities) and Portfolio acquisition costs of \$30.4 million (relating to stamp duty). Of the total Transaction and Offer costs and Portfolio acquisition costs, \$30.8 million is offset against contributed equity, \$5.8 million of debt establishment costs capitalised against the debt raised, and \$35.1 million expensed through the income statement; and
- cash retained by Viva Energy REIT of \$7.0 million. In compliance with certain AFSL conditions, Viva Energy REIT must maintain a minimum cash holding of \$5.5 million.

The Pro Forma Balance Sheet is provided for illustrative purposes only and is not represented as being necessarily indicative of Viva Energy REIT's future financial position.

6. Financial information (cont)

6.2.4. Explanation of certain financial measures not defined in international financial reporting standards

In preparing the Statutory Forecast Income Statement and the Forecast Distribution Statements, Viva Energy REIT has used certain measures that are not recognised under AASB. These measures are collectively referred to as non-IFRS measures under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The principal Viva Energy REIT non-IFRS financial measures that are referred to in this Offer Document include Interest Cover Ratio defined in footnote 6 of Section 6.3 and Distributable Earnings defined in Section 6.4.

Although the Directors believe these measures provide useful information about the financial performance of Viva Energy REIT, they should be considered as supplements to the income statements that have been presented in accordance with AASB and not as a replacement for them. Because these non-IFRS financial measures are not based on AASB, they do not have standard definitions and the way that Viva Energy REIT calculates these measures may differ from similar titled measures used by other companies. Potential investors should therefore not place undue reliance on these non-IFRS financial measures.

6.3. Statutory Forecast Financial Information

The table below details the Statutory Forecast Income Statements for the period from the Establishment Date to 31 December 2016 and for the year ending 31 December 2017 (together, the Forecast Period).

\$ million	Establishment Date to 31 December 2016 ¹	12 months to 31 December 2017
REVENUE		
Gross property income	49.2	125.1
Straight lining of rental income ²	12.1	29.0
Interest income	0.2	1.0
Total revenue	61.5	155.1
EXPENSES		
Finance costs	(12.2)	(30.7)
Management and other administrative costs	(1.8)	(4.6)
Board and other corporate costs	(0.8)	(2.1)
Total expenses	(14.8)	(37.5)
Net profit (before transaction costs)³	46.7	117.6
Transaction and Offer costs and Portfolio acquisition costs ⁴	(35.1)	-
Net profit⁵	11.6	117.6
Interest cover ratio (x) ⁶	4.0x	4.1x

1. The Statutory Forecast Income Statements have been prepared assuming Transfer Date of 8 August 2016.

2. See Section 6.13.2 for a discussion of the accounting policy related to the straight lining of rental revenue.

3. The Statutory Forecast Income Statements do not account for any potential fair value adjustments of investment properties and derivative financial instruments on the basis that such adjustments cannot be reliably determined as at the date of this Offer Document. See Section 6.13.5 for a discussion of the accounting policy relating to investment property valuations and Section 6.13.7 for a discussion of the accounting policy relating to derivative financial instruments.

4. Expensed Transaction and Offer costs of \$4.7 million primarily relate to adviser costs. Expensed Portfolio acquisition costs of \$30.4 million relates to stamp duty.

5. No tax expense is expected to arise for Viva Energy REIT in the Forecast Period.

6. Interest cover ratio represents Earnings Before Interest, Tax, Depreciation and Amortisation (excluding any asset revaluations, straight lining of rental income, transaction costs and mark-to-market movements) divided by Net Interest Expense (Finance Costs net Interest Income).

6. Financial information (cont)

6.4. Forecast distribution statements

Viva Energy REIT intends to pay Distributions half yearly. The first Distribution is expected to be paid for the period ending 31 December 2016, which will reflect earnings from the Establishment Date to 31 December 2016. Subject to applicable tax laws, Viva Energy REIT will aim to distribute 100% of Distributable Earnings (as defined below) each year. The Directors of the Company and the Responsible Entity will have regard to the amount of cash available as required in determining Viva Energy REIT's Distribution payout ratio.

Distributable Earnings is calculated as net profit adjusted to remove transaction costs and non-cash items, including straight lining of rental income, the amortisation of debt establishment fees and any fair value adjustment to investment properties and derivatives (plus the amount of any undistributed Distributable Earnings with respect to any relevant prior period).

The table below provides a reconciliation from the forecast net profit to Distributable Earnings:

\$ million	Establishment Date to 31 December 2016 ⁷	12 months to 31 December 2017
Net profit	11.6	117.6
Transaction and Offer costs and Portfolio acquisition costs ⁸	35.1	-
Straight lining of rental income ⁹	(12.1)	(29.0)
Amortisation of upfront debt costs	0.6	1.6
Distributable Earnings	35.1	90.2
Distribution¹⁰	35.1	90.2
Stapled Securities on issue (millions)	690.2	690.2
Distributable Earnings per Stapled Security (cents)	5.09	13.07
Distribution per Stapled Security (cents)	5.09	13.07
Annualised Distributable Earnings Yield¹⁰	5.80%	5.94%
Annualised Distribution Yield¹¹	5.80%	5.94%
Payout ratio (Distribution/Distributable Earnings)	100%	100%
Tax deferred component of Distribution ¹²	42.1%	26.9%

7. The Forecast Distribution Statements have been prepared assuming Transfer Date on 8 August 2016.

8. Expensed Transaction and Offer costs of \$4.7 million primarily relate to adviser costs. Expensed Portfolio acquisition costs of \$30.4 million relate to stamp duty.

9. See Section 6.13.2 for a discussion of the accounting policy related to the straight lining of rental revenue.

10. The Forecast Distribution Statements do not account for any potential fair value adjustments of investment properties and derivative financial instruments on the basis that such adjustments cannot be reliably determined as at the date of this Offer Document.

11. The yield for the period from the Establishment Date to 31 December 2016 has been calculated as the annualised amount of the targeted distribution of 5.09 cents per Stapled Security to be paid in March 2017 (i.e. multiplied by 366 and divided by 146 days from Settlement Date to 31 December 2016), multiplied by 690.2 million Stapled Securities on issue immediately following the Offer, divided by the market capitalisation at the Offer Price.

12. Tax deferred components of forecast Distributions for Australian income tax purposes are determined in accordance with prevailing Australian tax legislation as at the time of preparing the Offer Document. See Section 11 for further details.

6. Financial information (cont)

6.5. Pro Forma Balance Sheet

The table below details the Pro Forma Balance Sheet as at the Establishment Date assuming completion of the Transaction and the Offer at that date.

\$ million	Actual as at Establishment Date ¹³	Pro forma as at Establishment Date
ASSETS		
Cash and cash equivalents ¹⁴	-	7.0
Investment properties ¹⁵	-	2,104.8
Total assets	-	2,111.8
LIABILITIES		
Borrowings ¹⁶	-	730.9
Total liabilities	-	730.9
Net assets	-	1,380.9
EQUITY		
Contributed equity ¹⁷	-	1,416.0
Retained earnings ¹⁸	-	(35.1)
Total equity attributable to Securityholders	-	1,380.9
Stapled Securities on issue (millions)		690.2
Net tangible assets per Stapled Security (\$)		2.00
Gearing (%)		34.9%

13. As at the Establishment Date, Viva Energy REIT comprised issued share capital of \$1 in the Company and units of \$1 in the Trust.

14. Cash and cash equivalents of \$7 million to be held as working capital for Viva Energy REIT. The Responsible Entity and the Sub Trustee (each in their personal capacity) are required to hold an aggregate unencumbered cash amount of \$5,500,000 at all times to satisfy certain regulatory requirements relating to the terms and conditions of the Responsible Entity's AFSL. The Sub Trustee is a wholly-owned subsidiary of the Company and therefore forms part of Viva Energy REIT.

15. Investment property values are based on the Independent Valuations described in Section 3.5.

16. Non-current interest bearing borrowings balance represents \$736.7 million of drawn debt net of unamortised Debt Facilities establishment costs of \$5.8 million.

17. Contributed equity balance is based on the \$1,446.8 million gross proceeds, less \$30.8 million of capitalised Offer costs.

18. Retained earnings balance is based on \$35.1 million of expensed Portfolio acquisition costs (relating to stamp duty) and expensed Transaction and Offer related costs, primarily related to adviser fees.

6. Financial information (cont)

6.6. *Base case assumptions*

The key best estimate assumptions of the Directors of the Company and the Responsible Entity relating to the preparation of the Statutory Forecast Financial Information are set out below.

6.6.1. *General assumptions*

The key best estimate general assumptions include:

- Transfer Date occurs on 8 August 2016;
- all Leases are enforceable and are performed in accordance with their terms;
- there are no additional properties or interests in properties bought in the Forecast Period and no properties or interests in properties in the Portfolio are sold in the Forecast Period;
- there is no material capital expenditure in the Forecast Period;
- no material changes to applicable Australian Accounting Standards, other mandatory professional reporting requirements, and the Corporations Act during the Forecast Period;
- Viva Energy REIT will consistently apply the key accounting policies over the Forecast Period;
- Viva Energy Holding maintains an investment grade credit rating (Viva Energy Holding currently has an investment grade credit rating at the lowest level on the investment grade credit rating scale);
- there is no significant change in Viva Energy REIT's capital structure, other than that disclosed in this Offer Document;
- there is no material change in interest rates prior to the drawdown of the Debt Facilities at which point Viva Energy REIT will enter into interest rate swaps for the duration of the Forecast Period;
- Viva Energy Group continues to beneficially own and control, either directly or indirectly, at least 20% of the Stapled Securities and as such there is no review event under the terms of the Debt Facility Agreement and no repayment of the Debt Facilities is required;
- there are no material changes to Australian income tax legislation;
- there is no underlying movement in the fair value of the investment properties or other financial assets including any mark to market movements in relation to the interest rate swaps entered into by Viva Energy REIT, as the Responsible Entity Directors do not believe such movements can be reliably forecast;
- there are no material contract disputes or litigation during the Forecast Period;
- there are no material changes in the competitive operating environment during the Forecast Period; and
- no significant change to the legislative regime and regulatory environment occur in the jurisdictions in which Viva Energy REIT operates during the Forecast Period.

6.6.2. *Specific assumptions*

The key best estimate specific assumptions include:

Gross property income

- Gross property income has been forecast on a property by property basis based on the terms of the Leases, including a fixed 3.0% per annum escalation on all properties, with no early termination assumed prior to the end of the Forecast Period.

Straight lining of rental income

- A straight line lease adjustment is provided in relation to future fixed rental increases to ensure rental income has been recognised on a straight line basis over the lease term in accordance with Australian Accounting Standards.

Re-letting and vacancy

- The term of all Leases is beyond the Forecast Period, and no early termination, and consequently no letting up period or vacancy is assumed during the Forecast Period.

Direct property expenses and outgoings

- Outgoings charged directly to the tenant in accordance with the Lease terms.

6. Financial information (cont)

Finance costs

- Covenant gearing to remain at or below 35% over the forecast period, resulting in a debt margin of 1.60% for Tranche A1 and Facility B and a debt margin of 1.80% for Tranche A2 over the forecast period (see Section 6.8 for the relevant margin grid).
- Viva Energy Holding to maintain its investment grade rating and therefore no increase in debt margins (30 basis points) has been applied over the forecast period (Viva Energy Holding currently has an investment grade credit rating at the lowest level on the investment grade credit rating scale).
- Viva Energy REIT will enter into interest rate swaps for all of the debt drawn at completion of the Transaction, for the duration of the term of the Debt Facilities. Borrowings under the Debt Facilities are assumed to be 100% hedged at an average interest rate of 4.03% on drawn debt, 3.86% on drawn debt excluding amortisation of Debt Facilities establishment costs, for the period from completion of the Offer through to 31 December 2016 inclusive of all margins and fees, based on current prevailing rates as at 8 July 2016.
- The estimated borrowing costs incorporate the effect of the hedging arrangements described in Section 6.11, and amortisation of Debt Facilities establishment costs (total of \$5.8 million).

Management and other administrative costs

- Viva Energy REIT will incur operating costs relating to all management, operational and administrative support under the Management Agreement with the Manager, which provides that charges will be on a cost recovery basis. These costs have been forecast based on the best estimates of the Directors of the Company and the Responsible Entity.
- Viva Energy REIT will incur operating expenses including ASX listing fees, share registry fees, legal, audit, valuation and tax compliance fees, investor reporting costs, independent Directors' fees, insurance costs and other costs. These costs have been forecast based on the best estimates of the Directors of the Company and the Responsible Entity of the likely costs to be incurred based on a combination of existing agreements, external benchmarks and quotes and by taking into account factors likely to influence the level of these expenses, including Viva Energy REIT's estimated market capitalisation and gross assets.
- No additional costs are incurred undertaking due diligence on acquisitions as part of the assumption about not making any acquisitions during the Forecast Period in the assumptions.

Portfolio acquisition and other Transaction costs

- Total costs of \$71.7 million are incurred comprising Portfolio acquisition costs of \$30.4 million (relating to stamp duty) and other Transaction and Offer related costs such as ASX listing fees, offer management fees and advisers' fees of \$41.3 million (including establishment costs of \$5.8 million in respect of the Debt Facilities).
- Costs directly attributable to raising new equity and borne by Viva Energy REIT (estimated at \$30.8 million) have been deducted from contributed equity. \$35.1 million transaction costs are expensed through the statutory income statement, with the remaining \$5.8 million of debt establishment costs capitalised against the debt raised.

Taxation

- Viva Energy REIT is expected to be treated as an Attribution Managed Investment Trust for Australian tax purposes. Under current Australian income tax legislation, Viva Energy REIT is not liable for Australian income tax, on the basis that the Securityholders will generally be liable for tax on the net income of the Trust on an attribution basis. Accordingly, no allowance for income tax has been made.
- Expected goods and services tax recoveries in respect of transaction costs and ongoing operations which are appropriate to the activities of Viva Energy REIT have been forecast.

Distribution Reinvestment Plan

- The Financial Information has been prepared on the basis that there will be no Distribution Reinvestment Plan (DRP) in operation.

6. Financial information (cont)

6.7. Sensitivity analysis

The Statutory Forecast Financial Information set out in Section 6.3 is based on a number of best estimate assumptions that are subject to business, economic and competitive uncertainties and contingencies, which are beyond the control of Viva Energy REIT, the Responsible Entity and its Directors and management. These estimates and assumptions are subject to change.

To assist investors in assessing the impact of these assumptions, the sensitivity of forecast Distributable Earnings to certain changes in a number of key variables is set out in the table below. The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced.

Sector	Establishment Date to 31 December 2016		12 months to 31 December 2017	
	\$ million	Cents per Security	\$ million	Cents per Security
Distributable Earnings	35.1	5.09	90.2	13.07
IMPACT OF CHANGE FROM ASSUMPTION				
25 basis point change in interest rates (pre execution of hedging) (+/-)	+/- 0.7	+/- 0.10	+/- 1.7	+/- 0.25
25 basis point change in interest rates (post execution of hedging) (+/-)	+/- 0.0	+/- 0.00	+/- 0.1	+/- 0.02
Interest rate margin sensitivity – Viva Energy loss of investment grade credit rating	+/- 0.9	+/- 0.13	+/- 2.4	+/- 0.34
25 basis point change in CPI (+/-)	+/- 0.0	+/- 0.00	+/- 0.0	+/- 0.00
5% change in the REIT's operating expenses (+/-)	+/- 0.1	+/- 0.02	+/- 0.3	+/- 0.05

The estimated impact of changes in each of the variables has been calculated in isolation from changes in other variables to illustrate the likely impact on the forecast Distributable Earnings. In practice, changes in variables may offset each other or may be cumulative.

Viva Energy REIT will enter into interest rate swaps over 100% of the borrowings drawn down under the Debt Facility Agreement for the duration of the term of the Debt Facilities. However, because the interest rate for the Debt Facilities will not be set until the Debt Facilities are drawn down (at which time the hedges will be put into place), the actual interest rate under the Debt Facilities may be higher or lower than the rate assumed for the purposes of the Statutory Forecast Income Statement. Because the effect of the hedges will be to lock in the actual interest rate at the time of entry into the relevant hedging transaction, any difference between the interest rate assumed for the purpose of the forecast (which is based on current interest rates as at 8 July 2016) and that applicable at the time the Debt Facilities are drawn down will result in a corresponding difference between the interest cost reflected in the forecast and the actual interest cost that Viva Energy REIT will incur during the Forecast Period. Once the interest rate hedging arrangements are in place, subsequent movements in interest rates will not affect Viva Energy REIT's interest cost during the Forecast Period, with the sensitivity solely reflective on cash balances.

In the event that Viva Energy Holding does not maintain its investment grade credit rating, this would result in an increase in the debt margin of 30 basis points against borrowings drawn under the Debt Facilities. The above sensitivity reflects the impact of a 30 basis point increase in the debt margin on Distributable Earnings for the Forecast Period, assuming Viva Energy REIT has been subject to the 30 basis point increase in the debt margin for the entire term of the Forecast Period.

A change in CPI has limited impact on Viva Energy REIT's Distributable Earnings as the Leases have a fixed price escalation and the direct property expenses are passed through to the Tenant under the terms of the Leases.

6.8. Financing arrangements

The Borrower, the Company, the Sub Trustee¹ and the Responsible Entity (as **Obligors**) have entered into a syndicated facility agreement dated 10 July 2016 (the **Debt Facility Agreement**) pursuant to which a number of domestic and international banks (the **Lenders**) have agreed, subject to the satisfaction of all relevant conditions precedent, to provide unsecured debt facilities totalling up to \$837 million (the **Debt Facilities**). A summary of the key terms of the Debt Facility Agreement, including the conditions precedent to the provision of commitments and participation in the utilisation of the Debt Facilities by the Lenders, is set out in Section 13.8.

The Debt Facilities are provided on an unsecured basis.

1. The Sub Trustee is a wholly-owned subsidiary of the Company and therefore forms part of Viva Energy REIT.

6. Financial information (cont)

The Debt Facilities comprise a \$736.7 million term loan facility split evenly over two tranches with three and five year maturity terms and a \$100 million revolving credit facility with a three year maturity term. Viva Energy REIT may, at any time after the first anniversary of Financial Close, request an increase to the facility limit of the revolving credit facility (on a pre-approved, but non-committed basis, meaning that existing Lenders will have the choice as to whether or not to participate in any such facility increase), by an additional \$200 million, subject to certain conditions including, but not limited to the total amount drawn under each Facility (including any proposed facility limit increase) will not cause Gearing (as adjusted from time to time) to exceed 45%, drawdown is for an approved purpose and no default has occurred and is continuing under the Debt Facility Agreement. The Debt Facilities may be used for approved purposes, which include:

- to fund the acquisition of the Portfolio and payment of other Transaction and Offer related costs (including for the avoidance of doubt, by on-lending such amounts to the Sub Trustee to be applied for such funding);
- for general corporate purposes; and
- to assist with funding future Permitted Acquisitions.

Debt Facilities overview

	Tranche A1	Tranche A2	Facility B
Term	3 years	5 years	3 years
Limit	~\$368 million	~\$368 million	\$100 million

The weighted average tenure of the committed facilities is four years, prior to any drawdown into the revolving credit facility.

The Debt Facility Agreement includes a number of financial covenants and terms and conditions, including that on 30 June and 31 December of each year:

- Gearing does not exceed 50%; and
- Interest Cover Ratio not to be less than 2:1.

Under the Debt Facility Agreement the margin is variable depending on the Gearing, as outlined in the table below:

Gearing	Tranche A1 and Facility B 3 years	Tranche A2 5 years
> 40% ≤ 50%	1.90%	2.10%
> 35% ≤ 40%	1.75%	1.95%
≤ 35%	1.60%	1.80%

- In each case, the margins above will increase by 30 basis points if, in aggregate, 30% or more (by rental income value) of all tenants either do not possess an investment grade credit rating or are not guaranteed by an entity who possesses an investment grade credit rating. Viva Energy Holding currently has an investment grade credit rating at the lowest level on the investment grade credit rating scale.
- The Borrower undertakes not to request a drawdown under the Debt Facilities if such drawing or additional indebtedness (as applicable) would result in the Gearing (as adjusted from time to time) to exceed 45%.

If the Viva Energy Group ceases to beneficially own and control, either directly or indirectly, at least 20% of the Stapled Securities by selling or transferring its interests in the Stapled Securities, or an entity other than a member of the Viva Energy Group Controls either of the Company or the Trust, then this would constitute a review event under the terms of the Debt Facility Agreement and, subject to certain agreed negotiation and notification periods, a potential repayment of the Debt Facilities may be required.

The Debt Facility Agreement also contains restrictions on the ability of Viva Energy REIT to pay dividends or make other Distributions to Securityholders during the term of the Debt Facilities. See Section 6.10 for more information on those restrictions.

See Section 13.8 for a summary of the Debt Facility Agreement.

6.9. Valuation policy

The fair value of the properties will be reviewed by the Board at each reporting date. The Directors' assessment of fair value will be periodically assessed by engaging an independent valuer to assess the fair value of individual properties at least once every three consecutive years with at least 30% of the properties within the Portfolio being valued on an annual rolling basis commencing 31 December 2017. Valuations may occur more frequently if there is reason to believe that the fair value of a property has materially changed from its book value (e.g. as a result of changes in market conditions, leasing activity in relation to the property or capital expenditure).

6. Financial information (cont)

As a result of this policy, Viva Energy REIT may obtain independent valuations more frequently if market prices for service station sites experience material volatility.

The Valuer's assessment of each investment property will be the fair market value of the investment property, assuming knowledgeable, willing parties in an arm's length transaction.

In addition to the above, under the Debt Facility Agreement, the Facility Agent (acting on the instructions of the Majority Lenders) may request a valuation of a property at any time whilst an event of default under the terms of the Debt Facility Agreement is continuing (but may only request such valuation in respect of a property that has not been valued within the last three months).

6.10. *Distribution policy*

Viva Energy REIT currently intends to pay out 100% of Distributable Earnings each Financial Year to Securityholders.

Viva Energy REIT's ongoing Distribution policy will be formulated with regard to a range of factors including:

- general business and financial conditions;
- the certainty of the portfolio cash flows having regard to vacancy rates in the Portfolio, the average lease duration and the timing of significant lease expiries;
- taxation considerations;
- working capital requirements; and
- other factors that the Directors consider relevant.

Viva Energy REIT intends to pay a Distribution to Securityholders every six months (subject to the availability of sufficient Distributable Earnings) with an interim Distribution to be paid at the end of September each year and a final Distribution to be paid at the end of March each year. Due to the potential for variation of management expenses and the timing of rent reviews throughout the year, Distributable Earnings, and accordingly, the Distributions to Securityholders, may vary across half-yearly periods.

The Directors will continue to monitor the appropriateness of this policy to ensure that it meets the ongoing objectives of Viva Energy REIT and is in the best interests of Securityholders.

The forecast Distribution payment is:

- 5.09 cents per Stapled Security for the period from the Establishment Date to 31 December 2016.
- 13.07 cents per Stapled Security for the 12 months to 31 December 2017.

The forecast Distribution payout ratio is:

- 100% of Distributable Earnings for the period from the Establishment Date to 31 December 2016.
- 100% of Distributable Earnings for the 12 months to 31 December 2017.

The forecast tax deferred component of the Distributions:

- for the period from the Establishment Date to 31 December 2016 is expected to be approximately 41.9% of the Distribution; and
- for the 12 months to 31 December 2017 is expected to be approximately 26.9% of the Distribution.

In addition to the above, the Debt Facility Agreement contains restrictions on the ability of Viva Energy REIT to pay dividends or make other Distributions to Securityholders during the term of the Debt Facilities. In that regard, Viva Energy REIT is permitted to pay Distributions and dividends as it sees fit, provided that, at any time while an event of default or a potential event of default under the Debt Facility Agreement is continuing or during any remedy period, a Distribution may only be made with the prior written consent of the Facility Agent (acting on the instructions of the Majority Lenders).

6.11. *Interest rate and risk management strategy*

Due to the floating rate nature of the Debt Facilities, Viva Energy REIT is exposed to interest rates rising as it does not have the ability to pass on increases in interest expense through its normal business operations. The intention of the Board is therefore to hedge the interest rate risk for all of the debt drawn at completion of the Transaction, for the duration of the Debt Facilities.

Viva Energy REIT will review its strategy on an ongoing periodic basis, to determine the most appropriate interest rate risk management strategy, including to consider the optimum strategy for any future drawings, at the time they are made. As a result of such reviews, Viva Energy REIT may change the interest rate risk management strategy from time to time when it believes it is in the interests of Securityholders to do so. There may be circumstances where Viva Energy REIT changes the interest rate risk management strategy to protect the long-term interests of Securityholders which has a negative impact on the shorter-term Distribution Yields.

6. Financial information (cont)

Viva Energy REIT has no foreign currency exposure. Therefore there is no current requirement to manage this risk.

6.12. Reporting

Viva Energy REIT will operate on a 31 December financial year end basis for accounting and financial reporting purposes, and prepare accounts to present the Company, the Trust and any controlled entities on a consolidated basis.

Formal financial reporting will be provided to Securityholders at fiscal year end and at each half year period. These reports will detail (among other things) the following:

- an income statement, balance sheet and statement of cash flows for the period, and related notes;
- the amount and tax treatment of Distributions for the period;
- significant activities undertaken over the period; and
- portfolio updates (including valuations of the properties).

In addition to the investor reports, Viva Energy REIT will provide an annual report in accordance with the Corporations Act. The financial statements contained in the annual report will be audited and the financial statements in the half year report subject to review by the auditors.

6.13. Summary of significant accounting policies

The preparation of the Financial Information requires estimates, judgements and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Revisions to estimates are recognised in the period in which the estimate is revised and in any future period affected.

The significant accounting policies below apply estimates, judgements and assumptions which could materially affect the financial results or financial position reported in future periods.

6.13.1. Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It requires management to exercise its judgement in the process of applying accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. Certain areas involving higher degrees of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, include estimates in respect of the valuation of the investment property portfolio.

All of Viva Energy REIT's service station sites are treated as investment properties for accounting purposes. Under Australian Accounting Standards, investment properties, buildings and improvements are not depreciated over time. Instead, investment properties are initially valued at cost, including transaction costs, and then at the end of each accounting period, the carrying values are restated at their fair value at the time. Gains and losses arising from changes in the fair values of service station investment properties will be recognised as a non-cash gain or loss in the income statement in the accounting period in which they arise. As a result of this accounting policy, changes in the fair value of Viva Energy REIT's service station sites may have a significant impact on its reported profit or loss.

At each reporting date, the Board will assess the carrying value of Viva Energy REIT's service station investment properties, and where the carrying value differs materially from the assessed fair value, an adjustment will be made to the carrying value.

Viva Energy REIT's valuation policy is discussed above in Section 6.9. Assessments of fair value involve considerable judgements, including as to the methodology employed, as well as in the assumptions and estimates, such as estimates of future income, on which such valuations rely.

Although it is likely that movements in the fair values of the properties in the Portfolio will occur over the Forecast Period, no such movements have been assumed for the purpose of the Statutory Forecast Income Statements because the Directors do not believe that such movements can be reliably forecast.

6.13.2. Revenue recognition

Rental income from operating leases is recognised in the income statement on a straight line basis over the lease term. An asset is recognised to represent the portion of operating lease revenue in a reporting period relating to fixed increases in operating lease rentals in future periods.

As the Leases in the Portfolio contain a fixed 3.0% per annum escalation, it is possible to calculate the earnings over the entire life of the Lease. The accounting policy requires that this total income is spread evenly over the life of the Lease, and recognised in the income statement in this manner.

6. Financial information (cont)

This requires Viva Energy REIT to calculate the total rent payable under each Lease over the entire term of the Lease, including contracted future rent increases, and recognise it in equal portions over the life of the Lease. As a result of this accounting treatment, in the early years of the Leases, Viva Energy REIT will recognise more revenue for each Lease than the amount of rent the tenant is contracted to pay for that period.

On Viva Energy REIT's income statement, property revenue is divided into two line items. "Net property income" represents the rent contracted to be paid during the relevant accounting period. "Straight lining of rental income" represents the amounts of rental income that Viva Energy REIT is required to recognise under the straight line method in excess of contracted rent for the accounting period.

In the later years of a Lease with contracted rent increases, the straight line method will result in Viva Energy REIT recognising less revenue than the tenant is contracted to pay for that period. If as a result of the straight line method, Viva Energy REIT's contracted rent for an accounting period is lower than the amount of rent recognised, the amount shown in the "Straight lining of rental income" for that accounting period will be a negative number.

6.13.3. *Finance costs*

Finance costs include interest expense on borrowings and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

6.13.4. *Receivables*

Trade and sundry debtors are initially recorded at fair value and subsequently accounted for at amortised cost. Collectability of trade debtors is reviewed regularly and bad debts are written off when identified. A specific provision for doubtful debts is made when there is objective evidence that Viva Energy REIT will not be able to collect the amounts due according to the original terms of the receivable. The amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows.

6.13.5. *Investment property*

Property, including land and buildings, which is held to earn rental income or for capital appreciation or for both is classified as investment property.

Investment property is initially recorded at cost. Cost comprises the cost of acquisition, additions, refurbishments, redevelopments, and fees incurred. Land and buildings (including integral plant and equipment) that comprise investment property are not depreciated. The carrying amount includes components relating to leasing costs and assets relating to fixed increases in operating lease rentals in future periods.

Subsequent to initial recognition, investment property is stated at fair value with changes in fair value recorded in the income statement.

6.13.6. *Borrowings*

Borrowings are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to borrowings are recognised in the income statement over the expected life of the borrowings.

Borrowings with maturities greater than 12 months after reporting date are classified as non-current liabilities.

6.13.7. *Derivatives*

To the extent an economic hedge exists, Viva Energy REIT intends to apply hedge accounting in relation to derivative instruments. In the case of cash flow hedges, unrealised gains and losses arising from changes in the fair value of any derivative instruments are recognised through other comprehensive income and recycled through the income statement upon realisation to match timing of interest payments.

The fair value of derivatives is determined using a generally accepted pricing model based on a discounted cash flow analysis using quoted market inputs (interest rates, basis and volatility) adjusted for specific features of the instruments, as well as debit or credit value adjustments based on Viva Energy REIT or the derivative counterparties' current creditworthiness. However, no movements in the fair value of derivatives have been assumed for the Forecast Period as the Directors do not believe that such movements can be reliably forecast.

6. Financial information (cont)

6.13.8. *Income taxes*

The Trust is intended to be treated as a “flow-through” entity for Australian income tax purposes under the Attribution Managed Investment Trust rules such that the net income of the Trust will be taxable in the hands of the Securityholders on an attribution basis. As such, no current or deferred tax expenses are recognised in the Forecast Period.

6.14. *Working capital*

The Directors of the Company are of the opinion that Viva Energy REIT will have sufficient working capital to carry out its stated objectives. Viva Energy REIT is expected to have \$7.0 million in cash at bank as at completion of the Offer. Of this \$7.0 million in cash at bank, \$5.5 million is restricted (and must not be encumbered) due to AFSL requirements. In addition to this amount, Viva Energy REIT will have \$100 million in undrawn debt capacity under a committed three year revolving credit facility at completion of the Offer. Therefore, Viva Energy REIT will have combined cash and debt reserves of \$107.0 million as at completion of the Offer.

6.15. *Off balance sheet arrangement*

At the Establishment Date, there were no contractual obligations or commitments which would give rise to a contingent liability or contingent asset.

Section 7

Investigating accountant's report



7. Investigating accountant's report



The Directors
VER Limited as responsible entity of the VIVA Energy REIT Trust
Level 16, 720 Bourke Street
Docklands, VIC 3008

The Directors
VIVA Energy REIT Limited
Level 16, 720 Bourke Street
Docklands, VIC 3008

22 July 2016

Dear Directors

Investigating Accountant's Report

Independent Limited Assurance Report on the VIVA Energy REIT historical financial information and Financial Services Guide

We have been engaged by VER Limited as responsible entity (the **RE**) of the VIVA Energy REIT Trust (the **Trust**) and VIVA Energy REIT Limited (the **Company**) (together the Trust and the Company are collectively the **Fund**) to report on the historical financial information of the Fund for inclusion in the product disclosure statement and the prospectus (**Offer Document**) dated on or about 22 July 2016 and relating to the issue of ordinary units in the Trust and ordinary shares in the Company.

Expressions and terms defined in the Offer Document have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers holds the appropriate Australian financial services licence under the Corporations Act 2001. This report is both an Investigating Accountant's Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Scope

You have requested PricewaterhouseCoopers Securities Ltd to review the following historical financial information of the Fund (the responsible party) included in the Offer Document:

Pro Forma Historical Financial Information

- the pro forma historical Balance Sheet for the Fund as at the date of establishment of the Fund (14 June 2016) assuming the impact of the proposed acquisition of properties, the drawdown of borrowings under the debt facility, and entry into various agreements including the leases and

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7. Investigating accountant's report (cont)



management agreements (as described in the Offer Document) (the **Transaction**) and completion of the Offer as at the establishment date;

The Pro Forma Historical Financial Information has been prepared as at 14 June 2016 assuming the completion of the Offer at that date, and assuming the Offer proceeds and drawdown of borrowings are used to acquire the property and pay stamp duty and costs associated with the Offer. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Fund's adopted accounting policies applied to the historical financial information of the Fund and the events or transactions to which the pro forma adjustments relate, as described in section 6 of the Offer Document, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Fund's actual or prospective financial position.

Directors' responsibility

The directors of the RE and the Company are responsible for the preparation of the Pro Forma Historical Financial Information, including its basis of preparation and the selection and determination of pro forma adjustments included in the Pro Forma Historical Financial Information. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of the Pro Forma Historical Financial Information that is free from material misstatement.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information of the Fund as described in section 6.5 of the Offer Document, and comprising:

- the pro forma historical Balance Sheet for the Fund as at establishment date (14 June 2016)

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 6.2 of the Offer Document being the recognition and measurement principles

7. Investigating accountant's report (cont)



contained in Australian Accounting Standards and the Fund's adopted accounting policies applied to the historical financial information of the Fund and the events or transactions to which the pro forma adjustments relate, as described in section 6.5 of the Offer Document, as if those events or transactions had occurred as at the date of the historical financial information of the Fund.

Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with Australian Auditing Standards applicable to review engagements.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside Australia. We are not recommending or making any representation as to suitability of any investment to any person.

Restriction on Use

Without modifying our conclusions, we draw your attention to the purpose of the financial information, being solely for inclusion in the Offer Document. As a result, the financial information may not be suitable for use for another purpose.

Consent

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this assurance report in the Offer Document in the form and context in which it is included.

Liability

The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this report in the Offer Document. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Offer Document.

Independence or Disclosure of Interest

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of this transaction other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Financial Services Guide

We have included our Financial Services Guide as Appendix A to our report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'AWelsh', is written over a light grey rectangular background.

Andy Welsh
Authorised Representative
PricewaterhouseCoopers Securities Ltd

7. Investigating accountant's report (cont)



Appendix A – Financial Services Guide

PRICEWATERHOUSECOOPERS SECURITIES LTD

FINANCIAL SERVICES GUIDE

This Financial Services Guide is dated 22 July 2016

- 1. About us**

PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) (**PwC Securities**) has been engaged by VER Limited as responsible entity (the RE) of the VIVA Energy REIT Trust (the **Trust**) and VIVA Energy REIT Limited (the **Company**) (together the Trust and the Company are collectively the **Fund**) to provide a report in the form of an **Investigating Accountant's Report** in relation to the pro forma Historical Financial Information of the Fund for inclusion in the product disclosure statement and the prospectus (Offer Document) dated on or about 22 July 2016 and relating to the issue of ordinary units in the Trust and ordinary shares in the Company.

You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.
- 2. This Financial Services Guide**

This Financial Services Guide ("FSG") is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwC Securities generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.
- 3. Financial services we are licensed to provide**

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.
- 4. General financial product advice**

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.
- 5. Fees, commissions and other benefits we may receive**

PwC Securities charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages PwC Securities to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report our fees are charged on an hourly basis and as at the date of this Report amount to \$235,000.

Directors or employees of PwC Securities, PricewaterhouseCoopers, or other associated entities, may receive partnership distributions, salary or wages from PricewaterhouseCoopers.
- 6. Associations with issuers of financial products**

PwC Securities and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwC Securities may provide financial services to the issuer of a financial product in the ordinary course of its business. PricewaterhouseCoopers is currently the auditor of the Fund.
- 7. Complaints**

If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service ("FOS"), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.
- 8. Contact Details**

PwC Securities can be contacted by sending a letter to the following address:

Andy Welsh
PricewaterhouseCoopers Securities Ltd,
Freshwater Place, 2 Southbank Boulevard,
SOUTHBANK VIC 3006
GPO Box 1331, MELBOURNE VIC 3001

7. Investigating accountant's report (cont)



The Directors
VER Limited as responsible entity of the VIVA Energy REIT Trust
Level 16, 720 Bourke Street
Docklands, VIC 3008

The Directors
VIVA Energy REIT Limited
Level 16, 720 Bourke Street
Docklands, VIC 3008

22 July 2016

Dear Directors

Investigating Accountant's Report

Independent Limited Assurance Report on the VIVA Energy REIT forecast financial information and Financial Services Guide

We have been engaged by VER Limited as responsible entity (the **RE**) of the VIVA Energy REIT Trust (the **Trust**) and VIVA Energy REIT Limited (the **Company**) (together the Trust and the Company are collectively the **Fund**) to report on the forecast financial information of the Fund for inclusion in the product disclosure statement and the prospectus (**Offer Document**) dated on or about 22 July 2016 and relating to the issue of ordinary units in the Trust and ordinary shares in the Company.

Expressions and terms defined in the Offer Document have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian financial services licence under the Corporations Act 2001. PricewaterhouseCoopers Securities Ltd, which is wholly owned by PricewaterhouseCoopers holds the appropriate Australian financial services licence under the Corporations Act 2001. This report is both an Investigating Accountant's Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Scope

You have requested PricewaterhouseCoopers Securities Ltd to review the following forecast financial information of the Fund (the responsible party) included in the Offer Document:

Statutory Forecast Financial Information

- the statutory forecast Income Statements of the Fund for the period from the date of establishment of the Fund to 31 December 2016 and the year ending 31 December 2017 assuming the impact of the proposed Transaction and completion of the Offer from property settlement date (8 August 2016), as described in section 6.3 of the Offer Document.

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T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

7. Investigating accountant's report (cont)



The directors' best-estimate assumptions underlying the Statutory Forecast Financial Information are described in section 6.6 of the Offer Document. The stated basis of preparation used in the preparation of the Statutory Forecast Financial Information being the recognition and measurement principles contained in Australian Accounting Standards and the Fund's adopted accounting policies.

Directors' responsibility

The directors of the RE and the Company are also responsible for the preparation of the Statutory Forecast Financial Information, including its basis of preparation and the best-estimate assumptions underlying the Statutory Forecast Financial Information. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of the Statutory Forecast Financial Information that is free from material misstatement.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Forecast Financial Information, the best-estimate assumptions underlying the Statutory Forecast Financial Information, and the reasonableness of the Statutory Forecast Financial Information based on our review. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Statutory Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention which causes us to believe that:

- the directors' best estimate assumptions used in the preparation of the Statutory Forecast Income Statement of the Fund for the period from the date of establishment to 31 December 2016, and for the year ending 31 December 2017 do not provide reasonable grounds for the Statutory Forecast Financial Information; and
- in all material respects, the Statutory Forecast Financial Information:
 - is not properly prepared on the basis of the directors' best estimate assumptions as described in section 6.6 of the Offer Document; and
 - is not presented fairly in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Fund's adopted accounting policies; and

7. Investigating accountant's report (cont)



- the Statutory Forecast Financial Information itself is unreasonable.

Statutory Forecast Financial Information

The Statutory Forecast Financial Information has been prepared by management and adopted by the directors in order to provide prospective investors with a guide to the potential financial performance of the Fund for the period ending 31 December 2016 and the year ending 31 December 2017. There is a considerable degree of subjective judgment involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Statutory Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variation may be material.

The directors' best estimate assumptions on which the Statutory Forecast Financial Information is based relate to future events and/or transactions that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of the Fund. Evidence may be available to support the directors' best estimate assumptions on which the Statutory Forecast Financial Information is based however such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in the Fund, which are detailed in the Offer Document, and the inherent uncertainty relating to the Statutory Forecast Financial Information. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in section 6.7 and section 10 of the Offer Document. The sensitivity analysis described in section 6.7 of the Offer Document demonstrates the impact on the Statutory Forecast Financial Information of changes in key best-estimate assumptions. We express no opinion as to whether the Statutory Forecast Financial Information will be achieved.

The Statutory Forecast Financial Information has been prepared by the directors for the purpose of inclusion in the Offer Document. We disclaim any assumption of responsibility for any reliance on this report, or on the Statutory Forecast Financial Information to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management of the RE and the Company, that all material information concerning the prospects and proposed operations of the Fund has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Notice to investors outside Australia

Under the terms of our engagement this report has been prepared solely to comply with Australian Auditing Standards applicable to review engagements.

This report does not constitute an offer to sell, or a solicitation of an offer to buy, any securities. We do not hold any financial services licence or other licence outside Australia. We are not recommending or making any representation as to suitability of any investment to any person.

7. Investigating accountant's report (cont)



Restriction on Use

Without modifying our conclusions, we draw your attention to the purpose of the financial information, being solely for inclusion in the Offer Document. As a result, the financial information may not be suitable for use for another purpose.

Consent

PricewaterhouseCoopers Securities Ltd has consented to the inclusion of this assurance report in the Offer Document in the form and context in which it is included.

Liability

The liability of PricewaterhouseCoopers Securities Ltd is limited to the inclusion of this report in the Offer Document. PricewaterhouseCoopers Securities Ltd makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Offer Document.

Independence or Disclosure of Interest

PricewaterhouseCoopers Securities Ltd does not have any interest in the outcome of this transaction other than the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Financial Services Guide

We have included our Financial Services Guide as Appendix A to our report. The Financial Services Guide is designed to assist retail clients in their use of any general financial product advice in our report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'AWelsh', is written over a light grey rectangular background.

Andy Welsh
Authorised Representative
PricewaterhouseCoopers Securities Ltd

7. Investigating accountant's report (cont)



Appendix A – Financial Services Guide

PRICEWATERHOUSECOOPERS SECURITIES LTD

FINANCIAL SERVICES GUIDE

This Financial Services Guide is dated 22 July 2016

- 1. About us**

PricewaterhouseCoopers Securities Ltd (ABN 54 003 311 617, Australian Financial Services Licence no 244572) (**PwC Securities**) has been engaged by VER Limited as responsible entity (the RE) of the VIVA Energy REIT Trust (the **Trust**) and VIVA Energy REIT Limited (the **Company**) (together the Trust and the Company are collectively the **Fund**) to provide a report in the form of an **Investigating Accountant's Report** in relation to the Forecast Financial Information of the Fund for inclusion in the product disclosure statement and the prospectus (Offer Document) dated on or about 22 July 2016 and relating to the issue of ordinary units in the Trust and ordinary shares in the Company.

You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.
- 2. This Financial Services Guide**

This Financial Services Guide ("**FSG**") is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about PwC Securities generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and how complaints against us will be dealt with.
- 3. Financial services we are licensed to provide**

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities, interests in managed investment schemes, derivatives, superannuation products, foreign exchange contracts, insurance products, life products, managed investment schemes, government debentures, stocks or bonds, and deposit products.
- 4. General financial product advice**

The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.

You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.
- 5. Fees, commissions and other benefits we may receive**

PwC Securities charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages PwC Securities to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report our fees are charged on an hourly basis and as at the date of this Report amount to \$235,000.

Directors or employees of PwC Securities, PricewaterhouseCoopers, or other associated entities, may receive partnership distributions, salary or wages from PricewaterhouseCoopers.
- 6. Associations with issuers of financial products**

PwC Securities and its authorised representatives, employees and associates may from time to time have relationships with the issuers of financial products. For example, PricewaterhouseCoopers may be the auditor of, or provide financial services to, the issuer of a financial product and PwC Securities may provide financial services to the issuer of a financial product in the ordinary course of its business. PricewaterhouseCoopers is currently the auditor of the Fund.
- 7. Complaints**

If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner. In addition, a copy of our internal complaints handling procedure is available upon request.

If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Service ("**FOS**"), an external complaints resolution service. FOS can be contacted by calling 1300 780 808. You will not be charged for using the FOS service.
- 8. Contact Details**

PwC Securities can be contacted by sending a letter to the following address:

Andy Welsh
PricewaterhouseCoopers Securities Ltd,
Freshwater Place, 2 Southbank Boulevard,
SOUTHBANK VIC 3006
GPO Box 1331, MELBOURNE VIC 3001

Section 8

Independent valuation report



8. Independent valuation report

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7 July 2016

The Directors
Viva Energy Australia Pty Limited
GPO Box 872
Melbourne VIC 3001

Dear Sirs,

RE: **SUMMARY OF VALUATION REPORT**
National Portfolio (the "Portfolio") of 425 Freehold Service Station Assets ("The Properties")

1 INSTRUCTIONS

In accordance with our formal terms of engagement dated 9 March 2016, CIVAS (NSW) Pty Limited has undertaken a valuation of the abovementioned Properties as at 1 July 2016. We have been instructed to provide this summary report on the Portfolio for inclusion in a Product Disclosure Statement (PDS). Information herein is a summary of our full report and valuation ("the Valuation Report") to be issued by Viva Energy REIT in conjunction with the proposed initial public offering of its stapled securities, dated 1 July 2016 (our reference: N3298), which we provided to Viva Energy Australia Pty Limited.

In accordance with our instructions, we have physically inspected each Property.

2 VALUATION SUMMARY

We have assessed the market values of each Property within the Portfolio, as at 1 July 2016, which has resulted in a Gross Realisation of:

\$2,104,820,000 – GST Exclusive

(TWO BILLION ONE HUNDRED AND FOUR MILLION EIGHT HUNDRED AND TWENTY THOUSAND DOLLARS)

Gross Realisation at the date of valuation is the sum of the Market Values of each Property, which are deemed achievable, assuming an orderly sale, between willing buyers and willing sellers, in arm's length transactions, after proper marketing, wherein the parties acted knowledgeably, prudently and without compulsion. In this instance, our stated Gross Realisation is not to be misconstrued as an assessment of the value of the Portfolio as a whole, in a holistic sense. A portfolio value has the potential for the association of a premium for both the portfolio opportunity, and the scale of the opportunity. Any assessment of a portfolio value would be subject to alternate purchaser sentiment, differing from the drivers we have taken into consideration in our assessment of the Market Values of the Properties, and beyond the scope of our instructions. Furthermore, and for the sake of clarity, we advise that our assessment of the Gross Realisation also excludes any consideration of value that may be associated with a management platform in the context of the portfolio offering.

We provide the following summary of our ascribed individual assessments as follows:



Liability limited by a scheme approved under Professional Standards Legislation
CIVAS (NSW) Pty Limited | ABN 32 168 282 728

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
A003	427 Bungaribee Road, Doonside	NSW	\$269,194	Y	13 Years	5.00%	\$5,400,000	4.99%	4.99%
A007	Cnr Kinghorn St & Worrigee St, Nowra	NSW	\$413,623	Y	15 Years	6.00%	\$6,900,000	5.99%	5.99%
A011	252 Princes Highway, Albion Park	NSW	\$357,582	Y	15 Years	6.25%	\$5,725,000	6.25%	6.25%
A015	100 Taren Point Road, Taren Point	NSW	\$301,259	Y	16 Years	4.75%	\$6,350,000	4.74%	4.74%
A016	152-158 Princes Hwy, Dapto	NSW	\$200,000	Y	11 Years	6.00%	\$3,350,000	5.97%	5.97%
A019	26-30 King Street, Warrawong	NSW	\$210,850	Y	12 Years	6.00%	\$3,525,000	5.98%	5.98%
A027	575- 581 Great Western Hwy, Faulconbridge	NSW	\$197,142	Y	12 Years	5.50%	\$3,600,000	5.48%	5.48%
A045	Cnr Princess Hwy & Oliver Rd, Heathcote	NSW	\$210,000	Y	12 Years	5.00%	\$4,200,000	5.00%	5.00%
A054	26-28 Georges River Rd (Cnr Carvers Rd), Oyster Bay	NSW	\$210,000	Y	11 Years	5.00%	\$4,200,000	5.00%	5.00%
A073	Cnr Taren Point Rd & Paraweena Rd, Taren Point	NSW	\$228,495	Y	12 Years	5.00%	\$4,575,000	4.99%	4.99%
A074	371 Pennant Hills Rd, Pennant Hills	NSW	\$445,360	Y	18 Years	4.75%	\$9,400,000	4.74%	4.74%
A076	274-276 Grand Parade (Cnr Ramsgate Rd), Ramsgate	NSW	\$255,271	Y	13 Years	4.75%	\$5,325,000	4.76%	4.76%
A079	2 General Holmes Drive, Brighton-Le-Sands	NSW	\$293,804	Y	15 Years	4.75%	\$6,200,000	4.74%	4.74%
A081	267-281 Princes Highway, Carlton	NSW	\$161,794	Y	11 Years	5.00%	\$3,225,000	5.02%	5.02%
A087	835 King Georges Road, South Hurstville	NSW	\$330,000	Y	16 Years	4.75%	\$6,950,000	4.75%	4.75%
A103	Cnr Princes Hwy & The Boulevard, Kirrawee	NSW	\$332,001	Y	16 Years	4.75%	\$7,000,000	4.74%	4.74%
A111	Cnr Bong Bong St & Bowral St, Bowral	NSW	\$312,039	Y	13 Years	5.75%	\$5,450,000	5.73%	5.73%
A114	Cnr Clinton & Cowper St, Goulburn	NSW	\$328,614	Y	15 Years	7.00%	\$4,700,000	6.99%	6.99%
A115	36-46 Victoria Rd, Drummoyne	NSW	\$341,579	Y	16 Years	5.00%	\$6,850,000	4.99%	4.99%
A117	19 Davies Road, Padstow	NSW	\$280,279	Y	14 Years	5.00%	\$5,600,000	5.00%	5.00%
A121	Lot 201 Appin Road, St Helens Park	NSW	\$165,000	Y	10 Years	5.50%	\$3,000,000	5.50%	5.50%
A124	Cnr Mort St & Girrahween St, Braddon	ACT	\$229,830	Y	12 Years	5.50%	\$4,200,000	5.47%	5.47%
A126	25 Hopetoun Circuit, Deakin	ACT	\$285,000	Y	14 Years	6.50%	\$4,400,000	6.48%	6.48%
A128	Cnr Canberra Ave & Flinders Way, Manuka	ACT	\$472,000	Y	17 Years	6.00%	\$7,850,000	6.01%	6.01%

Page 2

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
A130	Cnr Ipswich & Wiluna Sts, Fyshwick	ACT	\$174,280	Y	11 Years	6.75%	\$2,600,000	6.70%	6.70%
A135	17 Strangways Street, Curtin	ACT	\$250,000	Y	12 Years	6.50%	\$3,850,000	6.49%	6.49%
A139	102 - 106 Wyong Road, Killarney Vale	NSW	\$430,000	Y	18 Years	7.00%	\$6,150,000	6.99%	6.99%
A143	93-99 Argyle Street, Picton	NSW	\$280,000	Y	14 Years	6.00%	\$4,650,000	6.02%	6.02%
A148	1443 Camden Valley Way, Leppington	NSW	\$125,000	Y	10 Years	5.75%	\$2,175,000	5.75%	5.75%
A150	27 Queen Street, Campbelltown	NSW	\$163,727	Y	11 Years	5.50%	\$3,000,000	5.46%	5.46%
A151	73 Pembroke Rd (Cnr Durham St), Minto	NSW	\$119,000	Y	10 Years	5.75%	\$2,050,000	5.80%	5.80%
A157	338-340 Hume Highway, Liverpool	NSW	\$346,371	Y	16 Years	5.00%	\$6,950,000	4.98%	4.98%
A200	59 Durham Street, Bathurst	NSW	\$449,216	Y	17 Years	6.00%	\$7,500,000	5.99%	5.99%
A204	298 Stewart St (Cnr Rocket St), Bathurst	NSW	\$370,000	Y	13 Years	6.50%	\$5,700,000	6.49%	6.49%
A208	Cnr Summer St & Sale St, Orange	NSW	\$299,187	Y	14 Years	6.50%	\$4,600,000	6.50%	6.50%
A216	311 Great Western Highway, Lawson	NSW	\$160,000	Y	10 Years	7.00%	\$2,300,000	6.96%	6.96%
A287	197 Windsor Road, Northmead	NSW	\$138,006	Y	10 Years	5.50%	\$2,500,000	5.52%	5.52%
A291	88 Victoria Rd (Cnr Buller St), Parramatta	NSW	\$302,177	Y	15 Years	5.00%	\$6,050,000	4.99%	4.99%
A296	199-203 Kissing Point Rd (Cnr Kirby St), Dundas	NSW	\$148,374	Y	11 Years	5.75%	\$2,600,000	5.71%	5.71%
A301	131-133 Cobra St (Cnr Fitzroy St), Dubbo	NSW	\$265,000	Y	12 Years	7.25%	\$3,650,000	7.26%	7.26%
A307	2-6 John St, Coonabarabran	NSW	\$163,072	Y	11 Years	7.50%	\$2,175,000	7.50%	7.50%
A320	120-138 Birrell Street, Bondi Junction	NSW	\$333,736	Y	16 Years	4.50%	\$7,425,000	4.49%	4.49%
A331	54 Alison Road, Randwick	NSW	\$255,019	Y	13 Years	4.75%	\$5,375,000	4.74%	4.74%
A336	959-961 Anzac Parade, Maroubra	NSW	\$124,019	Y	10 Years	5.50%	\$2,250,000	5.51%	5.51%
A339	299 Bunnerong Road, Pagewood	NSW	\$372,089	Y	17 Years	4.75%	\$7,850,000	4.74%	4.74%
A341	Cnr Cowpasture Rd & Green Valley, Green Valley	NSW	\$279,390	Y	14 Years	5.00%	\$5,600,000	4.99%	4.99%
A342	48-56 Gardeners Road, Kingsford	NSW	\$180,000	Y	12 Years	5.00%	\$3,600,000	5.00%	5.00%

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
A382	57 Cowper Wharf Rd (Cnr Dowling St), Woolloomooloo	NSW	\$310,000	Y	14 Years	5.00%	\$8,200,000	5.00%	5.00%
A388	387 Wattie (Cnr Kelly St), Ultimo	NSW	\$887,106	Y	14 Years	4.75%	\$12,350,000	4.75%	4.75%
A392	562 Botany Rd, Alexandria	NSW	\$549,791	Y	18 Years	4.75%	\$11,575,000	4.75%	4.75%
A399	115 Heathcote Road, Wattie Grove	NSW	\$800,000	Y	17 Years	4.75%	\$10,825,000	4.75%	4.75%
A400	308-310 Parramatta Road, Stanmore	NSW	\$329,196	Y	16 Years	4.50%	\$7,325,000	4.49%	4.49%
A403	1032-1036 Victoria Rd, West Ryde	NSW	\$349,863	Y	13 Years	4.85%	\$7,200,000	4.86%	4.86%
A408	Cnr Lane Cove Rd & Myra Ave, Ryde	NSW	\$159,989	Y	11 Years	5.50%	\$2,900,000	5.52%	5.52%
A421	96 Wicks Road, North Ryde	NSW	\$229,736	Y	15 Years	5.50%	\$4,200,000	5.47%	5.47%
A425	386 Pennant Hills Rd, Pennant Hills	NSW	\$431,943	Y	17 Years	4.75%	\$9,100,000	4.75%	4.75%
A427	188-190 Pennant Hills Rd, Thornleigh	NSW	\$357,507	Y	17 Years	5.00%	\$7,200,000	4.97%	4.97%
A429	196-200 Pacific Hwy, Hornsby	NSW	\$315,217	Y	16 Years	4.75%	\$6,600,000	4.78%	4.78%
A432	Cnr Pacific Hwy & Coonanbarra Rd, Wahroonga	NSW	\$419,185	Y	13 Years	4.75%	\$8,800,000	4.76%	4.76%
A433	179-181 Mona Vale Rd, St Ives	NSW	\$250,616	Y	15 Years	4.85%	\$5,200,000	4.82%	4.82%
A436	21 Ryde Rd, Pymble	NSW	\$275,000	Y	14 Years	4.85%	\$5,650,000	4.87%	4.87%
A438	14 Thomas St, WallSEND	NSW	\$840,000	Y	18 Years	5.50%	\$9,800,000	5.51%	5.51%
A441	877-879 Pacific Hwy, Chatswood	NSW	\$434,891	Y	17 Years	4.75%	\$9,200,000	4.73%	4.73%
A442	Cnr Allison Ave & Pacific Highway, Lane Cove	NSW	\$166,869	Y	11 Years	5.00%	\$3,300,000	5.03%	5.03%
A485	Cnr Miller St & Palmer St, Cammeray	NSW	\$278,090	Y	14 Years	5.00%	\$5,600,000	4.97%	4.97%
A488	Cnr Warringah Rd & Cook St, Forestville	NSW	\$895,002	Y	18 Years	4.75%	\$12,500,000	4.76%	4.76%
A470	Cnr Ben Boyd Rd & Ernest St, Neutral Bay	NSW	\$270,104	Y	14 Years	5.00%	\$5,400,000	5.00%	5.00%
A471	227 Military Rd, Cremorne	NSW	\$300,000	Y	11 Years	4.75%	\$6,300,000	4.76%	4.76%
A486	Cnr Wirrbourne Rd & Harbord Rd, Brookvale	NSW	\$370,429	Y	17 Years	5.50%	\$8,750,000	5.49%	5.49%
A493	1418 Pittwater Rd, Narrabeen	NSW	\$396,526	Y	17 Years	4.75%	\$8,350,000	4.75%	4.75%

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
A485	Cnr Avalon Pde & Barrierjoeys Rd, Avalon	NSW	\$178,000	Y	11 Years	4.75%	\$3,750,000	4.75%	4.75%
A501	357-361 Edward St, Wagga Wagga	NSW	\$330,000	Y	17 Years	7.00%	\$4,700,000	7.02%	7.02%
A510	Cnr Mount & Middle Sts, Gundagai	NSW	\$650,000	Y	18 Years	6.50%	\$10,000,000	6.50%	6.50%
A512	Cnr Audley St & Caddell St, Narrandera	NSW	\$274,466	Y	14 Years	8.00%	\$3,500,000	7.84%	7.84%
A518	59-63 Victoria St, Taree	NSW	\$410,000	Y	17 Years	7.25%	\$5,650,000	7.26%	7.26%
A527	165 Smith St (Cnr Cochrane St), Kempsey	NSW	\$157,054	Y	10 Years	8.50%	\$1,850,000	8.49%	8.49%
A539	124-126 Johnston Street, Annandale	NSW	\$180,000	Y	11 Years	4.50%	\$4,000,000	4.50%	4.50%
A546	35- 51 Victoria Rd, Drummoyne	NSW	\$242,805	Y	15 Years	4.75%	\$5,100,000	4.76%	4.76%
A566	112 Rookwood (Cnr Brunken) Rds, Yagoona	NSW	\$249,867	Y	15 Years	5.00%	\$5,000,000	4.98%	4.98%
A580	884-888 Hume Hwy (Cnr Strickland St), Bass Hill	NSW	\$198,700	Y	12 Years	5.25%	\$3,800,000	5.23%	5.23%
A606	Cnr Raw Square & Albert Rd, Strathfield	NSW	\$306,680	Y	16 Years	4.75%	\$6,500,000	4.72%	4.72%
A628	148 Bridge Street (Cnr Hill St), Muswellbrook	NSW	\$184,163	Y	11 Years	6.75%	\$2,750,000	6.70%	6.70%
A632	Cnr High St & Smith St, Maitland	NSW	\$145,962	Y	10 Years	7.00%	\$2,100,000	6.95%	6.95%
A635	118 New England Hwy, Rutherford	NSW	\$168,108	Y	11 Years	8.00%	\$2,100,000	8.01%	8.01%
A640	Cnr Pacific Hwy & Kangaroo St, Raymond Terrace	NSW	\$156,625	Y	11 Years	8.00%	\$2,000,000	7.83%	7.83%
A644	1-3 Sydney Ave, Umina	NSW	\$314,811	Y	11 Years	7.50%	\$4,200,000	7.50%	7.50%
A649	6-8 Pacific Hwy, Kantong	NSW	\$702,063	Y	18 Years	7.00%	\$10,050,000	6.99%	6.99%
A677	128 Pacific Hwy, Charlestown	NSW	\$246,699	Y	14 Years	6.00%	\$4,100,000	6.02%	6.02%
A684	797 Pacific Hwy, Belmont South	NSW	\$332,196	Y	15 Years	6.50%	\$5,100,000	6.51%	6.51%
A685	23 Stockton St, Nelson Bay	NSW	\$327,595	Y	15 Years	6.25%	\$5,250,000	6.24%	6.24%
A687	2 Brunken Rd, Broadmeadow	NSW	\$357,394	Y	16 Years	5.75%	\$6,200,000	5.76%	5.76%
A694	63-69 Maud St (Cnr Miller St), Mayfield	NSW	\$127,693	Y	10 Years	6.75%	\$1,900,000	6.72%	6.72%
A695	15 Thomas St (Cnr Brook St), Wallsend	NSW	\$730,325	Y	18 Years	5.75%	\$12,700,000	5.75%	5.75%

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
A709	251-253 Goomoo Goomoo Rd, Tamworth	NSW	\$350,000	Y	17 Years	5.75%	\$6,100,000	5.74%	5.74%
A799	279-287 Princes Highway, Bulli	NSW	\$87,016	Y	17 Years	6.00%	\$9,800,000	5.99%	5.99%
A900	Cnr David St & Guinea St, Albury	NSW	\$351,792	Y	15 Years	7.00%	\$5,000,000	7.04%	7.04%
A901	575 Wagga Rd, Lavington	NSW	\$657,266	Y	18 Years	6.75%	\$9,750,000	6.74%	6.74%
A906	Cnr Clement St & Parfitt Rd, Wangaratta	VIC	\$390,000	Y	17 Years	6.50%	\$6,000,000	6.50%	6.50%
A907	Cnr Bridge St & Margaret St, Benalla	VIC	\$288,842	Y	16 Years	6.75%	\$4,300,000	6.72%	6.72%
A950	Cnr Church St & Morimer St, Mudgee	NSW	\$325,000	Y	14 Years	6.50%	\$5,000,000	6.50%	6.50%
B259	147-152 Bridge St, Tamworth West	NSW	\$335,000	Y	15 Years	7.00%	\$4,800,000	6.98%	6.98%
B402	275 Lane Cove Rd, North Ryde	NSW	\$190,000	Y	12 Years	5.00%	\$3,800,000	5.00%	5.00%
B406	Cnr Merrylands Road & Braeside St, Greystanes	NSW	\$135,000	Y	10 Years	5.50%	\$2,450,000	5.51%	5.51%
B428	Cnr Windsor Rd & Olive St, Baukham Hills	NSW	\$448,552	Y	12 Years	4.85%	\$9,250,000	4.85%	4.85%
B442	4 Ryde Rd, Hunters Hill	NSW	\$204,833	Y	12 Years	5.25%	\$3,900,000	5.25%	5.25%
B492	Gordan & Hollingsworth Sts, Port Macquarie	NSW	\$495,000	Y	17 Years	6.00%	\$8,250,000	6.00%	6.00%
B498	269-275 Princes Highway, Corral	NSW	\$275,000	Y	13 Years	5.75%	\$4,800,000	5.73%	5.73%
B499	172 Melrose Drive, Phillip	ACT	\$283,347	Y	14 Years	6.00%	\$4,700,000	6.03%	6.03%
B501	Cnr Pacific Hwy & Maude St, Belmont	NSW	\$225,998	Y	14 Years	6.25%	\$3,600,000	6.28%	6.28%
B502	89-93 Marsh St, Armidale	NSW	\$279,737	Y	12 Years	8.75%	\$3,200,000	8.74%	8.74%
B517	Cnr Balo St & Gwydir St, Moree	NSW	\$190,000	Y	12 Years	9.25%	\$2,050,000	9.27%	9.27%
B522	20 Springvale Dve, Hawker	ACT	\$328,576	Y	15 Years	6.50%	\$5,050,000	6.51%	6.51%
B530	Rylah Crescent, Wanniassa	ACT	\$190,909	Y	11 Years	6.75%	\$2,825,000	6.76%	6.76%
B540	198 Beach Road, Batehaven	NSW	\$358,808	Y	15 Years	7.00%	\$5,125,000	7.00%	7.00%
B544	65 Hume Highway, Lansvale	NSW	\$159,797	Y	12 Years	5.50%	\$2,900,000	5.48%	5.48%
B570	Lhotsky Street, Charnwood	ACT	\$446,073	Y	17 Years	6.00%	\$7,450,000	5.99%	5.99%

8. Independent valuation report (cont)



Viva Energy Australia Pty Limited
National Portfolio of Freehold Service Station Assets
1 July 2016

Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
B571	Cnr Nettieford St & Lathlain Dr, Belconnen	ACT	\$893,076	Y	18 Years	6.00%	\$9,900,000	5.99%	5.99%
B573	Mid Western Hwy & Pine St, Wyalong	NSW	\$254,902	Y	14 Years	8.00%	\$3,200,000	7.97%	7.97%
B617	Cnr Mamre Road & Banks Drive, St Clair	NSW	\$225,000	Y	11 Years	5.50%	\$4,100,000	5.49%	5.49%
B642	69-73 George St, Singleton	NSW	\$469,265	Y	17 Years	7.25%	\$6,350,000	7.23%	7.23%
B650	Pacific Highway, Woolgoolga	NSW	\$138,560	Y	10 Years	8.50%	\$1,650,000	8.40%	8.40%
B676	Cnr Cohen & Josephson St, Belconnen	ACT	\$205,000	Y	11 Years	6.75%	\$3,050,000	6.72%	6.72%
B677	611 Great Western Highway, Eastern Creek	NSW	\$555,682	Y	18 Years	4.75%	\$11,700,000	4.75%	4.75%
B714	Cnr Newell Hwy & Tooraweenah Rd, Gligandra	NSW	\$202,556	Y	10 Years	8.50%	\$2,400,000	8.44%	8.44%
B777	Cnr Whylandra St & Victoria St, Dubbo	NSW	\$611,511	Y	18 Years	6.00%	\$10,200,000	6.00%	6.00%
B782	Pacific Hwy, Bulahdelah	NSW	\$138,516	Y	10 Years	8.25%	\$1,700,000	8.15%	8.15%
B786	Mulgoa Road & Wolsley Road, Jamisontown	NSW	\$281,157	Y	13 Years	5.25%	\$5,350,000	5.26%	5.26%
B849	64 High Street, Wauchope	NSW	\$147,042	Y	10 Years	7.50%	\$1,950,000	7.54%	7.54%
B877	Lot 2 Lake Entrance Road, Oak Flats	NSW	\$203,521	Y	10 Years	6.00%	\$3,400,000	5.99%	5.99%
B886	Snowy Mountains Hwy, Tumut	NSW	\$190,000	Y	11 Years	8.00%	\$2,400,000	7.92%	7.92%
B888	Cnr Avoca Dr & Bungoonia St, Kincumber	NSW	\$340,000	Y	17 Years	7.00%	\$4,850,000	7.01%	7.01%
B942	Cnr Victoria & Elizabeth Street, Wetherill Park	NSW	\$240,000	Y	12 Years	5.00%	\$4,800,000	5.00%	5.00%
B949	Lot 33 Richmond Road, Berkshire Park	NSW	\$235,000	Y	13 Years	6.00%	\$3,900,000	6.03%	6.03%
B950	Cnr Hume Hwy & Braidwood Street, Enfield	NSW	\$163,895	Y	11 Years	5.25%	\$3,100,000	5.29%	5.29%
B986	592-596 Old Northern Road, Dural	NSW	\$227,166	Y	12 Years	5.25%	\$4,350,000	5.22%	5.22%
B994	Cnr Cumberland Hwy & John St, Cabramatta	NSW	\$194,865	Y	13 Years	5.25%	\$3,700,000	5.27%	5.27%
B996	274 Old Hume Highway, Camden	NSW	\$300,105	Y	15 Years	6.00%	\$5,000,000	6.00%	6.00%
B998	Cnr Parramatta Rd & Walker St, Five Dock	NSW	\$666,870	Y	18 Years	5.25%	\$12,750,000	5.25%	5.25%
E092	336 Victoria Street, Deniliquin	NSW	\$110,000	Y	10 Years	7.50%	\$1,450,000	7.59%	7.59%

8. Independent valuation report (cont)



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F006	1010 - 1012 Nepean Highway, Mornington	VIC	\$305,520	Y	18 Years	5.50%	\$5,550,000	5.50%	5.50%
F007	Macedon Rd & Horne Street, Sunbury	VIC	\$428,000	Y	18 Years	5.75%	\$7,500,000	5.71%	5.71%
F010	Bunwood Hwy & Central Ave, Burwood	VIC	\$223,051	Y	16 Years	5.00%	\$4,500,000	4.96%	4.96%
F011	260 Canterbury Rd & Reehers St, Surrey Hills	VIC	\$266,431	Y	16 Years	5.00%	\$5,350,000	4.98%	4.98%
F025	260 Stephenses Rd & Waimarie Dr, Mount Waverley	VIC	\$160,000	Y	15 Years	5.50%	\$2,900,000	5.52%	5.52%
F028	Maroondah Hwy & Middleborough Rd, Blackburn	VIC	\$165,196	Y	16 Years	5.50%	\$3,000,000	5.51%	5.51%
F030	Middleborough Rd & Springfield Rd, Blackburn	VIC	\$250,000	Y	16 Years	6.00%	\$4,175,000	5.99%	5.99%
F040	397 Springvale Rd, Forest Hill	VIC	\$163,552	Y	15 Years	6.00%	\$2,725,000	6.00%	6.00%
F042	Springvale Rd & Ferntree Gully Rd, Brandon Park	VIC	\$803,078	Y	18 Years	5.00%	\$10,050,000	5.01%	5.01%
F053	521 Maroondah Hwy & Oban Rd, Ringwood East	VIC	\$347,515	Y	15 Years	5.00%	\$6,950,000	5.00%	5.00%
F055	123 Maroondah Hwy & Harker St, Healesville	VIC	\$249,485	Y	16 Years	6.50%	\$3,850,000	6.48%	6.48%
F071	1388 Dandenong Rd, Oakleigh	VIC	\$446,137	Y	18 Years	4.75%	\$9,400,000	4.75%	4.75%
F101	247 Melbourne Road, Geelong North	VIC	\$270,000	Y	17 Years	6.25%	\$4,325,000	6.24%	6.24%
F102	468 Melbourne Road, Norlane	VIC	\$125,652	Y	15 Years	7.00%	\$1,800,000	6.98%	6.98%
F122	1076 Raglan Parade, Warrambool	VIC	\$122,896	Y	15 Years	6.75%	\$1,825,000	6.73%	6.73%
F128	137-139 Princes Highway, Werribee	VIC	\$319,192	Y	16 Years	5.25%	\$6,100,000	5.23%	5.23%
F146	465-469 Raglan St, Warrambool	VIC	\$197,915	Y	15 Years	7.00%	\$2,850,000	6.94%	6.94%
F152	260 Derimut Rd (Cnr Hogans Rd), Hoppers Crossing	VIC	\$270,000	Y	16 Years	5.25%	\$5,150,000	5.24%	5.24%
F153	Cnr Kings Way & Keilor-Melton Rd, Taylors Lakes	VIC	\$551,287	Y	18 Years	5.50%	\$10,025,000	5.50%	5.50%
F173	26 Ailsa Street South, Laverton	VIC	\$697,627	Y	18 Years	5.50%	\$12,700,000	5.49%	5.49%
F177	551-557 Doncaster Rd, Doncaster	VIC	\$383,802	Y	17 Years	5.25%	\$7,300,000	5.26%	5.26%
F182	390 Ballarat Road, Sunshine	VIC	\$327,985	Y	16 Years	5.25%	\$6,250,000	5.25%	5.25%
F193	664-666 Old Calder Hwy & Hunter St, Keilor	VIC	\$280,068	Y	18 Years	5.75%	\$4,850,000	5.77%	5.77%

8. Independent valuation report (cont)



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F202	493 Burwood Hwy, Vermont South	VIC	\$340,541	Y	17 Years	5.00%	\$6,800,000	5.01%	5.01%
F203	Boundary Road, Braeside, Dingley	VIC	\$266,375	Y	18 Years	5.50%	\$4,900,000	5.48%	5.48%
F211	Hanson Rd & Craigieburn Rd West, Craigieburn	VIC	\$403,289	Y	17 Years	5.25%	\$7,700,000	5.24%	5.24%
F212	945-957 Pascoe Vale Road, Broadmeadows	VIC	\$165,471	Y	16 Years	5.75%	\$2,900,000	5.71%	5.71%
F221	249 Keilor Road (Cnr Gilbertson Street), Essendon North	VIC	\$281,000	Y	16 Years	5.25%	\$5,350,000	5.25%	5.25%
F240	27 Spencer St (Cnr Dalton Rd), Thomastown	VIC	\$563,308	Y	18 Years	5.50%	\$10,250,000	5.50%	5.50%
F261	Bell & Sussex Streets, Coburg	VIC	\$300,000	Y	17 Years	5.25%	\$5,725,000	5.24%	5.24%
F270	Heidelberg Rd & Rathmine St, Fairfield	VIC	\$205,412	Y	16 Years	4.25%	\$4,850,000	4.24%	4.24%
F273	Alexandra Pde & Blanche St, Collingwood	VIC	\$281,916	Y	18 Years	4.50%	\$6,275,000	4.49%	4.49%
F281	75-81 Alexandra Pde (Cnr Rae St), Clifton Hill	VIC	\$172,457	Y	15 Years	4.50%	\$3,850,000	4.48%	4.48%
F282	822 Sturt Street, Ballarat	VIC	\$350,000	Y	18 Years	6.50%	\$5,400,000	6.48%	6.48%
F289	1319 Sturt & Pleasant St, Ballarat	VIC	\$200,000	Y	15 Years	6.75%	\$3,000,000	6.67%	6.67%
F295	47-49 High Street, Manyborough	VIC	\$217,647	Y	17 Years	7.00%	\$3,100,000	7.02%	7.02%
F297	280 Barkly Street, Ararat	VIC	\$205,000	Y	17 Years	7.00%	\$2,950,000	6.95%	6.95%
F301	Cnr Dimboola Rd & David St, Horsesham	VIC	\$250,000	Y	15 Years	7.00%	\$3,600,000	6.94%	6.94%
F309	185-189 Riversdale Road Hawthorn	VIC	\$316,761	Y	17 Years	5.00%	\$6,350,000	4.99%	4.99%
F321	High & Johnston Streets, Ashburton	VIC	\$216,451	Y	17 Years	4.75%	\$4,550,000	4.76%	4.76%
F328	719-721 Fifteenth Street Mildura	VIC	\$301,856	Y	11 Years	7.00%	\$4,300,000	7.02%	7.02%
F333	Burke & Bankers Roads, Kew	VIC	\$196,373	Y	16 Years	4.75%	\$4,200,000	4.72%	4.72%
F334	245 Cotham Road, Kew	VIC	\$161,586	Y	15 Years	5.00%	\$3,250,000	4.97%	4.97%
F337	Bell & Stott Streets, Preston	VIC	\$273,462	Y	15 Years	5.50%	\$4,975,000	5.50%	5.50%
F340	192-202 Broadway St, Reservoir	VIC	\$150,000	Y	15 Years	6.25%	\$2,400,000	6.25%	6.25%
F353	1-5 Murray Road, Preston	VIC	\$199,765	Y	17 Years	5.50%	\$3,650,000	5.47%	5.47%

8. Independent valuation report (cont)



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F370	230 Greensborough Rd (Cnr Yalambie Rd), Macleod	VIC	\$318,211	Y	16 Years	5.25%	\$6,050,000	5.26%	5.26%
F394	Ogilvie Ave & Premier Street, Echuca	VIC	\$266,887	Y	17 Years	7.00%	\$3,800,000	7.02%	7.02%
F399	1175 Hume Hwy, Donnybrook	VIC	\$1,266,875	Y	18 Years	6.00%	\$21,100,000	6.00%	6.00%
F405	McIvor Rd & Kennedy St, Bendigo	VIC	\$235,182	Y	15 Years	6.75%	\$3,500,000	6.72%	6.72%
F406	198 High St (Cnr Honeysuckle St), Bendigo	VIC	\$215,187	Y	15 Years	6.75%	\$3,200,000	6.72%	6.72%
F444	126-134 Barkly Street, St Kilda	VIC	\$258,193	Y	17 Years	4.75%	\$5,450,000	4.74%	4.74%
F468	Lygon & Elgin Streets, Carlton	VIC	\$172,674	Y	16 Years	3.50%	\$5,000,000	3.45%	3.45%
F488	399-411 Punt Road, Richmond	VIC	\$375,270	Y	17 Years	4.75%	\$7,900,000	4.75%	4.75%
F501	763-779 Dandenong Road, Malvern	VIC	\$361,300	Y	17 Years	5.00%	\$7,250,000	4.98%	4.98%
F506	Malvern & Glenferrie Roads, Malvern	VIC	\$367,222	Y	17 Years	4.75%	\$7,750,000	4.74%	4.74%
F531	105-107 Nepean Hwy (Cnr Warrigal Rd), Mentone	VIC	\$310,000	Y	16 Years	5.50%	\$5,650,000	5.49%	5.49%
F536	422 South Road (Cnr Linton Street), Moorabbin	VIC	\$325,000	Y	16 Years	5.00%	\$6,500,000	5.00%	5.00%
F558	413 Nepean Highway (Cnr Beach Street), Frankston	VIC	\$144,894	Y	15 Years	5.00%	\$2,900,000	5.00%	5.00%
F622	Princes Highway, Traralgon	VIC	\$596,000	Y	18 Years	6.75%	\$8,850,000	6.73%	6.73%
F629	255 Main Street (Cnr Pyke Street), Baimsdale	VIC	\$223,288	Y	15 Years	7.00%	\$3,200,000	6.98%	6.98%
F635	Princes Hwy & Clyde Rd, Berwick	VIC	\$364,000	Y	18 Years	6.00%	\$6,050,000	6.02%	6.02%
F748	469 Marcondah Highway, Lilydale	VIC	\$402,000	Y	18 Years	5.25%	\$7,650,000	5.25%	5.25%
G252	187-193 High St (Cnr Manningham Rd), Doncaster	VIC	\$149,311	Y	15 Years	5.50%	\$2,725,000	5.48%	5.48%
G261	147-161 Dandenong Rd (Cnr Chapel St), Windsor	VIC	\$367,525	Y	17 Years	4.75%	\$7,750,000	4.74%	4.74%
G289	21 Ardona Court (Cnr East Boundary Rd), Bentleigh East	VIC	\$229,334	Y	16 Years	5.50%	\$4,150,000	5.53%	5.53%
G304	Station Rd & Main Rd West, St Albans	VIC	\$407,689	Y	17 Years	5.25%	\$7,775,000	5.24%	5.24%
G324	266-278 Hoddle St (Cnr Truro St), Abbotsford	VIC	\$203,033	Y	16 Years	4.75%	\$4,275,000	4.75%	4.75%
G330	87-91 Porter St (Cnr Filzsimons Lane), Templestowe	VIC	\$273,762	Y	16 Years	5.25%	\$5,225,000	5.24%	5.24%

8. Independent valuation report (cont)



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Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
G342	140-146 Main Street (Cnr Joyce Avenue), Greensborough	VIC	\$288,622	Y	15 Years	5.50%	\$5,250,000	5.50%	5.50%
G344	1181 Hoddle Street, East Melbourne	VIC	\$315,000	Y	15 Years	4.75%	\$6,650,000	4.74%	4.74%
G347	473-477 Princes Hwy, Narre Warren	VIC	\$280,489	Y	16 Years	5.00%	\$5,600,000	5.01%	5.01%
G348	632-642 Melbourne Road, Spotswood	VIC	\$465,000	Y	18 Years	5.25%	\$8,850,000	5.25%	5.25%
G353	Police & Jacksons Roads, Mulgrave	VIC	\$480,491	Y	18 Years	5.25%	\$9,350,000	5.25%	5.25%
G358	2-14 Princess Highway (Cnr Baillie St), Colac	VIC	\$364,913	Y	17 Years	6.25%	\$5,850,000	6.24%	6.24%
G373	385-389 Canterbury Rd (Cnr Heatherdale Rd), Ringwood	VIC	\$306,738	Y	15 Years	5.50%	\$5,600,000	5.48%	5.48%
G386	Dandenong Road & Renver Road, Clayton	VIC	\$334,239	Y	16 Years	5.50%	\$6,100,000	5.48%	5.48%
G389	148-150 Canterbury Rd (Cnr Dorset Rd), Bayswater	VIC	\$223,620	Y	18 Years	5.25%	\$4,250,000	5.26%	5.26%
G403	175 - 183 Mickleham Rd, Tullamarine	VIC	\$315,005	Y	18 Years	5.50%	\$5,750,000	5.48%	5.48%
G452	202-210 Latrobe Tce, Geelong West	VIC	\$390,190	Y	17 Years	6.00%	\$6,500,000	6.00%	6.00%
G639	Main Rd & Mt Pleasant Rd, Eltham	VIC	\$257,825	Y	17 Years	5.50%	\$4,700,000	5.49%	5.49%
G647	South Gippsland Highway, Hampton Park	VIC	\$460,107	Y	18 Years	5.50%	\$8,350,000	5.51%	5.51%
G655	Cranbourne & Warrandyte Roads, Langwarrin	VIC	\$170,000	Y	15 Years	6.00%	\$2,850,000	5.96%	5.96%
G684	418 High Street (Cnr O'neills Rd), Melton	VIC	\$400,000	Y	18 Years	5.25%	\$7,600,000	5.26%	5.26%
G686	4655 South Gippsland Highway, Lang Lang	VIC	\$225,000	Y	17 Years	7.50%	\$3,000,000	7.50%	7.50%
G687	1140 Burwood Hwy, Ferntree Gully	VIC	\$318,500	Y	16 Years	6.00%	\$5,300,000	6.01%	6.01%
G690	107 Great Ocean Road, Anglesea	VIC	\$210,421	Y	16 Years	6.50%	\$3,250,000	6.47%	6.47%
G785	3-9 Settlement Road, Belmont	VIC	\$200,946	Y	18 Years	6.50%	\$3,100,000	6.48%	6.48%
G829	9389 Western Highway, Warrenheip	VIC	\$275,000	Y	16 Years	6.75%	\$4,100,000	6.71%	6.71%
G861	Princes Hwy & Lauderdale Rd, Narre Warren	VIC	\$300,061	Y	18 Years	5.50%	\$5,450,000	5.51%	5.51%
G888	820 Moorooduc Rd, Moorooduc	VIC	\$119,828	Y	15 Years	8.00%	\$1,500,000	7.99%	7.99%
G890	210 Boundary Road, Mordialloc	VIC	\$185,000	Y	16 Years	5.75%	\$3,200,000	5.78%	5.78%

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G949	155-171 Narre Warren North Road, Narre Warren North	VIC	\$353,150	Y	16 Years	5.50%	\$6,425,000	5.50%	5.50%
G964	Plenty Rd & University Dve, Mill Park	VIC	\$329,997	Y	16 Years	5.25%	\$6,300,000	5.24%	5.24%
G968	Station St & Brooklyn Rd, Melton South	VIC	\$290,064	Y	18 Years	6.00%	\$4,850,000	5.98%	5.98%
H005	69 Wellington St, Launceston	TAS	\$304,011	Y	16 Years	6.00%	\$5,075,000	5.99%	5.99%
H006	1-3 Hobbiers Bridge Rd, Newstead	TAS	\$445,000	Y	17 Years	6.50%	\$6,850,000	6.50%	6.50%
H011	103 Invermay Road, Invermay	TAS	\$185,000	Y	11 Years	7.00%	\$2,650,000	6.98%	6.98%
H029	2 Howrah Rd, Howrah	TAS	\$270,000	Y	13 Years	7.00%	\$3,850,000	7.01%	7.01%
H033	418 Main Rd, Glenorchy	TAS	\$208,652	Y	12 Years	6.50%	\$3,200,000	6.52%	6.52%
H036	257 Elizabeth St, Hobart	TAS	\$246,028	Y	14 Years	5.50%	\$4,450,000	5.53%	5.53%
H041	112 Charles St, Moonah	TAS	\$177,863	Y	12 Years	7.50%	\$2,375,000	7.49%	7.49%
H045	142 Sandy Bay Rd, Sandy Bay	TAS	\$155,095	Y	11 Years	6.00%	\$2,600,000	5.97%	5.97%
H246	22 Formy Rd, Devonport	TAS	\$320,819	Y	17 Years	6.50%	\$4,950,000	6.48%	6.48%
H251	27 Hamilton Rd (Lyle Highway), New Norfolk	TAS	\$135,690	Y	10 Years	8.00%	\$1,700,000	7.98%	7.98%
H306	Midland Hwy & Andrew Street, Brighton	TAS	\$235,000	Y	11 Years	7.00%	\$3,350,000	7.01%	7.01%
H903	54 Holmes Street, Brunswick East	VIC	\$143,296	Y	15 Years	5.75%	\$3,500,000	5.73%	5.73%
H907	1444 Plenty Rd, Mernda	VIC	\$186,225	Y	15 Years	6.50%	\$2,875,000	6.48%	6.48%
H915	1662-1664 Fernree Gully Rd (Opp Scoresby Rd), Scoresby	VIC	\$205,000	Y	16 Years	6.00%	\$3,400,000	6.03%	6.03%
H916	Mcdonalds Rd, South Morang	VIC	\$209,480	Y	17 Years	5.50%	\$3,800,000	5.51%	5.51%
H928	206 Princes Highway, Hallam	VIC	\$295,076	Y	17 Years	5.50%	\$5,375,000	5.49%	5.49%
H929	12 Barrabool Road, Highton	VIC	\$307,697	Y	16 Years	6.75%	\$4,550,000	6.76%	6.76%
H943	127-132 Plenty Rd & Greenhills Rd, Bundoora	VIC	\$332,583	Y	17 Years	5.00%	\$6,650,000	5.00%	5.00%
H948	1120 Cranbourne Frankston Rd, Cranbourne	VIC	\$273,754	Y	17 Years	5.75%	\$4,750,000	5.76%	5.76%
J014	63 Byrnes St, Mareeba	QLD	\$285,839	Y	12 Years	6.50%	\$4,400,000	6.50%	6.50%

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J023	920 Captain Cook Highway, Smithfield, Cairns	QLD	\$535,000	Y	18 Years	6.75%	\$7,950,000	6.73%	6.73%
J024	Cnr Sheridan & James Streets, Cairns	QLD	\$318,172	Y	16 Years	5.75%	\$5,500,000	5.78%	5.78%
J025	58 Pease St, Cairns (Mancora)	QLD	\$300,060	Y	15 Years	5.75%	\$5,200,000	5.77%	5.77%
J039	174 Hugh St, Currajong	QLD	\$307,277	Y	16 Years	6.00%	\$5,100,000	6.03%	6.03%
J041	Cnr Cartwright & Herbet Sts, Ingham	QLD	\$138,693	Y	10 Years	6.00%	\$2,300,000	6.03%	6.03%
J048	290 Stuart Drive, Wulguru	QLD	\$91,698	Y	10 Years	6.00%	\$1,550,000	5.92%	5.92%
J058	Cnr Bridge Road & Nebo Road, Mackay	QLD	\$163,344	Y	10 Years	5.75%	\$2,850,000	5.73%	5.73%
J071	240 Musgrave St (Cnr High St), Rockhampton North	QLD	\$392,222	Y	15 Years	6.00%	\$6,550,000	5.99%	5.99%
J075	82-86 Fitzroy St (Cnr Campbell St), Rockhampton	QLD	\$219,652	Y	11 Years	6.00%	\$3,650,000	6.02%	6.02%
J099	Churchill St & Broadhurst St, Childers	QLD	\$108,740	Y	10 Years	6.00%	\$1,800,000	6.04%	6.04%
J127	1890 Sandgate Rd (Cnr Robinson Rd), Virginia	QLD	\$466,576	Y	18 Years	6.00%	\$8,300,000	5.98%	5.98%
J137	110 Hornbrook Esp, Clontarf	QLD	\$274,310	Y	14 Years	6.25%	\$4,400,000	6.23%	6.23%
J141	589 Nambour Connection Rd, Nambour	QLD	\$307,158	Y	15 Years	6.75%	\$4,550,000	6.75%	6.75%
J142	Cnr Brisbane Rd & Foote St, Meooloaba	QLD	\$365,794	Y	17 Years	5.50%	\$6,650,000	5.50%	5.50%
J150	117 Youngman St, Kingaroy	QLD	\$69,645	Y	10 Years	7.00%	\$1,000,000	6.96%	6.96%
J161	1412 Gympie Rd, Aspley	QLD	\$419,274	Y	18 Years	5.75%	\$7,300,000	5.74%	5.74%
J210	319 Coronation Dve, Milton	QLD	\$427,032	Y	18 Years	4.75%	\$9,000,000	4.74%	4.74%
J219	29 Gailley Rd, Tairinga	QLD	\$379,365	Y	17 Years	5.00%	\$7,600,000	4.99%	4.99%
J222	Cnr Oxford St & Hawthorne Rd, Balmoral	QLD	\$360,534	Y	17 Years	5.00%	\$7,200,000	5.01%	5.01%
J232	1469 Wynnum Rd, Tingalpa	QLD	\$317,746	Y	16 Years	5.25%	\$6,050,000	5.25%	5.25%
J266	10 Mclean Street, Goondwindi	QLD	\$161,477	Y	11 Years	6.25%	\$2,600,000	6.21%	6.21%
J283	213 Old Cleveland Road, Coorparoo	QLD	\$420,549	Y	18 Years	5.00%	\$8,400,000	5.01%	5.01%
J286	1201 Logan Rd, Mount Grevatt	QLD	\$142,497	Y	11 Years	5.75%	\$2,500,000	5.70%	5.70%

8. Independent valuation report (cont)



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Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
J290	1582 Logan Rd, Mount Gravatt	QLD	\$353,038	Y	16 Years	6.00%	\$5,900,000	5.98%	5.98%
J292	Cnr Bapaume Rd & Kuringai St, Holland Park	QLD	\$483,221	Y	18 Years	5.50%	\$8,800,000	5.49%	5.49%
J294	2650 Beaudesert Rd, Calamvale	QLD	\$447,699	Y	18 Years	6.00%	\$7,450,000	6.01%	6.01%
J326	281 Margaret St & Mylne St, Toowoomba	QLD	\$160,000	Y	12 Years	5.50%	\$3,250,000	5.54%	5.54%
J333	278 Bridge (Cnr Holberton) Sts, Toowoomba	QLD	\$334,662	Y	15 Years	6.75%	\$4,950,000	6.76%	6.76%
J335	50 Drayton St, Dalby	QLD	\$241,895	Y	11 Years	6.50%	\$3,700,000	6.54%	6.54%
J354	2156 Gold Coast Hwy, Miami	QLD	\$371,280	Y	15 Years	5.75%	\$6,450,000	5.76%	5.76%
J364	Cnr 2824 Gold Coast Hwy & Genoa St, Surfers Paradise	QLD	\$264,987	Y	13 Years	5.75%	\$4,600,000	5.76%	5.76%
J376	100 Dawson & Magellan Sts, Lismore	NSW	\$152,471	Y	10 Years	8.50%	\$1,800,000	8.47%	8.47%
J382	88 Centre St, Casino	NSW	\$118,864	Y	10 Years	8.00%	\$1,500,000	7.92%	7.92%
J415	611 Moggill Rd, Chapel Hill	QLD	\$366,540	Y	17 Years	5.75%	\$6,375,000	5.75%	5.75%
J416	Clermont St & Opal St, Emerald	QLD	\$305,000	Y	14 Years	6.50%	\$4,700,000	6.49%	6.49%
J427	361 Ellison Rd (Cnr Murphy Rd), Geebung	QLD	\$200,971	Y	12 Years	5.75%	\$3,500,000	5.74%	5.74%
J428	1870 Creek Rd (Cnr Pickwick St), Cannon Hill	QLD	\$233,431	Y	14 Years	5.75%	\$4,050,000	5.76%	5.76%
J430	254 Mains Rd (Cnr Turton St), Sunnybank	QLD	\$410,886	Y	18 Years	5.75%	\$7,150,000	5.75%	5.75%
J435	2231 Wynnum Rd, Wynnum	QLD	\$234,336	Y	13 Years	6.25%	\$3,750,000	6.25%	6.25%
J436	Moss St & Kingston Rd, Woodridge	QLD	\$210,000	Y	12 Years	6.00%	\$3,500,000	6.00%	6.00%
J437	Granard & Beatty Roads, Rocklea	QLD	\$330,787	Y	17 Years	5.50%	\$6,000,000	5.51%	5.51%
J442	Capricorn Hwy & Columba St, Blackwater	QLD	\$244,800	Y	10 Years	7.50%	\$3,250,000	7.53%	7.53%
J443	Toolona St & Gold Coast Hwy, Tugun	QLD	\$480,480	Y	17 Years	5.75%	\$8,350,000	5.75%	5.75%
J445	106 Cannonweal St (Cnr Grace St), Mount Isa	QLD	\$430,000	Y	18 Years	7.00%	\$6,150,000	6.99%	6.99%
J448	Frances & Wharf Sts, Tweed Heads	NSW	\$240,000	Y	14 Years	6.00%	\$4,000,000	6.00%	6.00%
J454	Underwood Rd & Rochdale Rd, Rochdale	QLD	\$240,316	Y	13 Years	6.50%	\$3,700,000	6.50%	6.50%

8. Independent valuation report (cont)



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J461	140-146 Gladstone Rd, Rockhampton	QLD	\$146,675	Y	11 Years	6.75%	\$2,150,000	6.82%	6.82%
J464	21 Daisy Hill Rd (Cnr Allamanda Drv), Daisy Hill	QLD	\$311,224	Y	14 Years	6.50%	\$4,800,000	6.48%	6.48%
J470	1728 Ipswich Rd (Cnr Sheilston St), Rocklea	QLD	\$353,000	Y	13 Years	6.50%	\$5,450,000	6.48%	6.48%
J477	Glyn St & Ashmore Rd, Benowa	QLD	\$232,700	Y	12 Years	6.00%	\$3,900,000	5.97%	5.97%
J481	Newell Highway, Boggabilla	NSW	\$465,198	Y	15 Years	7.50%	\$5,050,000	7.52%	7.52%
J486	71 Minjungbal Drive, Tweed Heads South	NSW	\$309,800	Y	16 Years	6.00%	\$5,150,000	6.02%	6.02%
J491	61-65 Bryants Rd, Loganholme	QLD	\$229,987	Y	12 Years	6.50%	\$3,500,000	6.57%	6.57%
J495	96 Finucane Rd (Cnr Abelia St), Alexandra Hills	QLD	\$240,000	Y	13 Years	6.50%	\$3,700,000	6.49%	6.49%
J496	22-24 Thuringowa Drive, Kirwan	QLD	\$350,238	Y	17 Years	5.00%	\$7,000,000	5.00%	5.00%
J498	604-614 Browns Plains Rd (Cnr Second Ave), Marsden	QLD	\$220,299	Y	12 Years	6.50%	\$3,400,000	6.48%	6.48%
J502	69 Beerburum St, Caloundra	QLD	\$313,527	Y	16 Years	5.75%	\$5,450,000	5.75%	5.75%
J504	Pacific Hwy & Macpherson Rd, Yatala	QLD	\$625,000	Y	18 Years	6.50%	\$9,650,000	6.49%	6.49%
J512	419 Elizabeth Ave, Kippa-Ring	QLD	\$268,106	Y	13 Years	6.25%	\$4,300,000	6.24%	6.24%
J526	171 Old Northern Rd, Albany Creek	QLD	\$692,000	Y	18 Years	6.50%	\$9,100,000	6.51%	6.51%
J530	38-42 Chatswood Road, Slacks Creek	QLD	\$305,318	Y	16 Years	6.00%	\$5,100,000	5.99%	5.99%
J533	10526 New England Highway, Highfields	QLD	\$275,000	Y	14 Years	6.00%	\$4,600,000	5.98%	5.98%
J534	230 Bloomfield St (Cnr Princess St), Cleveland	QLD	\$374,776	Y	17 Years	5.75%	\$6,500,000	5.77%	5.77%
J535	143-153 Birkdale Rd (Cnr Napier St), Birkdale	QLD	\$217,000	Y	13 Years	6.50%	\$3,350,000	6.48%	6.48%
J536	1507-1511 Anzac Ave (Cnr Duffield Rd), Kallangur	QLD	\$231,348	Y	13 Years	6.50%	\$3,550,000	6.52%	6.52%
J537	Lot 2, Coast Rd, Hastings Point	NSW	\$143,000	Y	12 Years	5.75%	\$2,500,000	5.72%	5.72%
J538	2 Railway Terrace (Cnr Ipswich Motorway), Goodna	QLD	\$266,959	Y	13 Years	7.00%	\$3,800,000	7.03%	7.03%
J540	259-277 Mt Crosby Road, Karalee	QLD	\$334,128	Y	16 Years	6.25%	\$5,350,000	6.25%	6.25%
J541	376 Deception Bay Rd (Cnr Park Rd), Deception Bay	QLD	\$436,291	Y	17 Years	5.75%	\$7,600,000	5.74%	5.74%

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J542	501 Compton Road, Runcorn	QLD	\$305,490	Y	16 Years	6.25%	\$4,900,000	6.23%	6.23%
J543	315-325 Loganlea Road, Loganlea	QLD	\$320,412	Y	16 Years	6.25%	\$5,150,000	6.22%	6.22%
J544	196-206 Highfield Drive, Mudgeeraba	QLD	\$452,008	Y	18 Years	5.50%	\$8,200,000	5.51%	5.51%
J546	Guineas Creek Rd & Coolgardie St, Eianora	QLD	\$266,869	Y	13 Years	6.50%	\$4,100,000	6.51%	6.51%
J584	387 Oxley Dr, Runaway Bay	QLD	\$287,479	Y	14 Years	6.00%	\$4,800,000	5.99%	5.99%
J595*	Christine Ave & Bermuda St, Burleigh Waters - Crt	QLD	\$442,345	Y	17 Years	6.00%	\$7,350,000	6.02%	6.02%
J605	11 London Rd (Cnr Cross St), Belmont	QLD	\$540,673	Y	18 Years	5.50%	\$9,850,000	5.49%	5.49%
J606	16-20 Crombie Road, Burdall	QLD	\$323,361	Y	15 Years	6.00%	\$5,400,000	5.99%	5.99%
J623	94 Breakfast Creek Rd, Newstead	QLD	\$668,449	Y	18 Years	5.38%	\$10,500,000	5.41%	5.41%
J635	90 Depot Road, Deagon	QLD	\$208,857	Y	12 Years	6.50%	\$3,200,000	6.53%	6.53%
J651	130 Benfer Rd (Cnr Redland Bay Rd), Victoria Point	QLD	\$293,676	Y	14 Years	6.25%	\$4,700,000	6.25%	6.25%
J671	2 Highway Plaza (Cnr Bruce Hwy & Hicks Rd), Mackay	QLD	\$468,637	Y	18 Years	5.50%	\$8,500,000	5.51%	5.51%
J811	1 Interlink Court (Cnr Farrelly's Road), Mackay	QLD	\$75,000	Y	10 Years	7.50%	\$1,000,000	7.50%	7.50%
K655	221-239 Barkly Hwy, Mount Isa	QLD	\$421,834	Y	18 Years	5.50%	\$7,650,000	5.51%	5.51%
K656	3495-3497 Pacific Highway, Slacks Creek	QLD	\$108,681	Y	10 Years	6.50%	\$1,700,000	6.45%	6.45%
K724*	123-127 South Pine Road/ Brendale - Crt	QLD	\$29,250	Y	10 Years	7.00%	\$400,000	7.31%	7.31%
M007	100 Commercial Street West, Mount Gambler	SA	\$266,000	Y	16 Years	7.50%	\$3,550,000	7.46%	7.46%
M012	57 Adelaide Rd, Murray Bridge	SA	\$205,558	Y	13 Years	7.25%	\$2,850,000	7.21%	7.21%
M016	62 Stewart Tee, Naracoorte	SA	\$185,824	Y	12 Years	8.00%	\$2,300,000	8.08%	8.08%
M022	69-71 Princes Hwy, Tallem Bend	SA	\$573,092	Y	18 Years	8.00%	\$7,150,000	8.02%	8.02%
M033	1477-1479 Main South Road, Darlington	SA	\$260,000	Y	17 Years	6.25%	\$4,150,000	6.27%	6.27%
M041	89 Main South Rd, Reynella	SA	\$220,000	Y	16 Years	6.50%	\$3,400,000	6.47%	6.47%
M071	452 Grand Junction Rd, Mansfield Park	SA	\$280,000	Y	18 Years	6.75%	\$4,300,000	6.74%	6.74%

8. Independent valuation report (cont)



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M072	1461 Main North Rd, Salisbury East	SA	\$182,929	Y	12 Years	6.00%	\$3,050,000	6.00%	6.00%
M103	245 Findon Rd & Grange Rd, Findon	SA	\$257,665	Y	13 Years	6.00%	\$4,300,000	5.99%	5.99%
M119	77 Port Rd, Queenstown	SA	\$120,000	Y	12 Years	6.00%	\$2,000,000	6.00%	6.00%
M127	267 Wright Rd, Valley View	SA	\$110,000	Y	10 Years	5.75%	\$1,900,000	5.79%	5.79%
M131	113 West Lakes Boulevard, West Lakes	SA	\$175,000	Y	12 Years	5.75%	\$3,050,000	5.74%	5.74%
M140	111 West Tce, Adelaide	SA	\$220,000	Y	15 Years	5.50%	\$4,000,000	5.50%	5.50%
M161	53-57 Port Rd, Thebarton	SA	\$162,106	Y	12 Years	5.50%	\$2,950,000	5.50%	5.50%
M182	371 Shepherds Hill Rd, Blackwood	SA	\$166,000	Y	12 Years	5.75%	\$2,900,000	5.72%	5.72%
M188	150 Belair Rd, Hawthorn	SA	\$146,133	Y	11 Years	5.75%	\$2,550,000	5.73%	5.73%
M216	164 William Street, Broken Hill	NSW	\$373,091	Y	17 Years	7.00%	\$5,350,000	6.97%	6.97%
M226	1 Peake Terrace, Walkerie	SA	\$145,000	Y	12 Years	7.25%	\$2,000,000	7.25%	7.25%
M243	Cnr Highway 1 & Stirling Rd, Port Augusta	SA	\$355,416	Y	13 Years	8.25%	\$4,300,000	8.27%	8.27%
M248	34 Highway 1 & Stokes Tce, Port Augusta	SA	\$263,080	Y	13 Years	7.75%	\$3,400,000	7.74%	7.74%
M252	41 Playford Ave & Elliott St, Whyalla	SA	\$265,727	Y	12 Years	8.25%	\$3,200,000	8.30%	8.30%
M256	30-32 McKenzie Street, Ceduna	SA	\$220,000	Y	14 Years	7.50%	\$2,950,000	7.46%	7.46%
M274	110 Yorktown Rd, Elizabeth Park	SA	\$165,000	Y	12 Years	6.50%	\$2,550,000	6.47%	6.47%
M276	12 Murray St, Gawler	SA	\$340,000	Y	17 Years	7.75%	\$4,400,000	7.73%	7.73%
M278	443 Salisbury Highway, Parrafild Gardens	SA	\$105,000	Y	11 Years	6.00%	\$1,750,000	6.00%	6.00%
M279	2 Snowtown Road, Port Wakefield	SA	\$250,000	Y	14 Years	7.50%	\$3,350,000	7.46%	7.46%
M283	Main North Rd, Smithfield	SA	\$210,000	Y	13 Years	6.75%	\$3,100,000	6.77%	6.77%
M302	Cnr North East Rd & Sudholz Court, Windsor Gardens	SA	\$118,607	Y	11 Years	5.75%	\$2,050,000	5.79%	5.79%
M308	44 O.G. Rd, Klemzig	SA	\$95,000	Y	10 Years	5.75%	\$1,650,000	5.76%	5.76%
M326	323 Hancock Road, Fairview Park	SA	\$199,356	Y	12 Years	6.00%	\$3,300,000	6.01%	6.01%

8. Independent valuation report (cont)



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M347	150 Montacute Rd, Hectorville	SA	\$260,000	Y	14 Years	5.75%	\$4,500,000	5.78%	5.78%
M359	150 Fullarton Rd (Cnr Alexandra Ave), Rose Park	SA	\$208,118	Y	12 Years	5.25%	\$3,950,000	5.27%	5.27%
M363	1230 Grand Junction Rd & Valley Rd, Hope Valley	SA	\$275,000	Y	16 Years	6.00%	\$4,600,000	5.98%	5.98%
M456	Cnr Beach Rd & Hannah Rd, Noarlunga Centre	SA	\$196,219	Y	13 Years	5.75%	\$3,400,000	5.77%	5.77%
M473	2 Ramrod Ave, Hallett Cove	SA	\$220,407	Y	13 Years	6.00%	\$3,650,000	6.04%	6.04%
M479	92 Tasman Tce, Port Lincoln	SA	\$210,000	Y	12 Years	7.25%	\$2,900,000	7.24%	7.24%
P853	207 MAIN RD, McClaren VALE	SA	\$298,000	Y	16 Years	7.25%	\$4,100,000	7.27%	7.27%
Q002	253 Walcott St (Cnr Fitzgerald St), Mount Lawley	WA	\$365,000	Y	13 Years	6.25%	\$5,850,000	6.24%	6.24%
Q006	1128-1132 Albany Hwy, Bentley	WA	\$256,437	Y	13 Years	6.50%	\$4,400,000	5.83%	5.83%
Q007	269 Stirling Hwy & Mary St, Claremont	WA	\$350,000	Y	17 Years	6.25%	\$5,600,000	6.25%	6.25%
Q008	101 Hampton Rd, Fremantle	WA	\$300,000	Y	15 Years	6.50%	\$4,620,000	6.49%	6.49%
Q009	117 Burslem Drive (Cnr Olga Rd), Maddington	WA	\$165,000	Y	11 Years	6.50%	\$2,550,000	6.47%	6.47%
Q017	71 Cranford Ave (Cnr Moolyseen Rd), Brentwood	WA	\$300,000	Y	17 Years	6.50%	\$4,620,000	6.49%	6.49%
Q022	1-3 The Esplanade (Cnr Canning Hwy), Mount Pleasant	WA	\$140,000	Y	11 Years	6.00%	\$2,330,000	6.01%	6.01%
Q072	66 Kent St (Cnr Berwick St), Victoria Park East	WA	\$287,013	Y	14 Years	7.00%	\$4,100,000	7.00%	7.00%
Q097	67 Walter Rd West (Cnr Grande Promenade), Dianella	WA	\$232,635	Y	14 Years	6.75%	\$3,450,000	6.74%	6.74%
Q116	30 Thomas St (Cnr Wallington St), West Perth	WA	\$260,094	Y	14 Years	5.25%	\$4,950,000	5.25%	5.25%
Q133	6 Jersey St (Cnr Hay St), Joilmont	WA	\$195,000	Y	10 Years	6.50%	\$3,000,000	6.50%	6.50%
Q134	45 Great Northern Hwy, Middle Swan	WA	\$450,000	Y	18 Years	6.50%	\$6,920,000	6.50%	6.50%
Q135	69 North Lake Rd (Cnr Marmion St), Myaree	WA	\$216,891	Y	14 Years	6.75%	\$3,200,000	6.78%	6.78%
Q142	3 Canning Hwy, South Perth	WA	\$350,000	Y	17 Years	6.25%	\$5,600,000	6.25%	6.25%
Q152	394 Canning Hwy (Cnr Waddell Rd), Bicton	WA	\$285,000	Y	16 Years	6.50%	\$4,380,000	6.51%	6.51%
Q162	337 Cambridge St, Wembley	WA	\$303,556	Y	16 Years	6.50%	\$4,670,000	6.50%	6.50%

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Q171	80 Carrington St (Cnr Marmion St), Palmyra	WA	\$190,000	Y	12 Years	6.75%	\$2,810,000	6.76%	6.76%
Q194	Vahland Ave & High Rd, Willetton	WA	\$150,000	Y	12 Years	6.50%	\$2,300,000	6.52%	6.52%
Q198	Lot 8 Nicholson Rd & Spencer Rd, Langford	WA	\$239,424	Y	13 Years	6.75%	\$3,550,000	6.74%	6.74%
Q204	222 Manning Rd, Karawara	WA	\$220,000	Y	11 Years	6.50%	\$3,400,000	6.47%	6.47%
Q206	Strelitzia Ave & Hale Rd, Forrestfield	WA	\$241,700	Y	13 Years	6.75%	\$3,580,000	6.75%	6.75%
Q207	Corner 193 Warwick Road & Glengarry Drive	WA	\$330,000	Y	15 Years	6.25%	\$5,280,000	6.25%	6.25%
Q214	Kewdale Rd & Abernethy Rd, Kewdale	WA	\$750,000	Y	18 Years	6.50%	\$11,540,000	6.50%	6.50%
Q218	1333 Great Northern Hwy, Upper Swan	WA	\$560,000	Y	18 Years	6.75%	\$8,150,000	6.75%	6.75%
Q242	Champion Dr & Seville Dr, Westfield	WA	\$300,000	Y	14 Years	7.00%	\$4,290,000	6.99%	6.99%
R016	Cnr Forrest Avenue And Blair Street, Bunbury	WA	\$340,000	Y	16 Years	7.25%	\$4,690,000	7.25%	7.25%
R022	88 Causeway Rd, Busselton	WA	\$230,000	Y	15 years	7.00%	\$3,300,000	6.97%	6.97%
R028	Units 1-9 57 Johnston St, Collie	WA	\$129,000	Y	10 Years	9.25%	\$1,400,000	9.21%	9.21%
R047	77 Bussell Hwy, Margaret River	WA	\$300,000	Y	18 Years	6.25%	\$4,800,000	6.25%	6.25%
R071	Cnr Church Road & Hampton Drive, Dampier	WA	\$213,327	Y	10 Years	8.50%	\$2,510,000	8.50%	8.50%
R072	Cnr Mine Road & Paraburdoo Tom Price Rd, Tom Price	WA	\$205,156	Y	10 Years	9.00%	\$2,280,000	9.00%	9.00%
R073	Welcome Rd & Searipple Rd, Karratha	WA	\$220,000	Y	10 Years	8.00%	\$2,750,000	8.00%	8.00%
R075	Cnr Rocklea Road & Camp Road, Paraburdoo	WA	\$163,276	Y	10 Years	9.50%	\$1,720,000	9.49%	9.49%
R076	Wilson Street, Port Hedland	WA	\$130,000	Y	10 Years	8.00%	\$1,650,000	7.88%	7.88%
S020	12-24 Claugton Way, Glen Iris (Bunbury) 6230	WA	\$435,000	Y	18 Years	6.50%	\$7,100,000	6.13%	6.13%
S027	35 Frank St, Boulder	WA	\$165,000	Y	11 Years	8.50%	\$1,940,000	8.51%	8.51%
S034	Lot 22 Napier Terrace (Cnr Hamersley St), Broome	WA	\$210,000	Y	10 Years	7.75%	\$2,700,000	7.78%	7.78%
S099	1 McDonald Place, Halls Creek	WA	\$275,000	Y	10 Years	9.75%	\$2,820,000	9.75%	9.75%

8. Independent valuation report (cont)



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Site ID	Address	State	Proposed Rent	Rent at Market Y/N	Initial Lease Term	Adopted Cap Rate	Adopted Value	Passing Initial Yield	Equivalent Reversionary Yield
S112	Karratha Travel & Truck, Cnr Madigan & North West Coastal Highway, Karratha	WA	\$538,000	Y	13 Years	7.75%	\$6,950,000	7.74%	7.74%
S146	Main Street, Meekatharra	WA	\$275,000	Y	10 Years	9.75%	\$2,820,000	9.75%	9.75%
S280	1/64 Dunn Bay Rd, Dunsborough	WA	\$230,000	Y	15 years	6.50%	\$3,500,000	6.57%	6.57%
S610	87 Great Northern Hwy, Fitzroy Crossing	WA	\$150,000	Y	10 Years	9.75%	\$1,550,000	9.68%	9.68%
S646	Lot 800 Pinjarra Road (Cnr Watson Drive), Mandurah	WA	\$230,593	Y	12 Years	7.75%	\$3,000,000	7.69%	7.69%
S702	1 Cap Rd, Alice Springs	NT	\$193,062	Y	11 Years	7.00%	\$2,750,000	7.02%	7.02%
S703	Larapinta Drive, Alice Springs	NT	\$385,000	Y	12 Years	7.00%	\$5,500,000	7.00%	7.00%
S710	Katherine Terrace, Katherine	NT	\$178,978	Y	11 Years	7.50%	\$2,400,000	7.46%	7.46%
S713	37 Daly St, Darwin City	NT	\$360,000	Y	16 Years	5.75%	\$6,250,000	5.76%	5.76%
S718	37 Progress Drive, Nightcliff	NT	\$185,000	Y	10 Years	6.50%	\$2,850,000	6.49%	6.49%
S720	2 Yarrowonga Rd, Palmerston	NT	\$395,717	Y	17 Years	5.75%	\$6,900,000	5.74%	5.74%

Gross Realisation

Total Rent	Weighted Adopted Cap Rate	Gross Realisation	Weighted Passing Yield	Weighted Rev. Yield
\$123,641,353	5.88%	\$2,104,820,000	5.87%	5.87%

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
1 July 2016



3 BASIS OF VALUATION

The valuation has been completed in accordance with the following definition of Market Value as defined by the International Valuation Standards Committee (IVSC), endorsed by the Australian Property Institute (API):

"Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

The valuation report is provided by CIVAS (NSW) Pty Limited and not by any other company in the Colliers International Group. The valuation report has been prepared for Viva Energy Australia Pty Limited (in addition to various other specified related parties as detailed within the Valuation Report) for **Prospectus and Product Disclosure Statement (PDS)** purposes only. Our advice should not be relied upon for any other purpose or by any other person. CIVAS (NSW) Pty Limited accepts no responsibility for any statements in this summary other than for the stated purpose. This summary (and the Valuation Report) is issued on the basis that no liability attaches to the companies in the Colliers International Group other than CIVAS (NSW) Pty Limited in relation to any statements contained in the Valuation Report.

4 DATE OF VALUATION

The date of Valuation is 1 July 2016 based upon our various inspection dates throughout June 2016. Due to possible changes in market forces and circumstances in relation to the Properties, the Valuation Report can only be regarded as representing our opinion of the value of the properties as at the date of valuation, which has been based on appropriate assumptions determined as at the date of valuation.

5 PORTFOLIO OVERVIEW

The Properties detailed herein whose market value we have assessed consist of established operating Shell/Coles Express branded service stations, and form a portfolio of 425 freehold properties across Australia. Properties are located in each Australian State and Territory.

For clarity, those properties located within the Australian Capital Territory are held subject to a long term Crown Lease. Such is typical in the Australian Capital Territory and generally regarded as akin to freehold.

Whilst improvements are varied across the Portfolio, built form generally comprises typical established service station improvements comprising hardstand forecourt areas, high clearance all weather canopies, attached convenience stores, and typical service station infrastructure comprising underground storage tanks (USTs), fuel lines, filling points, bowsers, and the like. Some individual properties incorporate ancillary uses including (although are not limited to) vehicle workshops, car wash facilities, fast food outlets, restaurants and ancillary retail uses. Two unmanned heavy vehicle filling stations ("CRTs") also form part of the portfolio.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
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All sites are operated under an Alliance Agreement between Viva Energy Australia and Coles Express (excluding the two abovementioned CRT's). Under this agreement Coles acts as a retail operator of each site (excluding the two CRT's) and leases/subleases the sites from Viva Energy Australia. Coles are responsible for the day to day running of each site, and Viva Energy Australia acts as an exclusive supplier of oil products, and grants licence rights to Coles to occupy the sites, utilise fuel equipment and onsite infrastructure, and access to the convenience store.

Viva Energy Australia holds exclusive rights to trade under the Shell brand in Australia.

It is proposed that each Property assessed herein will be acquired by Viva Energy REIT and that Viva Energy Australia Pty Limited will lease all Properties from Viva Energy REIT under long term triple net lease agreements ranging between 10 and 18 years. Market rents have been assessed and verified as part of our assignment, and annual 3% rental increases are agreed across the portfolio. Seven options of renewal are noted, each for a period of 10 years. Under the triple net lease, environmental liability lies with the Tenant. These lease agreements would be highly sought by the investment market, on an individual basis, forming the purposes of the valuation assessment.

We conclude that assessed rents represent a market based quantum, based on historic trading performance and overall probability, on a site by site basis.

Service station assets held under long term lease agreements currently form a highly liquid and sought after market sector with a significant pool of identified purchasers on this basis, evidenced by a high volume of transaction activity in this sector driven by major established service station operators.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
1 July 2016



6 PROPOSED TENANCY OVERVIEW

Each individual Property will be the subject of a Lease Agreement. We have been provided with proposed Lease Terms with pertinent details summarised as:

Lease Terms

Status	Final Draft provided as at date of Report. To be executed upon settlement of transfer of lands into the proposed REIT.
Tenant	Viva Energy Australia Pty Limited
Permitted Use	Service station, convenience store and any other uses permitted by law.
Lease Commencement Date	Not yet executed, however assumed 1 July 2016 for the purposes of our valuation herein.
Term	Various, however range between 10 and 18 years for initial term.
Option	All lease agreements note 7 option periods, each of 10 years.
Commencing Rental	Various, as determined by market rental analysis. Commencing rental quantum's for each site are stipulated within the Valuation Report.
Annual Rent Reviews	Fixed 3.00% increases per annum for term certain.
Market Rent Reviews	On the commencement date of each Option Term.
Outgoings	<p>Full triple net lease structure whereby the Tenant is responsible for all property outgoings including rates and taxes (where permissible by law) however, exclude property management fees charged or paid by the Landlord.</p> <p>Additionally, the Tenant is responsible for all maintenance and capital expenditure works as long as they are the tenant.</p> <p>In the instances of "Major Capital Works" certain mechanisms apply to the cost burden of major Capital Works, however such relates to the relationship with the proposed Viva Energy REIT. Notwithstanding, Major Capital Works are to be done in negotiation with the Landlord and the Tenant, however it is noted that should the Tenant bear the costs for Major Capital works, it is expected that term certain of the existing lease agreement will be extended by fifteen years.</p> <p>The proposed lease agreement presents as a genuine triple net lease whereby the Landlord (and any assumed successor for the purposes of valuation) is not responsible for capital works of any nature under the terms of the lease agreement.</p>
Incentive	Nil

In addition to the above, and as explained in detail within the Valuation Report, environmental liability remains the burden of the tenant.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
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7 RENTAL PROFILE

In undertaking our assessments and determination of an appropriate market rent for each site, we have undertaken a detailed analysis of a national pool of 106 service station leases not included in the Viva Energy RIET Portfolio. Our detailed analysis is included within the Valuation Report.

In analysing the evidence, we advise that we were privy to confidential site specific data which has been analysed accordingly, and we have applied comparable site specific metrics in the analysis of the rental evidence, to the subject properties.

In determining market rents for the Properties, we have applied a consistent approach to leasing evidence analysed, whereby in general terms, we have applied shop rental margins of between 7% and 10%, along with fuel rental margins (in relation to real gross fuel profit) of between 22% and 33%.

As shown from the significant pool of analysed evidence, such valuation metrics are well supported by market evidence.

8 VALUATION METHODOLOGY

In determining the current market value of the Properties, we have examined the available market evidence (listed in detail within the Valuation Report) and applied this analysis to the traditional capitalisation approach. These approaches have in turn been checked through the principles of direct comparison, although in the instances of long term leased investments in the service station sector, typical direct comparison metrics based on physical built form are often inconsistent, and add little weight (if any) to a basis of valuation.

At present, property investors primarily look to the lease tenure and strength of covenant in their decisions, which in current market conditions, dominates purchase sentiment. In the instance of the subject Properties, on an individual investment basis, we reiterate that such would be highly liquid in a sale situation, and would be well sought after in the open market.

As aforementioned, we are of the opinion that the pool of subject Properties in this instance would transact at yields towards the tighter end of the range displayed by analysed sales evidence, as a result of generally superior lease tenures offered (10 years minimum term certain, through to 18 years), along with having the benefit of a genuine triple net lease structure. Further, due to the strong lease covenant to Viva Energy, and market leading on site management by Coles (one of Australia's two undisputed major retail chains), the subject properties present a far superior market position (from a real estate investment perspective) in comparison to the majority of analysed sales evidence displayed.

The capitalisation approaches to valuation represent typical investment characteristics in this regard. Notwithstanding, we have additionally included an equivalent reversionary approach to valuation (an approach that further considers adjustment to the value derived to account for agreed/contracted rental quantum that are not reflective of current market conditions). In all instances, the proposed rent for each property is deemed to represent acceptable market parameters.

Our valuations have been undertaken on a GST exclusive basis.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
1 July 2016



9 SERVICE STATION MARKET COMMENTARY

A commentary on the Service Station real estate investment market ("Industry Report") has been provided as a separate document, for inclusion in the PDS. Reference to this should be made for an overview of the key drivers to this asset class.

10 QUALIFICATION, WARNING AND ASSUMPTIONS

CIVAS (NSW) Pty Limited has been engaged by Viva Energy Australia Pty Limited to provide individual valuation assessments of 425 established service station assets across Australia. Viva Energy Australia wishes to include our assessments in the PDS and has requested that CIVAS (NSW) Pty Limited consent to the inclusion of this Summary Report. CIVAS (NSW) Pty Limited consents to the inclusion of this Summary of Valuation Report in the PDS and to being named in the PDS, subject to the comments, terms and assumptions contained within the full Valuation Report, this summary letter and the further condition that Viva Energy Australia Pty Limited includes this Qualification and Warning:

- (i) This Report has been prepared for Viva Energy Australia for the specific purposes outlined within the full Valuation Report and cannot be relied upon by third parties other than those specifically stated within the Valuation Report;
- (ii) This Report is a summary of the valuation of the subject Properties, as at 1 July 2016 and has not been prepared for the purpose of assessing the Properties as an investment opportunity;
- (iii) CIVAS (NSW) Pty Limited has not been involved in the preparation of the PDS nor has the Report had regard to the other material contained in the PDS, other than the Industry Report dated July 2016 and this Summary Valuation Report contained therein. The Report and its content do not take into account any matters concerning the investment opportunity contained in the PDS;
- (iv) CIVAS (NSW) Pty Limited makes no representation or recommendation to a Recipient in relation to the valuation of the properties or the investment opportunity contained in the Report;
- (v) Recipients must seek their own advice in relation to the investment opportunity contained in the PDS;
- (vi) We draw your attention to the fact that the Market Values adopted herein are subject to the issues outlined above, and should be closely monitored in light of future events. Furthermore, it is our strong recommendation that regular valuation updates be initiated and instructed by the party wishing to rely upon this valuation.

CIVAS (NSW) Pty Limited has prepared this Report on the basis of, and limited to, the financial and other information (including market information and third party information) referred to in the Report and contained in the full Valuation Report.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
1 July 2016



This Report is subject to the detailed assumptions set out in the full Valuation Report. Those assumptions include, without limitation, assumptions:

- (i) The information provided by our instructor and its advisers is correct and current, and confirm that we have not tested the information in that respect;
- (ii) Regarding prevailing market conditions as at the time of the full Valuation Report, including the effects of global markets on investments of this character;
- (iii) Regarding the absence of encumbrances affecting the titles to the properties in the Portfolio other than noted in the full Valuation Report, and the execution and registration of the leases applicable to the properties;
- (iv) That there is no GST or arrears liability over the properties;
- (v) Of compliance with applicable permit requirements regarding fire and electrical services under Australian regulatory requirements;
- (vi) On the absence of any contamination of the properties in the Portfolio to an extent that would prevent a continued use of the sites as integrated retail and service station facilities;
- (vii) That the properties in the Portfolio are tenanted under existing and proposed agreements for each site, and the properties being managed by a highly experienced national operator; and further that we have not assessed the properties on a "vacant possession" basis; and
- (viii) That the portfolio has been valued on a site-by-site basis, and represents an aggregate of individual property valuations, and does not represent a valuation of the Portfolio as a whole.

11 LIABILITY DISCLAIMER

In the case of advice provided in this Summary Letter and our report which is of a projected nature, we must emphasise that specific assumptions have been made by us which appear realistic based upon current market perceptions. It follows that any one of our associated assumptions set out in the text of this summary may be proved incorrect during the course of time and no responsibility can be accepted by us in this event.

This report has been prepared subject to the conditions referred to in our Qualification & Warning. Neither CIVAS (NSW) Pty Limited nor any of its Directors makes any representation in relation to the PDS nor accepts responsibility for any information or representation made in the PDS, apart from this summary letter.

CIVAS (NSW) Pty Limited has prepared this summary which appears in the PDS. CIVAS (NSW) Pty Limited was involved only in the preparation of this summary and the valuation referred to herein, and specifically disclaims any liability to any person in the event of any omission from, or false or misleading statement included in the PDS, other than in respect of the valuation and this summary. We confirm that this summary may be used in this PDS.

The valuations are current as at the date of the valuation only. The values assessed herein may change significantly and unexpectedly over a relatively short period as a result of general market movements or factors specific to the particular property. We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

8. Independent valuation report (cont)

Viva Energy Australia Limited
National Portfolio of Freehold Service Station Assets
1 July 2016



CIVAS (NSW) Pty Limited confirms that it does not have a pecuniary interest that would conflict with its valuation of the properties.

CIVAS (NSW) Pty Limited is not providing advice about a financial product, nor the suitability of the investment set out in the PDS. Such an opinion can only be provided by a person who holds an Australian Financial Services Licence. Colliers International does not, nor does the Valuer, hold an Australian Financial Services Licence and is not operating under such a licence in providing its opinion as to the value of the Properties detailed in this report.

12 VALUER'S EXPERIENCE AND INTEREST

The various principal Valuers involved in undertaking the assessment of the portfolio are AAPI/FAPI accredited, and have had in excess of five (5) years continuous experience in the valuation of property of similar type and are authorised by law to practise in their respective State and Territories as Valuers. We advise that CIVAS (NSW) Pty Limited has received a fee for the preparation of the valuation report, this summary letter, and the aforementioned Industry Report. Further, we confirm that the nominated Valuers do not have a pecuniary interest that could conflict with the proper valuation of the Properties, and we advise that this position will be maintained until the purpose for which this valuation is being obtained is completed.

Yours sincerely,

CIVAS (NSW) Pty Limited

A handwritten signature in black ink, appearing to read "Anthony Mylott".

Anthony Mylott FAPI MRICS
National Director
Valuation & Advisory Services

Section 9

Independent industry report



9. Independent industry report



Industry Report

Service Station Real Estate Investment
Market

Viva Energy Australia Pty Limited

7 July 2016

CIVAS Ref: N3298

9. Independent industry report (cont)



Overview

The automotive fuel retailing sector of the Australian petroleum industry comprises a large number of single and multi-site operators that purchase refined products from fuel suppliers and sell them to the public through service stations.

Service stations in Australia operate under diverse ownership structures and business models including franchise, lease and branding agreements between site owners, fuel suppliers, supermarket chains and large independent retailing chains.

While the main activity of fuel retail businesses is the sale of automotive fuel to the public, these businesses increasingly also provide non-fuel services, including convenience shops, cafes, car washes, ATM services, auto accessories and equipment hire.

The Australian automotive fuel retailing sector has undergone significant changes over the past fifteen years. In particular, while major oil companies previously sold the majority of petrol to motorists, supermarkets and large independent retail chains currently account for the majority of retail petrol sales in Australia. This evolution has been partly driven by the entry of the two major Australian supermarket chains, Coles (Wesfarmers Ltd) and Woolworths (Woolworths Ltd) during that period, which has improved the convenience offering at service station sites.

Petrol retailing in Australia

Petrol, or automotive gasoline, is a product derived from the distillation of crude oil. Australian service stations generally offer four main types of automotive fuel:

- Unleaded Petrol (ULP) is the recommended fuel for the majority of passenger cars. Regular unleaded petrol usually has a Research Octane Number (RON) of 91 to 92.
- Premium Unleaded Petrol (PULP) is designed for vehicles that require higher octane petrol to prevent knocking and optimise performance. PULP usually has a RON of 95, although a number of products are produced with a RON of 98. Many imported and high performance cars require PULP.
- Ethanol Mixed Fuel (E10) is a fuel which has up to 10% ethanol mixed with traditional petrol.
- Diesel is a fractional distillate of oil, used to fuel diesel engines. Many trucks are powered by diesel engines, and diesel powered passenger cars have become increasingly prevalent in recent years.

Generally speaking, the automotive fuel market is a high volume, low-margin business, however margins for PULP and diesel in particular have generally increased over the past two years. Australian wholesale petrol prices are linked to international prices as approximately two-thirds of Australia's petrol supply is imported, as is the majority of the crude oil feedstock for petrol that is refined in Australia.

Based on our discussions with market leading national operators, we believe that gross retail margins have been generally increasing since 2009 (on a site by site basis) and appear to be currently approximately 10.8 cpl. This is in part due to a notable shift to the use of higher quality fuels (higher octane PULP products), and an increase in the domestic use of diesel.

9. Independent industry report (cont)



Service stations

According to the Australian Competition and Consumer Commission (ACCC), at 30 June 2014, there were approximately 6,350 retail fuel sites in Australia, which has declined from approximately 20,000 sites in 1970. The decline in sites has moderated since 2003 when there were approximately 8,000 sites. Going forward, we expect there will be modest growth in overall sites, driven by increasing population, new suburbs and new road infrastructure.

As the number of service stations has declined, the market has become increasingly dominated by larger, more centralized sites located in busy areas or adjacent to major roads with higher throughput volumes that generally demonstrate greater stability in trading pattern. As a result, average fuel volumes sold at each site has grown.

The success of service stations has traditionally been highly dependent upon location. Important location attributes include the volume of passing traffic, the ease of ingress and egress for vehicles and the location of competing petrol retailers. While traditionally consumers have not been loyal to particular brands or sites, the shopper docket fuel discounts offered by the supermarket chains are changing that and the offer of fuel discounts is becoming as imperative to success as location.

One of the most important factors behind the evolution of the Australian retail fuel sector has been the emergence of the supermarket chains (Coles and Woolworths) and large independent chains, which include companies other than refiner-wholesalers and supermarket chains such as 7-Eleven, On The Run (Peregrine Corporation) and the retail operations of Puma Energy and United Petroleum. These companies have transformed petrol stations into broader retail outlets that sell petrol as part of a broader offering of non-fuel products and services. While the supermarket chains and the large independent chains have operated in the fuel retail sector with different strategies, they have had a similar attitude towards petrol: they generally do not see petrol as their main product but rather as a useful adjunct to their primary business objective of maximising sales of non-fuel items.

As a result, service stations have come to serve an important convenience retail function. While petrol retailing itself is a relatively low-margin, competitive business, the margins achieved on retail items sold within service stations can be as much as double the margin achieved from selling the same items in a supermarket. Service stations can also generate income by co-locating fast food operators and providing services such as car washes, ATM services, auto accessories and equipment hire on their sites. According to the ACCC, in the seven years to 30 June 2014, convenience store profits at service stations grew more than 140% in real terms.

9. Independent industry report (cont)



Retail petrol sales

Prior to the emergence of the supermarket chains and large independent chains, fuel retailing in Australia was dominated by refiner-marketers, which owned and operated refineries and sold their fuels through service stations that they owned, or were owned by owner-operators that carried their branding and sold their fuels under exclusive supply agreements.

As a result of new competition from the supermarket chains and large independent chains, the role of the major oil companies in Australia - BP, Caltex, Mobil and Shell- has changed from being initially fully integrated from crude oil production to refining to retailing (and therefore being traditionally referred to as 'refiner-marketers'), to a situation where they have increasingly scaled back their retailing, and to a degree their refining, activities (and are now referred as 'refiner-wholesalers'). As a result, while the four refiner-wholesalers previously sold the majority of petrol to motorists, supermarket chains and the large independent chains currently account for the majority of retail petrol sales.

The table below sets out the share of retail fuel sales volume between the refiner-wholesalers, the supermarkets and the large independent retail chains. The significant increase in the large independent retail chains' share of retail fuel sales in 2010-11 was due to the effects of the acquisition by 7-Eleven and On The Run (Peregrine Corporation) of the Mobil retail (7 Eleven) and BP (On the Run) network.

Table 1 Share of volume of monitored retail petrol sales by brand: 2002-03 to 2013-14

	BP	Caltex	Mobil	Shell	Coles Express/Shell (co-branded)	Woolworths/Caltex (co-branded)	Large independent retail chains
	%	%	%	%	%	%	%
2002-03	20	24	19	20	-	10	6
2003-04	20	22	17	3	16	14	7
2004-05	18	18	12	3	25	18	6
2005-06	19	16	11	3	25	20	6
2006-07	19	16	11	3	22	22	7
2007-08	20	17	11	2	20	22	8
2008-09	19	16	11	2	22	23	9
2009-10	17	16	10	2	22	23	10
2010-11	19	18	-	2	22	23	17
2011-12	16	18	-	2	23	24	17
2012-13	15	18	-	2	24	24	18
2013-14	13	18	-	2	24	24	19

Source: ACCC analysis and estimates based on data obtained from firms monitored through the ACCC's monitoring process.

Notes: Data is only for monitored companies. Therefore, it does not include the total volume of retail sales in Australia.

Large independent retail chains are: 7-Eleven, On The Run, and the retail operations of Puma and United.

In 2002-03 Woolworths was not co-branded with Caltex.

Totals may not add up to 100 per cent due to rounding.

9. Independent industry report (cont)



Service station ownership and operating models

The brand displayed at a service station site does not always indicate its owner or the type of ownership structure of the site. Despite having their brand displayed at more than 52% of total service stations sites, the four major oil companies operating in Australia directly owned and operated less than 9% of all sites in Australia in the period from 1 July 2013 to 30 June 2014.

According to the ACCC, the Australian fuel retail sector currently uses five different operating business models to operate service stations, as follows:

- *Company owned and company operated service stations* - which are retail fuel businesses that are wholly owned and operated by the business which is branded on the forecourt. As a result, the company has full control of all aspects relating to the operation of the fuel retail business - from setting fuel prices to the operation of the convenience store and employment of all staff. This business model is largely used by Coles and Woolworths. In the period from 1 July 1 2013 to 30 June 2014, approximately 33% of all fuel retail sites in Australia were operated on this business model.
- *Distributor owned operations* - which are retail sites owned and operated by independent fuel distributors who operate their own distribution network of fuel depots and source fuel through wholesale supply agreements with the major oil companies (e.g. BP and Caltex). These wholesale supply agreements sometimes include use of major oil company brands however distributor owned sites typically display their own branding (e.g. Liberty Oil) at retail sites. In the period from 1 July 1 2013 to 30 June 2014, approximately 20% of all fuel retail sites in Australia were operated on this business model.
- *Independent fuel retailers (dealer owned, dealer operated)* - which are service stations that are wholly owned and operated by independent dealers. These businesses enter into fuel supply and branding agreements with a fuel wholesaler or distributor, and are responsible for all costs associated with the retail operation and, as such, retain full control over the setting of retail fuel prices. Independent owner-operators form a significant part of the branded retail networks of major oil companies (i.e. BP, Viva Energy (Shell branded) and Caltex) as well as the independent wholesalers (e.g. Metro Petroleum) and the large independent retail chains (e.g. United Petroleum). In the period from 1 July 1 2013 to 30 June 2014, approximately 20% of all fuel retail sites in Australia were considered to be independent retailers.
- *Franchisees* - which are service stations where the retail site is owned by a company but the operation of the site and the convenience store is franchised out to a third party business. Franchise businesses for fuel retail operate in a similar fashion to any conventional franchise business. These models are predominantly used by the major brands (e.g. BP and Caltex) and specialist retailers (e.g. 7-Eleven and United Petroleum). In the period from 1 July 1 2013 to 30 June 2014, franchise businesses accounted for less than 12% of all fuel retail sites in Australia.
- *Commission agents* - operate service stations under a modified franchise arrangement whereby the commission agent is not required to purchase the fuel. Rather, the fuel supplier delivers the fuel and the commission agent is paid a commission for each litre of fuel sold. As a result, the commission agent model provides the fuel supplier with control over the setting of the retail price of transport fuels. In the period from 1 July 1 2013 to 30 June 2014, approximately 14% of the fuel retail sites in Australia were operating as commission agents.

9. Independent industry report (cont)



Emergence and role of supermarket chains

Coles Express, through its alliance with Viva Energy, and Woolworths, through its alliance with Caltex, are the main supermarket operators of service station sites in Australia. As at the date of this report, according to industry sources, Coles and Woolworths operated more than 1,260 service station sites in Australia, which represents approximately 20% of all sites.

Starting in 1996, Woolworths began opening "Petrol Plus" outlets throughout Australia, either co-located on the same site as a Woolworths supermarket, or within one kilometre from an existing Woolworths supermarket. Woolworths contributed these sites to a joint venture with Caltex in 2003. Coles entered into an alliance with Shell in 2003, using the oil company's then existing petrol retailing network and establishing a strong presence in the sector with approximately 620 Shell branded sites. For both retailers, extending their operations into the retail fuel sector was part of each retailer's broader strategy to improve supermarket sales and market share.

Since commencing operations in the retail fuel sector, Coles and Woolworths have operated shopper docket discounting schemes, whereby they generally offer 4.0 cents per litre discounts on petrol purchases when a minimum amount is spent on purchases of groceries or liquor at their supermarkets (or other affiliated stores), typically \$30. This discounting scheme has had a significant effect on existing independent retailers in the sector. As at 30 June 2014, the two retailers' combined share of Australia's petrol sales volumes was approximately 48%. We anticipate that the two retailers' combined share of petrol sales volume will increase further due to their ongoing expansion and the decline of smaller and independent petrol retailers.

Service stations as an asset class

Service stations were once regarded as a sophisticated asset class, with valuations reflecting a detailed analysis of the trading performance and potential of the site, and being significantly affected by the potential for environmental liabilities. However, in recent years, the prevalence of long term leases to well known tenants with recognised fuel and retail brands has resulted in investors tending to overlook site specific trading performance, and focus on the strength of the lease, underpinned by a large, experienced operator. In addition, we believe that the indemnity-type protection with respect to environmental liabilities that these tenants offer their landlords, together with the "polluter pays" approach embodied in state-based environmental protection legislation and, in the case of major oil company branded sites, the perceived corporate and image based protection as a result of global corporate responsibility on environmental based matters have resulted in a decreased focus on the risk of incurring environmental liabilities. Additionally, new technologies incorporated into onsite infrastructure are more significantly advanced than they were 15 years ago, and detection systems often warn of an environmentally based abnormality well before permanent damage occurs.

As a result, the market has come to regard freehold ownership of service stations as an asset class with comparatively less complex investment characteristics. Service stations are often available in the A\$5 million range or less, making them more affordable to a range of smaller investors or syndicates, and offer the future potential to redevelop the site into alternative uses given most metropolitan sites are situated in high value locations. These factors have contributed to a highly competitive purchasing environment, which is also highly liquid.

9. Independent industry report (cont)



For example, since purchasing 300 Mobil service stations in 2010 and refurbishing/rebranding the sites, 7-Eleven subsequently sold off portions of the portfolio in tranches to private investors in 2014. These portfolio sales by 7-Eleven have been extremely popular with passive investors as they have been generally sold with 15+5+5+5 year leases, and fixed 3 - 4% annual rental increases with the tenant responsible for all outgoings excluding land tax (in most instances). The 2014 7-Eleven portfolio sales in New South Wales achieved strong results with one service station in Sydney selling on a sub 4% yield and the majority of the remaining service stations selling on a sub 5% yield.

There are risks associated with investing in service stations, most notably relating to the potential volatility of income and capital value. In addition to the factors outlined above, the trading performance of a service station site is heavily reliant on its location and easy access for motorists, which can be adversely impacted by changes to adjoining roads and traffic flows. Such changes can substantially impact on passing traffic volumes to the extent that the service station may no longer be profitable and viable in the long-term. Notwithstanding these risks, investors seem to be currently relying on the strength of the overarching lease covenant, rather than site specific trading performance, which in most cases is kept confidential from the market.

Additionally, a challenge for investors in service stations can be the difficulty in assessing market rental. Rents can be complicated to analyse given that they are a function of the total volume of fuel which is sold, as well as any additional lines of business generating income.

Discussions with industry sources have indicated that the market for sites has become increasingly competitive in recent times, and as a consequence there has been upward pressure on market rentals. The percentage of rental to fuel gross profit has traditionally ranged between 20 - 35%, however there is increasing evidence that the upper end of the range is becoming the market standard, given the competitive nature of the industry.

Typically, additional sources of income contributing to market rental relate mostly to convenience store sales. In this regard, the industry readily accepts 7 – 10% of gross retail sales turnover as rent, in addition to that attributed to fuel gross profit.

Passing initial yields generally range between 5% (and may be even tighter for well-located metropolitan facilities subject to long term lease agreements) and 8.50%. This variation is largely dependent upon the specific location, tenant, lease covenant, retail and fuel branding and alternate use prospects of the site. There can be significant variation between metropolitan and country locations, with metropolitan locations traditionally attracting far stronger yields.

Notwithstanding the current highly competitive market conditions for individual sites from the investors, there appears to be strong interest from existing national operators under pressure to increase market share through the purchase of freehold sites, particularly where multiple properties are available in a single transaction (small portfolio purchases). In this regard, we are witnessing strong interest in privately owned and operated service stations.

As such, real estate investment into the service station sector is strong at present, and currently forms part of a liquid market, supported by the sound fundamentals of the Australian fuel retailing sector.

9. Independent industry report (cont)



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Section 10

Investment risks



10. Investment risks

Viva Energy REIT's business activities are subject to risks, specific both to its investment in property and its operations, as well as of a general nature. Individually, or in combination, these risks may affect the future operating performance of Viva Energy REIT and the value of an investment in Viva Energy REIT.

Prospective investors should note that this Section identifies the Directors' current views on the key risks of an investment in Viva Energy REIT and is not intended to be exhaustive. Prospective investors should carefully consider the risk factors identified, in addition to the other information in this Offer Document, before deciding to invest in Stapled Securities. Prospective investors should ensure that they have sufficient awareness of the risks and have regard to their own investment objectives, financial circumstances and taxation position before deciding to invest.

If you do not understand any part of this Offer Document, or are in doubt as to whether to invest in Stapled Securities or not, it is recommended that you seek professional guidance from your broker, solicitor, accountant or other qualified professional adviser before deciding whether to invest.

10.1. *Risks specific to your investment in Viva Energy REIT*

These risks relate to an investment in Viva Energy REIT:

10.1.1. *Tenant concentration risk, financial standing and sector concentration risk*

Viva Energy REIT will, immediately following completion of the Offer, earn its revenue from a single tenant (being Viva Energy), and a deterioration in Viva Energy's financial strength and stability or a deterioration in Viva Energy's business or in the prospects of the automotive fuel retailing industry generally could materially adversely affect Viva Energy REIT's results of operations, the value of its properties and its Stapled Securities.

Because Viva Energy will initially be the only tenant of the Portfolio, Viva Energy REIT's revenue will depend entirely on Viva Energy meeting its obligations to pay rent under the Leases. If Viva Energy fails to pay rent on time, Viva Energy REIT's revenues, financial results and ability to meet its obligations will be adversely affected. If Viva Energy becomes insolvent or enters administration, Viva Energy REIT's financial condition and the price of its Stapled Securities would be materially adversely affected.

Further, a decline in the profitability of the Viva Energy business could affect the perceived stability of the rental income of Viva Energy REIT and may affect Viva Energy REIT's ability to obtain financing on acceptable terms, and lead to lower market rents when renewal options are exercised and a decline in the values of Viva Energy REIT's properties.

Viva Energy REIT also depends on Viva Energy to perform its obligations under the environmental indemnification arrangements (see Section 2.7 and 10.1.19). If Viva Energy were to fail to meet its obligations under these arrangements (including due to its insolvency), Viva Energy REIT may incur significant costs to rectify Contamination on (and in respect of) its sites.

Viva Energy's business is subject to numerous risks that may affect its performance and future viability. In particular, Viva Energy derives a significant portion of its earnings from its operation of the Geelong Refinery. The refining business is cyclical, capital intensive, has large working capital requirements and carries high operating risks (including malfunctions and environmental incidents) that may affect its ability to operate and result in liabilities for property damage, business interruption and environmental breaches. Other parts of Viva Energy's petroleum distribution infrastructure are vulnerable to interruption and environmental incidents. Viva Energy's business is also exposed to volatility in oil prices, refining margins, exchange rates and macroeconomic cycles that can affect consumer demand for fuel in its retail business.

The long-term value of Viva Energy REIT's properties will depend on the continued viability of Viva Energy's retail marketing business, and the fuel retailing business in Australia generally. Factors that could adversely affect the service station industry generally include an increasing prevalence of alternatives to hydrocarbon-fuelled internal combustion engines, substantially higher fuel prices and new regulations.

In addition, Viva Energy's business and financial condition could deteriorate if the Alliance with Coles were to be terminated or if it lost its rights to use Shell branding. While both the Alliance and Viva Energy's licence to use Shell branding do not expire until 2024 (with renewal rights until 2029, in the case of the Alliance, and 2034, subject to certain conditions, in the case of the Shell Brand Licence Agreement), the parties to those agreements have rights to terminate in certain circumstances, including upon certain breaches. Viva Energy REIT is not a party to the Alliance Agreement¹ or the Shell Brand Licence Agreement and has no rights to use the Coles Express or Shell brands.

1. However, see Sections 2.6.1.2, 10.1.5, 10.1.6, 10.1.9, 13.5 and 13.10 for details of Viva Energy REIT's contractual obligations to Coles Express in relation to the Site Agreements and the risks to Viva Energy REIT relating to them.

10. Investment risks (cont)

If the Alliance Agreement is terminated, Viva Energy may need to find a new operator for the service station sites in the Portfolio or operate them itself. Any new operator may have less operational expertise than Coles Express, may not have a retail brand with the same degree of market acceptability and may require terms that are less attractive to Viva Energy to operate the service stations. If Viva Energy loses the right to use Shell branding, it will need to implement new branding, which may be costly, and any new brand may be less well known and attractive to customers than the Shell brand. In either case, the performance of the service station sites in the Portfolio may be adversely affected, and Viva Energy's business may suffer.

A deterioration in Viva Energy's business for any of the reasons discussed above may result in Viva Energy ceasing to have an investment grade credit rating, which would increase Viva Energy REIT's cost of funding. (see Section 10.1.16).

10.1.2. *Reliance on the Manager and its personnel*

Viva Energy REIT will be managed by the Manager, which is a member of the Viva Energy Group.

Viva Energy REIT will have no direct employees and consequently is reliant on the expertise and experience of the key executives of the Viva Energy Group made available to the Manager who provide the services to Viva Energy REIT under the Management Agreement. As a consequence, loss of such key personnel could have an adverse impact on the management and the financial performance of Viva Energy REIT and returns to Securityholders.

Further, if Viva Energy REIT terminates the Management Agreement, the Manager fails to perform its obligations under the Management Agreement or the Manager retires by giving six months' prior notice, Viva Energy REIT may not be able to appoint a new manager with the same expertise as the Manager, on the same terms as the Management Agreement or otherwise, and may not be able to recruit suitably qualified people to employ directly to perform the management and compliance functions that are to be performed by the Manager and its representatives. This may adversely impact the performance of Viva Energy REIT and the trading price of its Stapled Securities.

Because the Manager is a member of the Viva Energy Group, and Viva Energy is Viva Energy REIT's sole tenant and a potential counterparty in future acquisition and leasing transactions, there is a potential for actual or perceived conflicts of interest between Viva Energy and Viva Energy REIT. As a result, Viva Energy REIT may be unable to take advantage of every opportunity that it might have otherwise wanted to pursue. Competing interests between Viva Energy, the Manager and Viva Energy REIT could have a material adverse effect on the Portfolio, including limiting Viva Energy REIT's ability to acquire properties, and the financial performance of Viva Energy REIT.

The Board can only remove the Manager for a material unremedied breach or substantial unremedied failure to carry out its obligations as Manager or if the Manager is insolvent, and it does not have the power to replace the Manager's representatives, including the senior executives of Viva Energy Group responsible for managing Viva Energy REIT. As a result, the Manager may continue to manage Viva Energy REIT even if the Board disagrees with its strategy or is not satisfied with its performance or that of its representatives.

10.1.3. *Viva Energy REIT may not be able to successfully implement its investment strategy*

Viva Energy REIT's ability to execute its growth strategy partly depends on the decisions and actions of other parties, particularly Viva Energy, as well as general and industry-specific economic factors.

Any decision to add service stations to Viva Energy's network and/or the acquisition or development of those properties by Viva Energy REIT depends on a number of factors, including:

- the continuation of Viva Energy and Coles' strategy of increasing the number of Alliance sites;
- availability of suitable properties that meet Viva Energy and/or Coles Express requirements;
- current and anticipated trading conditions;
- competition from other service station property investors;
- available liquidity to fund such acquisitions or developments; and
- to the extent that sources of available liquidity are not sufficient, other sources of capital, which may not be available on favourable terms or at all.

While certain arrangements between Viva Energy REIT and Viva Energy, including Viva Energy REIT's rights of first refusal under the Master Agreement and the procedures established by the Site Acquisition and Leasing Agreement, may facilitate the future acquisition by Viva Energy REIT of additional service station properties, there can be no assurance that such opportunities will eventuate.

10. Investment risks (cont)

In particular, there can be no assurance that Viva Energy will:

- offer to sell any sites to which Viva Energy REIT's rights of first refusal will apply;
- have any opportunity to purchase any of the sites that it currently leases under any of the rights of first refusal that it has, nor that if it had the opportunity, it would elect to purchase such sites; or
- identify any opportunities for Viva Energy REIT to acquire sites under the terms of the Site Acquisition and Leasing Agreement.

In addition, the Board of Viva Energy REIT may regard the terms on which such sites, or others, become available for Viva Energy REIT to acquire as commercially unsatisfactory.

Accordingly, Viva Energy REIT cannot assure you that its Portfolio will expand at all, or if it will expand at any specified rate or to any specified size.

Further, newly acquired properties may give rise to risks that were not known prior to their acquisition, which may result in lower than expected market rents or lower rents following renewal of the lease on the newly acquired property.

The risks faced by Viva Energy REIT in relation to a future acquisition will depend on the terms of the transaction at the time, including its obligation to offer a lease in respect of the acquired site to Viva Energy in accordance with the Master Agreement. Future acquisitions may affect the value of, and returns from, an investment in Stapled Securities. There can be no assurance that any future acquisitions will enhance the investment returns for Securityholders.

10.1.4. Development and change of use risk

If Viva Energy REIT undertakes development works, there is a risk that future developments or redevelopments of the properties could be delayed and cost more than expected. This could result in an adverse impact on NTA or on Distributions. Completion of a development may be delayed for a number of reasons, including industrial disputes, dealings with counterparties, inclement weather, permitted variations to the works, changes to legislative requirements, delays in authority inspections or approvals or a builder experiencing financial difficulties.

As a result, Viva Energy REIT may suffer loss of rent in respect of a delay in completion of the relevant development. This may negatively impact the financial performance of Viva Energy REIT and/or result in lower Distributions. In addition, the costs of any developments or redevelopments may exceed the original cost estimates, which could lead to lower Distributions.

Viva Energy is only required to remediate environmental Contamination at a property in the Portfolio if it (or any invitee of it) is the cause of such Contamination during the term of the Lease in respect of that property and then only to the extent necessary to ensure that the relevant property is not Contaminated such that the Contamination would be considered to pose an unacceptable level of risk for the ongoing use of that property as a service station. This may not be sufficient if Viva Energy REIT decides to repurpose the site for a use other than as a service station. Further remediation may be required until a property is suitable for a use other than as a service station, the costs of which may be significant.

10.1.5. New standalone entity with no previous trading history and no historical financial statements

Viva Energy REIT will be a new standalone entity with no previous trading history for Stapled Securities.

Because Viva Energy REIT has no previous trading history, there is no historical information on which to base expectations of Viva Energy REIT's future corporate and other costs and such costs could be higher than forecast.

In addition, there are no historical financial statements or other historical financial information for Viva Energy REIT presented in this Offer Document, as no historical financial statements or predecessor accounts of Viva Energy REIT exist, as the Viva Energy REIT Trust was only established on (or around) the Establishment Date, and the business that it intends to conduct does not exist in its present form as a subsidiary or separate business unit of Viva Energy Group. The forward-looking statements, opinions and estimates provided in this Offer Document, including the Forecast Financial Information, rely on various factors, many of which are outside the control of the Board or the management team, and several assumptions, any of which could be inaccurate or result in material deviations in actual performance from expected results. There can be no guarantee that Viva Energy REIT will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate.

10.1.6. Risk of forced change of principal Tenant if Alliance Agreement terminated

Under the Alliance Agreement, Coles Express may require Viva Energy to assign and transfer to it all of its rights under the Leases between Viva Energy REIT and Viva Energy if: (i) a Relevant Termination Event occurs under the Alliance Agreement and either Coles Express or Viva Energy exercise their respective right of termination, and (ii) Viva Energy does not exercise its prior Stock Acquisition Right. See Section 13.13 of this Offer Document for further discussion of this mechanism.

10. Investment risks (cont)

If this right to have the Leases assigned and transferred to it were exercised by Coles Express, Coles Express would become the tenant under each Lease which relates to a property which is the subject of a Site Agreement. The terms of such Leases would not be altered, nor would Viva Energy REIT's rights as landlord under the Leases.

Accordingly, in this event, the concentration risk described in Section 10.1.1 would apply to Coles Express (or any person to whom Coles Express validly assigns its rights under the Alliance Agreement) as the primary tenant of the Properties, just as it applies in respect of Viva Energy currently. Coles Express is owned by Wesfarmers, which is listed on ASX and publishes periodic reporting in respect of its financial position and operations.

10.1.7. *Exposure to Site Agreements in the event a Lease expires or is terminated*

If a Lease terminates or expires while a Site Agreement in respect of the property to which that Lease relates remains on foot, it is possible that Coles Express (or any person to whom Coles Express validly assigns its rights) would continue to have its rights under that Site Agreement, with Viva Energy REIT becoming its direct landlord under that Site Agreement. In that event, Viva Energy REIT would be bound by that Site Agreement for its remaining term. In most circumstances, the term of a Site Agreement will expire on the date of termination of the Alliance Agreement (please refer to Section 2.6.1.2 for details of such date).

Viva Energy REIT could become the direct landlord to Coles Express (or any person to whom Coles Express validly assigns its rights) under a Site Agreement in three principal scenarios:

- Firstly, should Viva Energy not extend a Lease while a Site Agreement in respect of that property remains on foot. In that scenario, that Lease would expire in accordance with its terms and Viva Energy REIT would become the landlord under any Site Agreement in respect of that property. This risk has been mitigated under the terms of each Lease by means of a mechanism under which Viva Energy is required to extend the term of each Lease for at least as long as the remaining term of any Site Agreement in respect of the relevant property.
- Secondly, should there be a breach or repudiation of a Lease by Viva Energy or the Lease becomes terminable by Viva Energy REIT for some other reason (including in the case of damage or destruction events), and Viva Energy REIT elects to terminate that Lease. In that scenario, Viva Energy REIT would become the landlord under any Site Agreement in respect of that property immediately upon termination of the Lease. The financial exposure of Viva Energy REIT in respect of this risk is the subject of an indemnity from Viva Energy under the terms of each Lease (and which survives termination of that Lease), pursuant to which Viva Energy REIT is entitled to recover certain kinds of loss it suffers or incurs as a result of the termination of that Lease. That indemnity is a legal mechanism under which Viva Energy REIT may recover any such loss to the extent that Viva Energy has the financial capacity to respond to an indemnity claim at that time.
- Thirdly, should Viva Energy become insolvent (or a similar event occurs due to the financial distress of Viva Energy), and Viva Energy REIT elects to terminate the Lease. In such a scenario, Viva Energy REIT would also become the direct landlord to Coles Express under any Site Agreement in respect of that property immediately upon termination of the Lease and it would also have the benefit of the indemnity from Viva Energy that is described above. However, it should be noted that the benefit of such indemnity may not be of value to Viva Energy REIT due to the financial distress of Viva Energy and that any such financial distress which results in the termination of all or a significant number of the Leases may have a materially adverse effect on the financial condition and financial performance of Viva Energy REIT. Further information about Viva Energy (including financial information) is available in Section 2.6.1.

It should be noted that the terms of each Site Agreement are materially less favourable to the landlord in comparison to the terms of each Lease (see Section 13.10 for a summary of the standard terms of a Site Agreement). In particular, the Site Agreements are not on "triple-net" terms, and, if it is required to perform the obligations of the landlord under a Site Agreement, Viva Energy REIT is likely to have obligations with regard to maintenance of the fuel equipment and in relation to environmental contamination at, or in respect of, that property, which obligations it does not have under the Leases. Further, the rent payable by the tenant under the Site Agreements (across the entire Portfolio) in the 2016 calendar year would be approximately 54% of the total rent payable under the Leases in the 12 months immediately after Listing.² This material difference between the amount of rent payable under the Site Agreements and the Leases is expected to further increase over the remaining term of the Alliance Agreement. This is because the yearly percentage increase in rent payable under each Lease is greater than any such increase in rent payable under the corresponding Site Agreement. For these reasons, the termination or expiry of all or a material number of Leases in respect of properties which then remain the subject of a Site Agreement may have a material adverse impact on Viva Energy REIT's financial performance, the value of its asset and/or its capacity to service its obligations to third parties, including to its debt financiers.

2. Viva Energy has informed Viva Energy REIT that the rental income it currently derives under the Site Agreements is only one of a number of income streams it generates from its participation in the Alliance and the broader suite of commercial arrangements which arise under the Alliance, and such rental was not set on the same basis that market rents have been set with Viva Energy REIT. Please refer to Section 8 for the opinion of Colliers International in relation to the market rental for each property in the Portfolio.

10. Investment risks (cont)

Viva Energy has covenanted with Viva Energy REIT that it will not (without the consent of Viva Energy REIT), amend the terms of the Site Agreements, if such amendments affect the terms upon which the tenant occupies a material number of sites owned by Viva Energy REIT and when taken together with all other amendments to those Site Agreements, would be considered by a reasonable person to be materially detrimental to the rights or interests of the landlord under the Site Agreements, if it was the case that Viva Energy REIT became the landlord. However, it should be noted that this restriction would not prevent Viva Energy from extending the term of one or more Site Agreements or the Alliance Agreement.

10.1.8. Significant retained holding by Viva Energy

Immediately following completion of the Offer, Viva Energy is expected to hold approximately 40% of the Stapled Securities of Viva Energy REIT. Viva Energy Group's substantial equity investment in Viva Energy REIT is strategically significant for it and Viva Energy Group has informed Viva Energy REIT that it has no current intention to reduce the extent of that investment, although it is not restricted from doing so and will not be subject to any escrow arrangements. As a result, Viva Energy will have significant influence over the election of Directors and the potential outcome of matters submitted to a vote of Securityholders. The interests of Viva Energy may differ from the interests of Viva Energy REIT and the interests of other Securityholders who purchase Stapled Securities in the Offer.

In addition, Viva Energy may elect to sell down some or all of its holding in Viva Energy REIT. Given its significant holding, the price of Viva Energy REIT's Stapled Securities may decline as a result. If the Viva Energy Group ceases to beneficially own and control, either directly or indirectly, at least 20% of the Stapled Securities by selling or transferring its interests in the Stapled Securities, or an entity other than a member of the Viva Energy Group Controls either of the Company or the Trust, then this would constitute a review event under the terms of the Debt Facility Agreement and, subject to certain agreed negotiation and notification periods, a potential repayment of the Debt Facilities may be required. Further information regarding risks relating to the Debt Facilities are outlined in Section 10.1.14.

10.1.9. Guarantee of Viva Energy's obligations under the Site Agreements

Under the terms of the Assumption Deeds Poll (Lease), and in order to satisfy the Transfer Requirements in respect of the grant of the Leases to Viva Energy, Viva Energy REIT covenants to Coles Express that Viva Energy will perform its obligations under each Site Agreement which relates to a property that is the subject of a Lease. These obligations include Viva Energy's obligation to maintain fuel equipment and to indemnify Coles Express against liability for historical contamination and certain types of contamination caused during the term of the Site Agreement. The Site Agreements are summarised in Section 13.10. While Viva Energy has undertaken to Viva Energy REIT that it will perform those obligations under the terms of that same deed poll, if Viva Energy is unable to perform them, Coles Express may call upon Viva Energy REIT to do so and also demand indemnification for any associated liability or loss, which could have a material adverse effect on Viva Energy REIT's financial position and performance.

10.1.10. Disposal of properties and capital gains tax implications

Viva Energy REIT has inherited the CGT cost base for the Portfolio from Viva Energy, which is significantly below the current market value of the Portfolio.

If Viva Energy REIT subsequently disposes of any of the properties in the Portfolio, its taxable gain or loss will be calculated having regard to the difference between the sale price of those properties and the cost base of those properties. Based on the current law, Viva Energy REIT estimates the aggregate cost base of properties in the Portfolio to be approximately \$1,130 million. However, changes to the law have been previously proposed which, if introduced and implemented, could increase or reduce the cost base. Further, as the CGT cost base is inherited from Viva Energy, the tax cost base could be reduced by any subsequent adjustments to the CGT cost base of Viva Energy. If the cost base is lower (for either reason), the taxable gain on any disposal will be correspondingly higher, which will adversely impact the after tax returns of Securityholders. Viva Energy REIT has no present intention to dispose of any properties in the Portfolio, but it may do so in the future.

10.1.11. Inflation

Contracted rental growth for the properties that will comprise the Portfolio on Listing is fixed at 3.0% per annum regardless of inflation. As a result, the level of CPI may affect the value of, and returns from, an investment in Stapled Securities. For example, Viva Energy REIT could find itself in a situation in which rent will be rising at 3.0% per annum but expenses (excluding interest expense) are rising by more than 3.0% per annum. Over an extended period, this may have an adverse impact on the value of Viva Energy REIT's properties and its overall financial performance.

10.1.12. Re-leasing and market rent reviews

From 2026, the Leases over properties in the Portfolio will begin to expire. There is a risk that if Viva Energy (or the tenant at that time) does not exercise its option to extend the term of any or all of the Leases, Viva Energy REIT may not be able to negotiate new Lease terms with Viva Energy or replace it with a new tenant on substantially the same terms. Viva Energy REIT could also incur additional costs associated with re-leasing the properties.

10. Investment risks (cont)

In respect of properties which it seeks to re-lease, the terms on which Viva Energy REIT may do so will depend on market conditions and financial considerations prevalent at that time. Re-leasing properties on less favourable terms may have an adverse impact on the value of the property and the overall financial performance of Viva Energy REIT.

In addition, at Lease expiry or upon exercise of an option to extend the term of a Lease by Viva Energy, the rent payable in respect of that property will be subject to prevailing market conditions and market rent reviews, where rents may go up or down. If the Alliance Agreement between Viva Energy and Coles Express has expired or has been terminated or if Viva Energy is no longer able to use the Shell brand, then the operating performance of the service stations may be adversely affected. This may lead to lower market rents, which would also have an adverse impact on the value of Viva Energy REIT's properties and its overall performance.

10.1.13. Funding

Viva Energy REIT's ability to raise funds from either debt or equity markets on favourable terms is dependent on a number of factors including:

- the general economic and political climate;
- debt and equity capital market conditions; and
- the performance, reputation and financial strength of Viva Energy REIT and Viva Energy (as the sole Tenant of the properties in the Portfolio).

Changes to any one of these underlying factors could lead to an increased cost of funding, limited access to capital, increased refinancing risk for Viva Energy REIT and/or an inability to expand operations or purchase assets in a manner that may benefit Viva Energy REIT and its Securityholders.

If Viva Energy REIT's existing Debt Facilities are not refinanced and need to be repaid, or Viva Energy REIT is unable to obtain new debt funding to the same Gearing levels, it is possible that Viva Energy REIT will need to raise equity or dispose of assets for less than fair value, impacting on Viva Energy REIT's net asset value.

10.1.14. Debt Facility margin increase and change of control

If, in aggregate, 30% or more (by rental income value) of all tenants either do not possess an investment grade credit rating or are not guaranteed by an entity which possesses an investment grade credit rating, or, in the case of Viva Energy in its capacity as a tenant, Viva Energy Holding does not possess an investment grade credit rating (Viva Energy Holding currently has an investment grade credit rating at the lowest level on the investment grade credit rating scale), Viva Energy ceases to be bound by an ASIC deed of cross guarantee to which certain other members of the Viva Energy Group are a party (other than the entities which comprise Viva Energy REIT) or Viva Energy Holding does not comply with certain covenants to its lenders, the applicable margins under the Debt Facilities will increase by 30 basis points and will result in an increase in the interest payments required to be made by Viva Energy REIT under the Debt Facility Agreement. There can be no assurance that the future financial performance or financial position of Viva Energy Holding will be sufficient to enable it to maintain an investment grade credit rating, and Viva Energy REIT has no right to require Viva Energy Holding to retain an investment grade credit rating.

In addition, if (a) the Viva Energy Group ceases to beneficially own and control, either directly or indirectly, at least 20% of Stapled Securities by selling or transferring its interests in the Stapled Securities; or (b) an entity other than a member of the Viva Energy Group Controls either the Company or the Trust, then a review event will occur pursuant to the terms of the Debt Facility Agreement. Upon the occurrence of such an event, the Facility Agent and Viva Energy REIT Limited will consult for 60 days as to the continuation of the Debt Facilities. If agreement cannot be reached by the expiry of that period and the event is continuing, the Facility Agent (acting on the instructions of the Majority Lenders in respect of the occurrence of an event under paragraph (a) above) may, by notice to the Company, require Viva Energy REIT to repay the Debt Facilities in full. In the case of a review event under paragraph (b) above, any Lender may, by notice to the Company, require Viva Energy REIT to repay all amounts outstanding to that lender under the Debt Facilities. In each such case, the Borrower will be required to make any repayment by no earlier than the date falling 120 days from the date the Facility Agent provides notice requesting repayment, without any prepayment fee, cost or penalty (other than break costs to the extent such repayment is made on a day other than the last day of an interest period). If either of these events occur, the refinancing terms available to Viva Energy REIT may be on less favourable terms to those under the Debt Facility Agreement and, if there is a deterioration in the level of debt market liquidity, this may prevent Viva Energy REIT from being able to refinance some or all of its debt at all. While Viva Energy has advised Viva Energy REIT that its equity investment in Viva Energy REIT is strategically significant for the Viva Energy Group, and despite it having no current intention to reduce the extent of that investment, there is no restriction on it doing so in the future and Viva Energy Group will not be subject to any escrow arrangements with respect to its holding of Stapled Securities.

10. Investment risks (cont)

10.1.15. Gearing

Gearing exposes Viva Energy REIT to any changes in interest rates and increases Viva Energy REIT's exposure to movements in the value of the properties in the Portfolio or performance measures. Higher Gearing will naturally increase any such exposure. Viva Energy REIT has a target Gearing range of between 35% to 45% in the normal course of business; however, Gearing may be higher if the Board considers that the circumstances warrant a short-term increase and it is prudent to increase Gearing. It is noted, however, that the Borrower and the Company are restricted from knowingly requesting a drawdown under the Debt Facilities, if such drawing or additional indebtedness (as applicable) would result in the Gearing (as adjusted from time to time) to exceed 45%. In addition, under the terms of the Debt Facility Agreement Viva Energy REIT's Gearing must be below 50% on 30 June and 31 December of each year.

If the level of Gearing increases over the term of the Debt Facilities, this may make it more difficult for Viva Energy REIT to refinance the Debt Facilities or Viva Energy REIT may be unable to refinance those facilities, which could have a material adverse effect on Viva Energy REIT's performance and financial condition. The terms of the Debt Facility Agreement are summarised in further detail in Section 13.8.

10.1.16. Interest rates and financial covenants

There is an inherent risk that Viva Energy REIT may be unable to extend, refinance or establish debt financing and interest rate hedges on current terms in the future. It is possible that interest rates and the cost of interest rate hedges will increase in the future, or new lenders may require more stringent financial covenants than those contained in the Debt Facility Agreement, each of which could have a material adverse impact on Viva Energy REIT's financial performance and its ability to fund Distributions.

Until interest rate hedges are entered into by Viva Energy REIT, it will be exposed to interest rate movements on the Debt Facilities. To the extent that, after the Financial Close, the Debt Facilities are not hedged, or any future drawings are not hedged Viva Energy REIT will be exposed to movements in variable rates of interest on the amounts unhedged.

10.1.17. Breach of the Debt Facility Agreement

Under the Debt Facility Agreement, Viva Energy REIT is required to comply with a number of undertakings and covenants, including in relation to Gearing levels and interest cover ratios. An event of default would occur if Viva Energy REIT fails to comply with any of these financial covenants and such breach is not remedied within 30 business days by way of an equity cure. This may be caused by unfavourable movements in interest rates (to the extent that interest rates are not hedged) or deterioration in the income or the value of the properties within the Portfolio. Upon the occurrence of an event of default which is continuing, the Facility Agent may (and shall, if so directed by the Majority Lenders) require immediate repayment of all or part of the Debt Facilities, together with accrued interest. Viva Energy REIT may need to dispose of some or all of its properties for less than their market value, raise additional equity, or reduce or suspend Distributions in order to repay the Debt Facilities.

The financial covenants to be included in the Debt Facility Agreement are summarised in further detail in Section 6.8.

10.1.18. Inability to make distributions or pay dividends

As described in more detail in Section 13.8, there are restrictions on Viva Energy REIT's ability to pay dividends or make other Distributions to Securityholders during the term of the Debt Facilities. However, as a general matter, Viva Energy REIT is permitted to pay Distributions and dividends (in this Section 10.1.18, inability to make distributions or pay dividends) as it sees fit, provided that, at any time while an event of default or a potential event of default under the Debt Facility Agreement is continuing or during any remedy period, a Distribution may only be made with the prior written consent of the Facility Agent (acting on the instructions of the Majority Lenders).

10.1.19. Environmental issues and Contaminations

As summarised in Sections 2.7, 13.1 and 13.2 of this Offer Document, Viva Energy and Viva Energy REIT have entered into various arrangements designed to ensure that, in most cases, environmental liabilities associated with the properties in the Portfolio are the responsibility of Viva Energy (or, in the case of obligations under the Leases, such other tenants of those properties from time to time). However, these arrangements provide that Viva Energy REIT will not be indemnified for certain losses arising from Contamination of a property in the Portfolio in specified circumstances, including for Contamination that results from the actions of Viva Energy REIT or its invitees. In addition, although Viva Energy REIT is unlikely to be primarily liable under the "polluter pays" regime that generally applies under Australian State-based environmental legislation as it does not operate the sites, there remains a risk that Viva Energy REIT will incur liability if the polluter cannot be identified or is unable to meet its obligations. Any obligation to meet any such cost or liability could have a material adverse effect on Viva Energy REIT's performance and financial condition if Viva Energy REIT is unable to recover the amount under an indemnity of which it is the beneficiary.

10. Investment risks (cont)

Environmental arrangements for any properties acquired by Viva Energy REIT in the future will be subject to terms agreed by Viva Energy REIT with the sellers of such properties (if any) at the time of those acquisitions and the tenants under any leasing arrangements with respect to any such properties. Viva Energy REIT may acquire or lease properties in the future that are not subject to equivalent indemnities and remediation obligations as the properties in the Portfolio and may therefore be exposed to liability for environmental contamination that occurred prior to purchase or that occurs under its ownership for such non-Portfolio properties. The crystallisation of any such risk could have a material adverse effect on Viva Energy REIT's financial performance and financial condition.

10.1.20. Tax

The information in this Offer Document assumes that the Trust will be treated as a "flow-through" entity for Australian income tax purposes under the Attribution Managed Investment Trust rules such that the net income of the Trust will be taxable in the hands of the Securityholders on an attribution basis. However, the Trust would lose this "flow-through" status if:

- there was a legislative change which removed the "flow-through" status of property trusts; or
- the Trust engaged in activities which lead to it being taxed on its net income at the corporate tax rate for Australian income tax purposes.

Depending on Securityholders' individual circumstances, a loss of the "flow-through" treatment of the Trust may adversely affect the after-tax investment returns. In addition, the taxation treatment for Securityholders is dependent upon the tax law as currently enacted in Australia. Changes in tax or stamp duty law or changes in the way tax or stamp duty law are expected to be interpreted in Australia may adversely impact Viva Energy REIT's returns, the Distributions made to Securityholders or the taxation outcomes outlined in Section 11.

Further details of the material tax consequences for Australian and New Zealand investors are provided in Section 11 of this Offer Document.

10.1.21. Retail tenancies legislation

Retail tenancies legislation in force in each Australian State and Territory regulates the terms on which leases and licences are granted to tenants of retail premises. For example, in certain of those jurisdictions, retail tenancies legislation prohibits a landlord from recovering land tax in respect of any site from which a retail business is conducted. As a retail business is carried on at each property in the Portfolio, Viva Energy REIT has considered the potential application of retail tenancies legislation in respect of the Leases and, in the case of each Lease³, considers that such legislation by its terms does not apply to the Leases or, if it does apply to them, it has obtained or anticipates that it will obtain an appropriate exemption from that legislation or is relying on an existing gazetted exemption. In addition, Viva Energy has acknowledged and agreed under the terms of each Lease³ that retail tenancies legislation does not apply with respect to that Lease and that it will not assert that it does.

There is, however, a risk that retail tenancies legislation in any Australian State or Territory may be amended in a manner unfavourable to Viva Energy REIT or that an exemption on which Viva Energy REIT has relied is withdrawn by, or such reliance is challenged by, the relevant legislative or administrative body. In that event, Viva Energy REIT may be unable to enforce one or more terms of the Leases which it currently considers that it is legally permitted to enforce, which inability may have an adverse financial impact on Viva Energy REIT.

10.1.22. Counterparties

There is a risk that, notwithstanding appropriate safeguards, parties with whom Viva Energy REIT has dealings may experience financial or other difficulties which may affect those parties' ability to perform their obligations to Viva Energy REIT. This may affect the value of, and returns from, an investment in Stapled Securities.

10.1.23. Litigation

Viva Energy REIT may in the ordinary course of business be involved in disputes, some of which may result in litigation (for example, tenancy disputes, occupational health and safety claims or third party claims). While the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of Viva Energy REIT. Viva Energy REIT, as a new entity, is not a party to any current litigation.

3. Other than the Lease in respect of 142 Sandy Bay Road, Sandy Bay, Tasmania, to which Tasmania retail tenancies legislation will apply due to the footprint of that property being less than 1000m². To ensure compliance with that legislation, the terms of that Lease have been modified from the standard form of Lease to: (a) provide for capital expenditure outgoings recovery occurring through sinking fund provisions instead of direct recovery from the Tenant; (b) ensure that the market review valuation criteria reflect the prescribed criteria; and (c) remove the market rent review provision in respect of major capital works and which only applies if Viva Energy elects to extend the Lease term under that clause (with the effect that rent may decrease following that market review). None of these modifications is considered to be material in the context of that Lease or the Portfolio more generally.

10. Investment risks (cont)

In mid-2015, Coles Express commenced legal proceedings in respect of Viva Energy's proposal to establish Viva Energy REIT on the basis that its establishment would result in certain breaches of the Site Agreements and the Alliance Agreement. Coles Express's complaints in relation to those matters were heard and dismissed by the Supreme Court of Victoria and the Victorian Court of Appeal.

Coles Express has since publicly confirmed its support for the transaction, and the legal proceedings have concluded.

Both during and after the legal proceedings, Coles Express and Viva Energy each publicly stated that it remains committed to the Alliance and that it forms an important part of its business.

10.1.24. Compliance

The Trust is a managed investment scheme which means that the Responsible Entity is subject to strict regulatory and compliance arrangements under the Corporations Act and ASIC policy. If the Responsible Entity fails to comply with the conditions of its Australian Financial Services Licence, then ASIC may take action to suspend or revoke the licence, which in turn could adversely impact Viva Energy REIT.

10.1.25. Insolvency

In the event of any liquidation or winding up of Viva Energy REIT, the claims of Viva Energy REIT's creditors, including under the Debt Facilities described in Section 13.8, will rank ahead of those of its Securityholders. Under such circumstances Viva Energy REIT will first repay or discharge all claims of its creditors. Any surplus assets (if any) will then be distributed to Viva Energy REIT's Securityholders. All Securityholders will rank equally in their claim and will be entitled to an equal share per Stapled Security. Viva Energy has the right to exercise a call option to acquire one or more of the leased properties should Viva Energy REIT suffer an insolvency event.

10.1.26. Change in capital structure

Changes in the capital structure of Viva Energy REIT, for example from the raising of further debt or the issue of further equity to repay or refinance existing debt facilities or to fund the acquisition of additional properties, may affect the value or returns from an investment in Stapled Securities.

10.1.27. Dilution risk

If the Company and the Responsible Entity issue Stapled Securities to new investors, the existing Securityholders' proportional ownership of Viva Energy REIT may be reduced. For example, if you do not participate in a future entitlement offer or choose not to reinvest your Distributions pursuant to any future DRP, then your ownership of Viva Energy REIT will be diluted.

10.2. Risks specific to your investment in property

These risks relate to an investment in property:

10.2.1. Property valuations

Valuations ascribed to each service station site will be influenced by a number of ongoing factors, including:

- supply and demand for property, particularly service station property assets;
- the fuel volume throughput of the property and associated gross margin;
- general property market conditions;
- the availability of credit;
- the ability to attract and implement economically viable rental arrangements;
- the gross convenience store sales at the property;
- re-leasing of the properties;
- Capitalisation Rates (the rate of return from an investment); and
- general economic factors such as the level of inflation, interest rates and share market and economics cycles, both within Australia and overseas.

In addition, the valuations are based on a number of important assumptions set out in Section 8, and if those assumptions are not correct, the value of the properties may turn out to be materially lower than that shown in the valuation.

10. Investment risks (cont)

The valuation of properties may fall, potentially quickly, if the underlying assumptions on which the Independent Valuations outlined in this Offer Document are based differ in the future. Changes in local demographics and/or local civil planning, for example road planning, may also render individual properties less suitable, or even unsuitable, for use as service stations, which may impact the valuation of those properties. As changes in valuations of investment properties are recorded in the income statement, any decreases in value will have a negative impact on the income statement and, in turn, the price of Viva Energy REIT's Stapled Securities may fall. Decreases in property valuations may also cause Viva Energy REIT to breach its financial covenants under the Debt Facility Agreement.

In addition, the independent valuations included in this Offer Document are the estimates of Colliers International and may not reflect the price a property would realise if sold. The Independent Valuations are subject to a number of assumptions which may not be accurate. See Section 8.

10.2.2. *Property liquidity*

Viva Energy REIT may be required to dispose of some of its property assets in response to adverse business conditions, including if it is unable to refinance the Debt Facilities on suitable terms prior to maturity. Given the relatively illiquid nature of property investments, Viva Energy REIT may not be able to achieve the disposal of the property asset(s) in a timely manner or at a sale price that matches the carrying value of the property. This may affect Viva Energy REIT's net asset value or trading price per Stapled Security.

10.3. *General risks*

These general risks are common to most investments.

10.3.1. *Price of Stapled Securities*

The price of the Stapled Securities in Viva Energy REIT quoted on ASX may fluctuate, resulting in the Stapled Securities trading at prices below or above the Offer Price. These fluctuations may be due to a number of factors, including:

- changes to general economic conditions in Australia and abroad including inflation, interest rates and exchange rates;
- demand for property securities both domestically and internationally;
- changes in Government policy, legislation and regulations;
- inclusion or removal of the Stapled Securities from major market indices;
- speculation and trading abnormalities on public trading markets; and
- general and operational business risks.

Consequently, the trading price of Viva Energy REIT may be influenced by factors non-specific to Viva Energy REIT and out of Viva Energy REIT's ability to control. These fluctuations could have materially adverse effects on the trading performance of the Stapled Securities.

No assurances can be made that the performance of the Stapled Securities will not be adversely affected by such market fluctuations or factors. None of Viva Energy REIT, its Directors or any other person guarantees the performance of the Stapled Securities.

10.3.2. *Trading of Stapled Securities*

Viva Energy REIT has no trading history prior to the Offer. Consequently, following listing on ASX there is no guarantee that an active trading market will develop for the Stapled Securities. Liquidity of the Stapled Securities will be dependent on the volume of relative buyers and sellers in the secondary market at any given time, and there may be relatively few potential buyers or sellers of the Shares on ASX at any time. Because of the size of the retained interest in Viva Energy REIT by Viva Energy, the liquidity of Stapled Securities trading on ASX may be adversely impacted. Additionally, large Securityholders (including Viva Energy), choosing to trade out of their positions at discounts to prevailing market prices may also affect the market and price of the Stapled Securities.

Increased trading price volatility may occur as a result of any of these factors, with the outcome being that Securityholders selling their Stapled Securities into the public markets may receive a sale price that is less than the Offer Price they paid.

10. Investment risks (cont)

10.3.3. Insurance

With respect to a range of potential losses in connection with its service station properties, including property damage, public liability and workers' compensation, Viva Energy REIT will not have its own insurance but will require under the Leases that Viva Energy as Tenant either take out, or to cause its subtenant to take out, such insurance, noting the interest of Viva Energy REIT as landlord on such policies. See Section 13.1 for further details.

The policies that Viva Energy or its subtenants are required to take out do not cover all possible risks that may result in damage or loss. For example, the policies will not cover acts of terrorism, business interruptions, or certain environmental liabilities. The insured amount of such policies may not be sufficient to cover all losses that are incurred with respect to covered events. Disputes with insurers may result in insurance proceeds that are less than the losses incurred, or that are significantly delayed. In addition, because Viva Energy REIT will not be responsible for taking out the insurance, it may not be able to ensure that all of the required policies have been taken out, are on satisfactory terms, or have been complied with, and that all the premiums have been paid.

The Responsible Entity has also obtained \$50 million in investment managers insurance, which is required as a condition of its AFSL.

A loss that is not covered by insurance may result in a service station being unable to resume its business after a loss for an extended period of time, resulting in lost rent and a significant reduction in the value of the affected property or properties, or may result in direct losses to Viva Energy REIT due to uninsured liabilities or unreimbursed costs to restore a property to a usable condition.

10.3.4. Macro-economic

Changes in the general economic outlook both in Australia and globally may impact the performance of Viva Energy REIT and its Portfolio. Examples include (whether individually or in combination):

- changes in economic conditions and outlook in Australia and internationally;
- changes in Australian Government, industrial, fiscal, or monetary, regulatory policies (e.g. competition and environmental policies) or changes to laws (e.g. taxation laws);
- changes in interest rates, exchange rates or rates of inflation;
- investor sentiment for particular sectors and asset classes over the economic cycle;
- the impact of international conflicts or acts of terrorism;
- performance of comparable listed entities and projects;
- changes in the general level of prices on local and international share markets and general investor sentiment in these markets; and
- significant industrial, contractual or political disturbances impacting Viva Energy REIT or the continuity of its business.

Consequently, the trading price of Stapled Securities may be influenced by factors non-specific to Viva Energy REIT and out of Viva Energy REIT's ability to control.

No assurances can be made that the performance of the Stapled Securities will not be adversely affected by such market fluctuations or factors. Neither Viva Energy REIT or the Viva Energy REIT Directors or any other person guarantees the performance of the Stapled Securities.

10.3.5. Changes in laws, regulations and policy

Changes in laws, regulations and Government policy may affect Viva Energy REIT or Viva Energy and the attractiveness of an investment in Viva Energy REIT. Further, the impact of actions by governments may affect Viva Energy REIT's activities including such matters as compliance with environmental laws, regulations and taxation.

10.3.6. Accounting standards

The Australian Accounting Standards to which Viva Energy REIT adheres are set by the Australian Accounting Standards Board (AASB) and are consequently out of the control of Viva Energy REIT and its Directors. Changes to Accounting Standards issued by AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in Viva Energy REIT's financial statements.

Section 11

Taxation



11. Taxation

11.1. Introduction

This taxation summary addresses the Australian tax consequences of Securityholders acquiring and disposing of Stapled Securities in Viva Energy REIT.

The taxation summary provided is of a general nature and should not be relied upon by Securityholders as specific Australian or New Zealand taxation advice. Securityholders should obtain and rely on their own independent professional advice about the consequences of acquiring or disposing of Stapled Securities and receiving Distributions on the Stapled Securities having regard to their own circumstances.

The comments made in Sections 11.3 and 11.5 (excluding Sections 11.3.4 and 11.5.4) of this taxation summary only extend to individuals, companies (other than life insurance companies) and complying superannuation funds that are residents for Australian income tax purposes and acquire and hold their Stapled Securities on capital account. This taxation summary does not consider the consequences for Securityholders who acquire or hold their Stapled Securities on revenue account or as trading stock, or who are exempt from Australian income tax, or are subject to the taxation of financial arrangements (TOFA) provisions in respect of a Securityholder's Units or Shares.

The comments made in Sections 11.3.4 and 11.5.4 of this taxation summary consider the Australian taxation implications for non-resident Securityholders that acquire and hold their Stapled Securities on capital account for Australian income tax purposes. The information in this Section dealing with non-residents of Australia does not apply to non-resident Securityholders who hold their Stapled Securities through a permanent establishment in Australia or hold their Stapled Securities via an interposed Australian entity(ies).

Sections 11.2, 11.3, 11.4, 11.5 and 11.7 of the taxation summary are based on the relevant taxation laws in the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997*, the *Income Tax Rates Act 1986*, *A New Tax System (Goods & Services Tax) Act 1999*, the *Taxation Administration Act 1953* and relevant stamp duty legislation (referred to collectively herein as "the Australian Tax Act") as at the date of this PDS and the associated administrative instruments, except where otherwise indicated.

Australia is in the process of major taxation reform, including the Tax Reform White Paper process and other tax reform changes. It is possible that future legislation or changes made to the administrative interpretation of the existing law will affect the matters considered in this summary.

The comments made in Sections 11.6 and 11.7 of this taxation summary extend to New Zealand tax resident Securityholders that are residents of New Zealand for income tax purposes and acquire and hold their Stapled Securities on capital account for New Zealand income tax purposes. This taxation summary does not consider the consequences for Securityholders who acquire or hold their Stapled Securities on revenue account or as trading stock, or shareholders who are exempt from New Zealand income tax.

The summary of the New Zealand taxation implications for New Zealand resident Securityholders is based on the New Zealand income tax law as at the date of this PDS. New Zealand income tax laws are subject to continual change and, as the tax treatment applicable to particular investors may differ, it is recommended that all New Zealand resident Securityholders seek their own professional advice on the taxation implications before acquiring Stapled Securities.

The summaries in Sections 11.6 and 11.7 are based on the relevant taxation laws in the *Income Tax Act 2007*, the *Tax Administration Act 1994* and the *Good and Services Tax Act 1985* (referred to collectively herein as "the New Zealand Tax Act").

11.2. Managed investment trust (MIT) aspects

The Trust is expected to qualify as a MIT for Australian tax purposes. For the Trust to qualify as a MIT in relation to an income year, it must satisfy a number of conditions, including conditions relating to being widely held by investors. The Responsible Entity believes the Trust will satisfy the conditions for it to be a MIT, including the widely held conditions, although final determination of this is possible only once the actual Securityholders are known.

A MIT has certain tax advantages which may be categorised as the ability to make a capital account election and reduced withholding tax on distributions to some non-resident Securityholders. MITs may elect to treat eligible investments (including real property) on capital account, which provides certainty on the tax treatment of disposals of these assets, and they will always be dealt with under the CGT rules, rather than the ordinary income rules. The remainder of this summary assumes that the Trust will qualify as a MIT and that it will make a valid capital account election.

On 5 May 2016, the *Tax Laws Amendment (New Tax System for Managed Investment Trusts) Act 2016* received Royal Assent. Under this new law, certain MITs may be able to elect to apply the new Attribution MIT (AMIT) tax regime with effect from 1 July 2016. The Trust is eligible to, and will make, an election to apply the new AMIT rules with effect from the start of its first income year.

11. Taxation (cont)

11.3. *The Trust and Distributions*

A unit trust is taxed in a similar manner to a company if it is classified as a “public trading trust” under Division 6C of the Australian Tax Act. On the basis that the Trust will only invest in property for the purpose of deriving rental income, the Trust should not fall under Division 6C. This conclusion should apply in future income years. However, the Division 6C test is undertaken on a yearly basis and will look at the activities of the Trust at any time in each income year.

On the basis that Division 6C does not apply, the Trust should be a “flow-through” entity for income tax purposes such that the net income of the Trust will be taxable in the hands of the Securityholders. If the Trust has taxable income, Securityholders will generally be liable for tax on an attribution basis at their own applicable tax rates. The amount of taxable income that is attributed to each Securityholder can be determined on a “fair and reasonable basis” (generally, by reference to the units held in the Trust by each Securityholder). Under the AMIT regime, Securityholders will be subject to tax in respect of the income year in which the net income is derived by the Trust, even if it is not distributed to them until after that year.

11.3.1. *Net income of the Trust*

The net income of the Trust should include rental income derived from its investment properties. Capital allowance deductions, management fees paid by the Trust to the Responsible Entity and other routine expenses should be deducted to determine the net income of the Trust. At present, it is expected that the main type of receipt by the Trust will be rental income from its investment in the Portfolio during the Forecast Period.

11.3.2. *Disposal of properties*

It is possible that the Trust may dispose of investment properties at a future time. Should the Trust dispose of an investment property, the Trust may derive a capital gain to the extent that the consideration received on disposal of a property exceeds the tax cost base of the property. The Trust may incur a capital loss on the disposal of a property to the extent that the consideration on disposal is less than the reduced tax cost base of the property. To the extent that there is a capital gain, the Trust should (if the property has been held for more than 12 months) apply the 50% CGT discount to reduce the capital gain included in its net income.

The cost base of the properties to the Trust is anticipated to be substantially below their market value at the time of their disposal so that any disposal is likely to accrue a capital gain to the Trust.

Where discounted capital gains are distributed to the Securityholders, that capital gain is initially grossed up for the CGT discount (i.e. doubled) in the hands of the Securityholder. The Securityholder may then reduce the capital gain with capital losses (if capital losses are available) and the CGT discount (if the Securityholder qualifies for the CGT discount).

11.3.3. *Cost base adjustments*

To the extent that a Securityholder receives a Distribution that is greater than the Securityholder’s attributed share of the net income of the Trust, this will result in a downward adjustment to the Securityholder’s cost base in their Trust Units for CGT purposes. If the cost base of the Units is reduced to nil, any further such amounts would constitute a capital gain to a Securityholder. In these circumstances, the capital gain included in the Securityholder’s assessable income may be reduced if the CGT discount applies (please refer to Section 11.5.1, 11.5.2 and 11.5.3 below for further details).

To the extent that a Securityholder receives a Distribution that is less than the Securityholder’s attributed share of the net income of the Trust, this will result in an upward adjustment of the Securityholder’s cost base in their Trust Units for CGT purposes.

11.3.4. *Non-residents*

Distributions that the Trust makes that qualify as “fund payments” will be subject to specific withholding tax rules. A fund payment is any payment from the net taxable income of the Trust to Securityholders reduced by the amount of any dividend, interest or royalties included in the amount. In practice, a fund payment will represent the rental income from properties held by the Trust and capital gains on disposal of those properties (i.e. the Trust is not expected to derive royalty, dividend or interest income).

The Responsible Entity will be required to withhold from Distributions to non-resident Securityholders in respect of Australian sourced income (other than dividends, royalties and interest) as follows:

- For Securityholders that are not residents of Australia and who provide an address or place of payment for the Distribution in an “information exchange country”, the Responsible Entity will withhold tax at 15% from fund payments.
- For Securityholders that provide addresses in non-information exchange countries, the rate of withholding applied will be 30%.
- Where Securityholders are resident in a country other than the information exchange country address provided to the trustee, further Australian tax obligations may arise for that Securityholder.

11. Taxation (cont)

Non-resident Securityholders should not be required to lodge an Australian income tax return in respect of a Trust Distribution that is subject to MIT withholding tax. This is due to the MIT withholding tax being a final tax for Australian income tax purposes.

An information exchange country is a country specified as such in regulations issued under the tax law. We note that for non-resident Securityholders that are trusts, further liability to MIT withholding tax may arise at the level of the beneficiaries of those trusts if a beneficiary is a resident of a country that is not an information exchange country.

11.4. *The Company and dividends*

It is not presently intended that the Company will pay any dividends. All Distributions are expected to be made by the Trust.

11.5. *Disposal of Stapled Securities*

For CGT purposes, the disposal of a Stapled Security will involve the disposal of two separate assets – a Share in the Company and a Unit in the Trust. The tax consequences must be worked out separately for each.

As the components of the Stapled Securities cannot be acquired or traded separately, an apportionment of the sale proceeds between the two assets will be required based on the relative market value of each at the time of the disposal.

The capital proceeds for each Share and each Unit will need to be compared with the cost base of each Share and each Unit respectively in order to determine any resulting capital gain (or loss). The cost base of each Share in the Company will be the amount of the overall purchase price of a Stapled Security allocated to the Share, together with any capital costs of acquisition or disposal. The cost base of each Unit in the Trust will be the amount of the overall purchase price of a Stapled Security allocated to the Unit, together with any capital costs of acquisition or disposal. Further, the cost base of each Unit in the Trust is required to be reduced by any tax deferred Distributions received from the Trust which adjust the cost base, as discussed above.

To determine any resulting capital loss, the capital proceeds of each Share and Unit will need to be compared with the reduced cost base of each Share and Unit.

All capital gains and capital losses arising in a financial year are added together to determine whether a Securityholder has derived a net capital gain or incurred a net capital loss in a year.

If a Securityholder derives a net capital gain in a year, this amount is, subject to the comments below, included in the Securityholder's assessable income. If a Securityholder incurs a net capital loss in a year, this amount may be carried forward and should be available to offset capital gains derived in subsequent years, subject in some cases to the Securityholder satisfying certain rules relating to the recoupment of carried forward tax losses.

11.5.1. *Individuals and trusts*

Securityholders which are individuals and trusts will in certain circumstances be liable to tax on only half of any capital gain made on the disposal of a Share or Unit. This 50% "discount" is only available if the Share or Unit is owned by the Securityholder for at least 12 months prior to disposal. The CGT discount applies after the offset of current year and carry forward capital losses.

A capital gain arising from the receipt of tax deferred Distributions by a Securityholder from the Trust (as described in Section 11.3.3 above) may be reduced by the CGT discount.

11.5.2. *Superannuation funds*

The CGT treatment of complying Australian resident superannuation funds is, in general, the same as that set out above for Australian resident individuals and trusts, except that the "discount" is one-third of the capital gain rather than 50%.

11.5.3. *Corporates*

The CGT discount is not available to corporate Securityholders.

11.5.4. *Non-residents*

Non-resident Securityholders would generally be subject to CGT on disposal of Stapled Securities. A CGT discount is not available for non-resident Securityholders. However, no Australian tax should be payable on capital gains made by non-resident Securityholders from the disposal of their Stapled Securities where their Securityholding (together with associates) is less than 10% of the Trust and the Company (either at the time of the CGT event or in any 12 month period in the 24 months prior to the CGT event).

11. Taxation (cont)

11.6. *New Zealand tax resident Securityholders*

As noted above in Sections 11.3.4 and 11.5.4, there could be Australian tax outcomes for foreign resident Securityholders, including New Zealand residents. In addition to those Australian tax consequences, there could be New Zealand tax outcomes for New Zealand tax resident Securityholders. The following summary is a general guide that outlines the New Zealand taxation implications applicable to New Zealand tax resident Securityholders.

The summary assumes that no New Zealand tax resident Securityholders will have an interest of 10% or more in Viva Energy REIT by virtue of holding Stapled Securities.

Generally, the New Zealand taxation treatment of an investment in Australian securities is not the same as the New Zealand taxation treatment of an investment in New Zealand securities.

11.6.1. *The Trust and Distributions*

For New Zealand tax purposes, the Trust, being an Australian unit trust, is deemed to be a company. New Zealand tax resident Securityholders are treated as holding shares in an Australian resident company.

De Minimis Threshold

Securityholders that are individuals (and certain trusts) that hold a total cost of NZD50,000 or less of Units in the Trust along with Shares in the Company and any other foreign shares (that are not in ASX listed Australian companies) have a choice whether to follow the Foreign Investment Fund (FIF) rules below. If the Securityholder chooses not to apply the FIF rules, the Securityholder will only be taxable on Distributions received from the Trust. All other investors must apply the FIF rules explained below.

New Zealand Foreign Investment Fund rules

An investment in the Trust by a New Zealand tax resident Securityholder is likely to be a FIF interest for New Zealand tax purposes.

The main method to calculate a New Zealand tax resident Securityholder's taxable income from the Trust is under the Fair Dividend Rate (FDR) method. The FDR method taxes investors on 5% of the opening market value of the Units in the Trust held at the beginning of the year plus an adjustment for any gain or loss on Units in the Trust bought and subsequently sold within the same year. Under the FDR method, Distributions and gains and losses arising on the disposal of Units are not separately taxable. Securityholders that are individuals or certain family trusts can choose to calculate taxable income from the Trust under the Comparative Value (CV) method (see below) instead of the FDR method. Losses arising under the FDR method or the CV method, if it is chosen as an alternative method to the FDR method, are not deductible.

The CV method taxes investors on their actual gain (or loss) each year from the Trust (i.e. the aggregate of changes in market value, income distributions, the cost of Units purchased and the proceeds of Units sold during the year).

Income Distributions and disposals

Where the FIF regime applies to a Securityholder, income distributions and disposal gains and losses are not separately taxable. Distributions and gains and losses are included in the CV calculation.

Where the FIF regime does not apply (refer to the De Minimis Threshold noted above) then the income Distributions will be taxable.

Foreign withholding tax

Any Australian withholding tax deducted from Distributions from the Trust may be allowed as a credit against a New Zealand tax resident Securityholder's New Zealand income tax liability, subject to the general limitation that the credit allowed is the lesser of the New Zealand tax payable on FIF income from the Trust and the Australian withholding tax paid.

11.6.2. *The Company and dividends*

An investment in the Company by a New Zealand tax resident Securityholder is likely to be a FIF interest for New Zealand tax purposes.

New Zealand FIF rules

The main method to calculate a New Zealand tax resident Securityholder's taxable income from the Company is under the FDR method (as discussed above). Securityholders that are individuals or certain family trusts can choose to calculate taxable income from the Company under the CV method instead of the FDR method. Note that these investors might also qualify for the De Minimis Threshold discussed above.

11. Taxation (cont)

Income Distributions and disposals

Income Distributions and disposal gains and losses are not separately taxable under the FDR and CV FIF calculation methods. Distributions and gains and losses are included in the CV calculation.

Foreign withholding tax

Any Australian withholding tax deducted from distributions from the Company may be allowed as a credit against a New Zealand tax resident Securityholder's New Zealand income tax liability, subject to the general limitation that the credit allowed is the lesser of the New Zealand tax payable on FIF income from the Company and the Australian withholding tax paid.

11.7. *Other matters*

11.7.1. *GST*

No Australian GST should be payable by investors in respect of their acquisition or disposal of the Stapled Securities. Securityholders may not be entitled to claim full input tax credits in respect of any GST included in the costs they have incurred in connection with their acquisition or disposal of the Stapled Securities. Securityholders should seek their own independent tax advice relevant to their particular circumstances.

Under current New Zealand law, no New Zealand goods and services tax liability will arise on either the issue of Stapled Securities or on the subsequent transfer of Stapled Securities.

11.7.2. *Tax File Number and Australian Business Number*

An Australian Securityholder may quote its Tax File Number (TFN) or, where relevant, Australian Business Number (ABN).

If a TFN or ABN is not quoted, and no exemption is applicable, tax may be deducted by the Company from the unfranked portion of any dividends distributed to Securityholders or by the Trust from net income amounts to which a Securityholder is presently entitled. The rate of withholding is the highest marginal tax rate of 47% plus Medicare levy.

Resident Securityholders that hold their Stapled Securities as part of an enterprise may quote their ABN instead of their TFN.

11.7.3. *Australian stamp duty*

No stamp duty should be payable by Securityholders on the issue of Shares in the Company or the issue of Units in the Trust. Given the proposed holdings of Stapled Securities outlined at Section 5.3, under the current stamp duty legislation, no stamp duty should be payable on any subsequent transfer of the Shares in the Company or Units in the Trust.

Section 12

Fees and other costs



12. Fees and other costs

The Corporations Act requires Viva Energy REIT to include the following standard consumer advisory warning. The information in the consumer advisory warning is standard across product disclosure statements and is not specific to information on fees and costs in Viva Energy REIT.

Consumer advisory warning

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your Fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask Viva Energy REIT or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the ASIC website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

12. Fees and other costs (cont)

12.1. Fees and other costs

The following table shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of Viva Energy REIT as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Management costs associated with the operation of Viva Energy REIT

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of Viva Energy REIT		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs (the fees and costs for managing your investment)		
The fees and costs for managing your investment	Viva Energy REIT Board and other corporate expenses estimated to be \$0.3 million per month for FY17. The Manager will receive a monthly payment of \$0.2 million, being a proportional amount of the estimated costs of the Manager for FY17. This estimated amount will be adjusted to reflect the actual costs of the Manager in accordance with the Management Agreement.	To be paid from the income or assets of the Trust monthly in arrears. To be paid out of the Company's and the Trust's assets.
Service fees		
Switching fee The fee for changing investment options	Nil	Not applicable

12. Fees and other costs (cont)

Broker service fee	1.5% of the total value	Payable by Applicants under the Broker Firm Offer to their Broker on making an Application.
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Example of annual fees and costs

This table gives an example of how the fees and costs in Viva Energy REIT can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

First full financial year after close of the Offer

Example relating to Viva Energy REIT

Type of fee or cost	Amount	Balance of \$50,000 ¹
Contribution fees	Nil	Not applicable
PLUS		
management costs		For every \$50,000 you have in the Trust, you will be charged the following amounts in the first year.
Viva Energy REIT related expenses²	\$2.1 million p.a.	For every \$50,000 you invest you will be charged \$5.88 per month.
Management and other administrative costs	\$4.6 million p.a.	For every \$50,000 you invest you will be charged \$12.66 per month.
EQUALS costs of Viva Energy REIT		If you had an investment of \$50,000 at the beginning of the year, you would be charged fees of \$222.56 for that year.

Additional explanation of fees and costs

The table in Section 12.1 shows the management costs associated with the operation of Viva Energy REIT.

Following is some additional information in relation to those management costs.

Ongoing expense recoveries

(a) Viva Energy REIT related expenses

Expenses properly incurred by either the Responsible Entity in operating the Trust, or by the Company or the Management in managing the Trust's affairs (because the Company and the Manager will be involved in managing the affairs of the Trust under the Management Agreement) may be paid from, or reimbursed out of, the income or assets of the Trust.

These expenses include ongoing costs of operating Viva Energy REIT such as taxes, ASX fees, other regulatory fees, audit fees, insurance, marketing, compliance costs and other general expenses. These amounts will be paid in cash at the relevant time, out of assets of, or as an expense of, the Trust.

The Trust Constitution and further information about the Responsible Entity are explained in Section 13.14.1. The Management Agreement is further explained in Section 13.3.

These ongoing costs do not include the costs associated with the acquisition of real property by Viva Energy REIT.

(b) Operating expenses of the Company

The expenses detailed in the table in Section 12.1 include the normal costs and expenses payable by the Company in relation to the day-to-day administration by the Company of its own affairs, including the salaries of the Company Directors, and the other normal expenses associated with running its affairs (such as, for example, audit fees, compliance costs and wages).

1. This table assumes that a total of \$50,000 is invested under the Offer. If you were to invest \$50,000 in Stapled Securities subsequent to the Offer, the amount of fees applicable to that investment may differ from the amounts set out in this table. There is no guarantee that Stapled Securities will be able to be acquired for the Offer Price subsequent to the Offer. Any acquisition subsequent to the Offer will not be subject to additional fees.

2. Estimated Board and other corporate costs.

12. Fees and other costs (cont)

The Company has also entered into a Management Agreement with the Manager which is further explained in Section 13.3.

(c) Broker service fees

A fee of 1.5% of the total value is payable by Applicant under the Broker Firm Offer to their Broker in respect of services provided by the Broker to the Applicant in connection with the Offer. This fee is a one-off fee payable at the time of an Applicant's initial investment in Stapled Securities.

Manager costs

Under (and in accordance with) the terms of the Management Agreement, the Manager is entitled to be reimbursed for all costs, expenses and liabilities incurred by it in providing the services. Prior to Listing, the Company, the Responsible Entity and the Manager will agree the estimated reimbursable costs for the period between completion of the Offer and 31 December 2017, which estimate will be subject to a true up procedure if actual costs differ from the estimate.

For each subsequent financial year, the Manager will propose an estimate of the reimbursable costs. The Company Board must consider and approve the proposed estimate of reimbursable costs. If the Company Board does not approve that proposed estimate before the start of the relevant financial year, then the agreed reimbursable costs will be, subject to certain conditions, the amount equal to the agreed reimbursable costs for the immediately preceding financial year.

The reimbursable costs will be paid in equal monthly instalments based on the agreed reimbursable costs estimate. For each financial year commencing after 31 December 2017, a six-monthly cost review will be conducted to adjust for any difference between the actual reimbursable costs and the agreed reimbursable costs payable to the Manager.

GST

Unless otherwise shown, all fees and expenses are expressed inclusive of GST, less the amount of expected reduced input tax credits.

Fees and expenses of the Offer

The estimated fees and expenses associated with the Offer are summarised below. These costs are one-off in nature and have not been included in the forecast management costs of the Trust in subsequent years. These costs will be covered by Viva Energy REIT.

Type of fee or cost	Amount	How and when paid
Joint Lead Manager fees	\$23.8 million	Paid to the Joint Lead Managers from the assets of the Viva Energy REIT Trust or the Company (as the case may be) on completion of the Offer.
Debt establishment costs Costs associated with establishing the Debt Facilities including Lender commitment fees, arrangement fees, upfront fees and associated legal fees.	\$5.8 million	Paid to the Lenders from the assets of the Trust or the Company (as the case may be) on completion of the Offer.
Other Offer related costs Costs associated with the Offer, including legal fees, Investigating Accountant's fees, taxation adviser fees, ASX Listing fees, property valuation fees, Broker fees, registry fees, printing fees and other miscellaneous fees	\$11.7 million	Paid to the relevant parties from the assets of the Trust or the Company (as the case may be) on or around completion of the Offer.

Section 13

Material agreements



13. Material agreements

The following agreements are summarised in this Section 13:

- Leases
- Master Agreement
- Management Agreement
- Site Acquisition and Leasing Agreement
- Assumptions Deeds Poll
- Sale and Purchase Agreement
- Transfers
- Debt Facility Agreement
- Restructure Implementation Deed
- Site Agreements
- Stapling Deed
- Trade Mark Licence Agreement
- Alliance Agreement – Rights upon termination
- Rights and liabilities attaching to Stapled Securities
- Offer Management Agreement

13.1. Leases

Immediately following completion of the sale and purchase of the Portfolio, Viva Energy REIT (as landlord and acting through the Sub Trustee¹) will grant a Lease over each property in the Portfolio in favour of Viva Energy (as tenant). Coles Express will continue to occupy each of those properties² under the Site Agreements. Other existing third party tenants will also continue to have occupation rights in respect of certain sites, with most of those tenancy arrangements being directly between Coles Express and those third parties. The rights of the Sub Trustee and Viva Energy under each Lease will be subject to, and qualified by, the terms of any Site Agreement which relates to the property³. Each Lease will have the following material terms.

- **Term:** The initial term of the Lease will be between 10 and 18 years, with the Leases (in aggregate) having a Weighted Average Lease Expiry of 15.3 years as at the Settlement Date.
- **Option:** The Lease will grant Viva Energy seven 10 year options to renew. Any renewed Lease will be on the same terms as the initial Lease (except for rent and other consequential changes), and any option to renew is to be exercised by Viva Energy giving not less than six months' notice before the expiry date of the existing term.
- **Rent:** The initial rent payable will be as specified in Section 8 of this Offer Document and is to be increased annually by a fixed 3%. Prior to the commencement of any renewed lease, the Sub Trustee will nominate its assessment of the then current market rent for that property which, if not disputed by Viva Energy, will become the rent payable from the commencement date of that renewed lease. Any dispute is to be resolved via good faith negotiations and, if agreement is not reached, by a third party valuer.
- **Maintenance:** Viva Energy must keep the Premises and the tenant's fixed assets in good and substantial repair having regard to the condition of the Premises as at the Transfer Date, subject to fair wear and tear.
- **Outgoings:** Viva Energy will be responsible for all Outgoings.
- **Insurance:** Viva Energy must maintain (or cause Coles Express to maintain) the following insurances with a reputable insurer:
 - damage and destruction of the improvements forming part of the Premises and the tenant's fixed assets for their full replacement value;
 - public liability insurance for an amount not less than \$20,000,000;
 - insurance for any work carried out on the Premises which is commonly the subject of contracts works insurance; and
 - workers' compensation insurance required by law.

with each such policy taken out by Viva Energy to note the interest of the Sub Trustee

1. The Sub Trustee is a wholly-owned subsidiary of the Company and therefore forms part of Viva Energy REIT. It is the trustee of the Sub Trust and, in that capacity, enters into the Leases and acquires the properties in the Portfolio.
2. Other than the two unmanned truck stops that are not part of the Alliance.
3. A summary of the Site Agreements is set out in Section 13.10.

13. Material agreements (cont)

- **Use of Premises:** Viva Energy may not use the Premises or allow the Premises to be used for any purpose other than a service station, convenience store and any other uses permitted by law.
- **Alterations:** Viva Energy may carry out alterations to the Premises without the Sub Trustee's consent, at Viva Energy's cost, other than the following kinds of material alterations which may only be made with the Sub Trustee's consent:
 - works or alterations which would materially diminish the value of the Premises; and
 - any works which would materially change the predominant use of the Premises.
- **Major Capital Works:** Viva Energy may elect to undertake Major Capital Works at its own expense (which election must be approved by the Sub Trustee, such approval be unreasonably withheld) or submit a proposal for Major Capital Works to the Sub Trustee.

If the Sub Trustee agrees to undertake or pay for Major Capital Works:

- those Major Capital Works will be carried out by the person specified in the proposal and the Sub Trustee will pay for them;
- the rent payable under the relevant Lease will be increased by an amount and over a period detailed in the proposal or by an amount and period otherwise agreed by the parties;
- the Major Capital Works will be owned by the Sub Trustee and form part of the Landlord's Improvement.

If Viva Energy elects to undertake Major Capital Works and completes them at its expense:

- the Major Capital Works will be owned by Viva Energy; and
- Viva Energy may elect to vary the Lease so that:
 - the term of the Lease will be extended so that the term remaining under the Lease is 15 years or such other period as agreed between the parties; and
 - the rent payable under the Lease will be subject to a market rent review with a condition that the rent payable cannot decrease as a result of that review.

The Sub Trustee may purchase the improvements comprising any Major Capital Works paid for by Viva Energy at market value upon expiry of the Lease.

- **Contamination:** Viva Energy must:
 - use reasonable endeavours to ensure that it does not cause or permit the Premises to be Contaminated such that the Contamination would pose an unacceptable risk for ongoing use of the Premises as a service station; and
 - carry out any necessary works to remediate the Premises to ensure that they are not Contaminated such that the Contamination would be considered to pose an unacceptable level of risk for the ongoing use of the Premises as a service station. However, Viva Energy is not responsible for carrying out any remediation or other works necessary in relation to Contamination caused or contributed to by the Sub Trustee or any agent, employee, contractor, licensee or invitee of the Sub Trustee. If, upon expiry of a Lease, Viva Energy is required to complete any remediation or works at the Premises, the Sub Trustee must grant Viva Energy a further lease for a term of up to two years on terms equivalent to the existing Lease.
- **Assignment:** Viva Energy may assign the Lease to any other member of the Viva Energy Group or to Coles Express, without the Sub Trustee's consent, and to any other person with the Sub Trustee's consent (subject to the satisfaction of certain requirements).
- **Subleasing and licensing:** Viva Energy may grant a sublease or licence of the Premises without the Sub Trustee's consent provided the sublease or licence ends before the expiry of the Lease and automatically terminates if the Lease terminates.
- **Guarantee:** Viva Energy Group guarantees to the Sub Trustee the performance by Viva Energy of its payment obligations under the Lease.

13. Material agreements (cont)

- **Default, termination and expiry:** The triggers for, and consequences of, default, termination or expiry (as applicable) of the Lease are as follows:
 - **Insolvency Event:** a party commits a breach of the Lease if it becomes subject to an Insolvency Event.
 - **Fundamental breach by Viva Energy:** If Viva Energy breaches the Lease by failing to pay rent or Outgoings of an amount exceeding 20% of the annual rent and Outgoings or suffering an Insolvency Event and Viva Energy does not:
 - remedy the breach; or
 - show cause as to why it is unreasonable of the Sub Trustee to require rectification of the breach,

within 60 business days of it receiving written notification of the breach from the Sub Trustee, the Sub Trustee may:

- in the case of non-payment of rent or Outgoings, terminate the Lease; or
- in the case of an Insolvency Event, give notice of its intention to terminate the Lease at the end of a six month period during which Viva Energy must comply with its obligations under the Lease and may attempt to find a third party to take an assignment of the Lease.
- **Other breach by Viva Energy or the Sub Trustee:** If Viva Energy or the Sub Trustee (the **defaulting party**) commits a breach of the Lease (and which breach is not a fundamental breach by Viva Energy (see ‘Fundamental breach by Viva Energy’ immediately above)), the other party (the **non-defaulting party**) may give the defaulting party notice of that breach, and if the defaulting party fails to remedy that breach within a reasonable time after receipt of the non-defaulting party’s notice, the non-defaulting party may:
 - seek to recover damages from the defaulting party for breach of the Lease.
 - remedy the defaulting party’s breach and obtain indemnity from the defaulting party for any loss the non-defaulting party incurs in doing so; and
 - if the defaulting party is the Sub Trustee, Viva Energy may also exercise any rights available to it under the Master Agreement.
- **Site Agreement in force on termination:** If the Premises are subject to a Site Agreement at the time of termination or expiry of the Lease:
 - if, at that time, the Sub Trustee is a Permitted Transferee, the Sub Trustee and Viva Energy must do all things necessary to ensure that Viva Energy’s rights and obligations under that Site Agreement are assigned and transferred to the Sub Trustee in accordance with the Transfer Requirements; or
 - if at that time the Sub Trustee is not a Permitted Transferee, the Sub Trustee and Viva Energy must use their best endeavours to procure that the Sub Trustee takes a transfer of the rights held by the Tenant under the Site Agreement and assumes the obligations of the Tenant under the Site Agreement.

and Viva Energy must indemnify the Sub Trustee for:

- an amount equal to the difference between: (i) the rent that the Sub Trustee would have received under the Lease during the period between the date of its termination or expiry and the date of termination or expiry of the Site Agreement (**Indemnity Period**); and (ii) all money which the Sub Trustee receives under the Site Agreement during the Indemnity Period; and
- all costs and expenses which the Sub Trustee incurs under the Site Agreement during the Indemnity Period to the extent they exceed those which it would have incurred under the Lease during that same period.
- **Extension if Premises subject to a Site Agreement:** If a Site Agreement would continue to be in force at the expiry date of the Lease, Viva Energy, not less than 6 months before the date of expiry, must either:
 - exercise the next option in respect of the Lease; or
 - if that next option term would expire after the expiry of the Site Agreement, extend the term of the Lease to a date that is at least one day after the expiry of the relevant Site Agreement.
- **Call option to purchase fixed assets:** If the Sub Trustee terminates the Lease, Viva Energy fails to renew the Lease or Viva Energy has no further option to renew the Lease, the Sub Trustee may purchase any fixed assets on the Premises owned by Viva Energy, other than any fixed assets Viva Energy is required to transfer to Coles Express. If this call option is exercised, each party may appoint a valuer to determine the current market value of the fixed assets to be acquired by the Sub Trustee and the purchase price for those assets will be the average of the two valuations.
- **Expiry of Lease – no further option:** If the Lease expires and there is no further option to renew, the parties will, for a period of 90 days no later than six months before expiry of the Lease consider and discuss in good faith the terms on which the landlord and the Tenant may enter into a further Lease of the premises.

13. Material agreements (cont)

- **Viva Energy first right of refusal to lease after expiry of the lease:**

If:

- the Lease expires;
- the parties have not agreed to enter into a new lease;
- there have been no serious and persistent breaches of the Lease by Viva Energy during the final two years of the Lease; and
- the Sub Trustee is permitted under the terms of any applicable Site Agreement to lease the premises to Viva Energy,

then, if at any time during the period of 12 months after the expiry of the Lease the Sub Trustee intends to lease the Premises, it must first offer the Premises for lease to Viva Energy on the same material terms as the Sub Trustee proposes to lease the Premises to a third party. Viva Energy has 30 business days to respond after receiving notice from the Sub Trustee of its intention to lease the premises. If Viva Energy declines the offer of the new lease, the Sub Trustee may not:

- offer to lease the Premises to a third party on material terms which are more favourable than those offered to Viva Energy without re-offering the Premises to Viva Energy on those more favourable terms; or
- enter into a lease of the Premises more than six months later, unless it has first re-offered the Premises for lease to Viva Energy.

- **Viva Energy Call Option to purchase:** Viva Energy may acquire the Premises upon the occurrence of a Tenant's Call Option Trigger Event (being certain kinds of Insolvency Events). However, Viva Energy may not exercise this call option if it has caused, or substantially contributed to, that event occurring. If Viva Energy validly exercises this call option:

- each party to the Lease may appoint a valuer to determine the current market value of the property and the purchase price for the property will be the average of the two valuations; and
- in respect of any Premises that is the subject of a Site Agreement:
 - if the transferee is a Permitted Transferee, the parties must comply with the Transfer Requirements in respect of that transfer; or
 - if the transferee is not a Permitted Transferee, the Sub Trustee must first offer the Premises to Coles Express in accordance with any pre-emptive right in favour of Coles Express under the terms of that Site Agreement.

- **Viva Energy right of first refusal:** If the Sub Trustee proposes to sell or transfer the property, the Sub Trustee must give notice to Viva Energy of the proposed sale terms which will constitute an offer to Viva Energy to acquire the property. Viva Energy will have 30 business days to accept those sale terms. If Viva Energy:

- accepts the offer and, at that time, the property is the subject of a Site Agreement and Viva Energy is:
 - a Permitted Transferee, the parties must comply with the Transfer Requirements in respect of that transfer; or
 - not a Permitted Transferee, the Sub Trustee must first offer the Premises to Coles Express in accordance with any pre-emptive right in favour of Coles Express under the terms of that Site Agreement.
- does not accept the offer, then the Sub Trustee may (subject to any rights of Coles Express) sell to a third party within six months on terms and at a price that are no more favourable to the proposed purchaser than the terms offered to Viva Energy. If the Sub Trustee sells the Premises to a third party, the Sub Trustee must ensure that the third party:
 - accepts responsibility for, and releases the Sub Trustee from any liability associated with, any remediation of Contamination in respect of the Premises; and
 - assumes all obligations under the Lease, the Excluded Obligations in relation to the Premises and certain other obligations.

13. Material agreements (cont)

13.2. Master Agreement

The Master Agreement grants certain call options and rights of first refusal between Viva Energy (as Tenant) and Viva Energy REIT (as landlord and acting through the Sub Trustee) which govern, among other things, the disposal of each Premises in certain circumstances. While the exercise of those arrangements, options and rights in relation to any site in respect of which there is a Site Agreement are subject to the rights of Coles Express, those rights will not apply if the transferee is a Permitted Transferee and the Transfer Requirements are satisfied. Please refer to Section 13.5 for a description of those terms.

- **Acquisition rights:**
 - The Sub Trustee has a right of first refusal to acquire any property that is owned by Viva Energy and used (or proposed to be used) as a retail service station site (**Sub Trustee Right of First Refusal**).
 - Viva Energy has a right of first refusal to acquire any property that is owned by the Sub Trustee and which is leased to Viva Energy or used by the relevant occupier as a retail service station (**Viva Energy Right of First Refusal**).
 - In each case, the disposing party must give notice to the other party of the proposed sale terms which will constitute an offer to acquire the property on those terms. That other party will have 30 business days to accept those sale terms. If the offer is not accepted, then the disposing party may (subject to any rights of Coles Express) sell to a third party within six months on terms and at a price that are no more favourable to the proposed purchaser than the terms offered to that other party.
 - In the case of any disposal of a property by the Sub Trustee to Viva Energy or a third party, the same requirements will apply with respect to that disposal as those described in 'Viva Energy right of first refusal' in Section 13.1.
 - In the case of any disposal by Viva Energy to the Sub Trustee of a property which is the subject of a Site Agreement:
 - if the Sub Trustee is a Permitted Transferee, the parties must comply with the Transfer Requirements with respect to that transfer; and
 - if the Sub Trustee is not a Permitted Transferee, Viva Energy must first offer the Premises to Coles Express in accordance with any pre-emptive right in favour of Coles Express under the terms of that Site Agreement.
- **Viva Energy's call option to purchase properties:** Viva Energy has a call option to acquire one or more of the leased properties from the Sub Trustee. This call option is exercisable in the same circumstances as, and has identical terms to, those described in 'Viva Energy Call Option to purchase' in Section 13.1. See that Section for a summary of its terms (**Viva Energy Call Option to Purchase**).
- **Viva Energy's right of first refusal to lease new sites:** Viva Energy has a right of first refusal to lease any property owned or proposed to be purchased by the Sub Trustee which is not already (and has not been) the subject of a lease to Viva Energy. Viva Energy may lease that new site on the material lease terms on which the Sub Trustee proposes to lease that new site to a third party or the material lease terms on which a third party has offered to lease that new site. If Viva Energy does not accept the offer to lease that new site, then the Sub Trustee may lease it to a third party within six months on terms no more favourable to the proposed lessee than the terms offered to Viva Energy and provided that the third party agrees to assume certain obligations in connection with the grant of that lease (**Viva Energy Lease Right**).
- **Viva Energy's right to purchase fuel equipment:** Viva Energy may require the Sub Trustee to transfer fuel equipment to Viva Energy if it is required to transfer that equipment to Coles Express under the Alliance Agreement or if Viva Energy determines (acting reasonably) that such transfer is necessary to enable it to manage or remediate Contamination. If the right is exercised, each party must nominate a professional valuer to conduct a valuation of the relevant fuel equipment. The purchase price for the fuel equipment will be the average of the two valuations (**Viva Energy Fuel Equipment Call Option**).
- **Amendments to Site Agreements:** Viva Energy must not agree to any amendment to the terms of the Site Agreements without the consent of the Sub Trustee (which must not be unreasonably withheld) if the amendment would:
 - affect the terms upon which Coles Express occupies a material number of sites; and
 - when taken together with all other amendments to the relevant Site Agreements following the date of the Master Agreement, be considered by a reasonable person to be materially detrimental to the rights or interests of the landlord under the Site Agreements, should the Sub Trustee become the direct landlord under the Site Agreements.
- **Nomination, assignment and other group entities:** Viva Energy and the Sub Trustee may each nominate a nominee to exercise certain of their respective rights under the Master Agreement and Viva Energy may assign its rights under its call option to purchase, and rights of first refusal over, certain properties to a third party in certain circumstances and subject to certain guarantee requirements. Viva Energy must ensure that each other member of the Viva Energy Group, and the Sub Trustee must each ensure that each other member of Viva Energy REIT, complies with each obligation imposed on it under the Master Agreement as if that obligation was also imposed on that other member of its corporate group.

13. Material agreements (cont)

- **Environmental management and indemnity:**

- **Viva Energy indemnity:** Viva Energy indemnifies the Sub Trustee from and against losses incurred by the Sub Trustee arising from the presence of Contamination on, in or under, or migrating from any property in the Portfolio:
 - as at the date of transfer of ownership of that property to the Sub Trustee; or
 - to the extent caused or contributed to by Viva Energy or any person that Viva Energy invites onto that property (including Coles Express, but excluding any invitee of the Sub Trustee) during the term of the Lease in respect of that property.
- **Sub Trustee indemnity:** The Sub Trustee indemnifies Viva Energy from and against all losses incurred by Viva Energy arising from the presence of Contamination on, in or under, or migrating from any property in the Portfolio but only to the extent caused or contributed to by the Sub Trustee or any of its invitees (other than Viva Energy).
- **Limits on Viva Energy indemnity:** Viva Energy is not liable under the Viva Energy indemnity for:
 - losses incurred by the Sub Trustee to the extent that a breach by the Sub Trustee, or a failure by it to comply with certain clauses of the Master Agreement relating to remedial action and the conduct of claims, results in additional losses or costs to, or obligations on, Viva Energy;
 - any remedial action conducted by or on behalf of the Sub Trustee to the extent that it exceeds what is necessary to ensure that the relevant property is not Contaminated such that the Contamination would be considered to pose an unacceptable risk for the ongoing use of that property as a service station;
 - losses to the extent that they have arisen or been increased due to: (i) any act or omission of the Sub Trustee or its invitees that is negligent or in bad faith; (ii) the Sub Trustee or its invitee providing information to any government agency (other than where required by law, in compliance with certain clauses of the Master Agreement or in an emergency); (iii) the carrying out by, or on behalf of, the Sub Trustee of any intrusive investigation of Contamination without Viva Energy's consent (other than where required by law or in an emergency); (iv) any change of use of the property to a use that is more environmentally sensitive than a service station use; (v) any Release caused or contributed to by the Sub Trustee; (vi) the carrying out by, or on behalf of, the Sub Trustee of any business activities at any property in non-compliance with applicable laws, good environmental management practice, codes of practice or relevant authorisations; (vii) any interference by the Sub Trustee or its invitees with or disturbance of any Contamination monitoring or other equipment which is installed on or in any property; and (viii) any failure by the Sub Trustee to retain material information regarding any material environmental incident that may reasonably be anticipated to give rise to a claim against the Sub Trustee;
 - losses to the extent that they have arisen from any suit, action or claim brought by a third party in respect of the exercise or enforcement of a contractual right against the Sub Trustee;
 - in respect of any claim relating to the migration of any Contamination from any property, to the extent that the relevant losses have arisen or been caused as a result of any act of the Sub Trustee or its invitees which: (i) is outside that which a reasonable and prudent operator would be expected to take; or (ii) causes a change to any pollution control system or boundary containment system at any property (other than where required by law).
- **Remedial action and access rights:** Viva Energy's remediation obligations are subject to the rights of Coles Express under the Site Agreements. It must ensure that all remedial action is carried out in accordance with law and in a proper manner. The Sub Trustee must not propose or agree to any clean up notice or remedial action, or carry out any remedial action, that may reasonably be anticipated to give rise to a claim against or liability for Viva Energy, other than in accordance with a detailed procedure set out in the Master Agreement.
- **Managed claim regime:** The Master Agreement sets out a detailed regime for the management of potential claims. It requires the Sub Trustee to give Viva Energy written notice of any matter of which it becomes aware that is reasonably likely to give rise to a claim under the Viva Energy indemnity and take reasonable steps to mitigate any indemnifiable losses. It also sets out a detailed procedure for the conduct of third party claims in respect of which the Sub Trustee wishes to be indemnified under the Viva Energy indemnity. If Viva Energy considers, in good faith, that any indemnifiable losses arise from third party contamination, the Sub Trustee must assist Viva Energy to pursue recovery against that third party and Viva Energy will not be liable for such losses if the Sub Trustee fails to do so.
- **Exclusive remedy:** Without limiting any of its rights under any Lease, the Sub Trustee's exclusive remedies against Viva Energy for losses to the extent related to Contamination on, in or under or migrating from or onto any property in the Portfolio shall be pursuant to, and in accordance with, the Viva Energy indemnity and the Sub Trustee waives all other remedies howsoever arising.

13. Material agreements (cont)

- **SPV covenants:** The Master Agreement includes an undertaking that, during the term of the Debt Facility Agreement, Viva Energy must ensure that Viva Energy Holding complies with the special purpose vehicle requirements imposed on Viva Energy Holding pursuant to its secured borrowing base debt facilities which restrict Viva Energy Holding from trading, carrying on any business, owning assets or incurring any liabilities other than, among other things: (a) the provision of administrative services to other members of the Viva Energy Group which are customarily provided by a holding company to its subsidiaries; (b) ownership of shares in other members of the Viva Energy Group and intra-group debit and credit balances; and (c) professional fees and administration costs incurred in the ordinary course of business as a holding company.

13.3. Management Agreement

The Management Agreement, between the Responsible Entity, the Company, the Sub Trustee, the Borrower, the Manager and Viva Energy Group governs the responsibilities, accountability and decision making process as between Viva Energy REIT and the Manager. Key terms of the Management Agreement are:

- **Manager's role:** The Manager's role is to manage the assets and liabilities of Viva Energy REIT, to manage the properties on a day-to-day basis and to provide strategic, operational and administrative services required by Viva Energy REIT. In performing that role and providing those services, the Manager shall have the powers of a natural person to deal on behalf of Viva Energy REIT. When exercising its powers and discharging its duties, the Manager must act in good faith and in a manner consistent with what it reasonably considers to be in the best interests of Viva Energy REIT and the holders of Stapled Securities. The Manager may use one or more agents, or any of the Manager's affiliates, including Viva Energy, to carry out its services, functions and duties.
- **Company's role:** The Company's role is to have overall responsibility for the strategic direction of Viva Energy REIT, monitor the performance of the Manager, and make any proposal to the Manager that the Company considers to be appropriate in respect of: (i) the scope of the services provided by the Manager and the amounts payable to the Manager; (ii) matters pertaining to the forward strategic plan of Viva Energy REIT, including the preparation of financial budgets and business plans; and (iii) any other aspect of the operations and affairs of Viva Energy REIT as it may consider appropriate from time to time. The Company will also review certain recommendations made by the Manager and, if the Company considers that any such recommendation is not in the best interests of the holders of Stapled Securities, it will not approve that recommendation, as more fully described below.
- **Responsible Entity's role:** The Responsible Entity, the Sub Trustee and Finco must each comply with the terms of its constituent documents and applicable law, and provide information concerning it that is requested by the Manager for the purposes of carrying out its obligations. The Responsible Entity and the Sub Trustee must also seek advice from the Manager in relation to any matter concerning their respective assets and will not exercise any of their powers in a manner which is inconsistent with, among other things, any recommendation given by the Manager from time to time. The Responsible Entity and the Sub Trustee each appoint the Company to review the recommendations of the Manager, as described below.
- **Recommendations:** In addition to performing the services that it has agreed to provide to Viva Energy REIT, the Manager may, from time to time, recommend that Viva Energy REIT do, or not do, any act or thing. The Company Board must review any such recommendation except where that recommendation is the subject of:
 - a standing approval given under any guideline or protocol; or
 - a permission, approval or delegation given or made in any business plan or budget which has been approved by the Company Board.

The Responsible Entity and the Sub Trustee must not act in accordance with any recommendation which is the subject of Company Board review, unless the Company Board has advised the Manager in writing that the Responsible Entity or the Sub Trustee (as applicable), acting in accordance with that recommendation, would not:

- be in breach of or inconsistent with the Trust's (or the Sub Trust's) constitution, the Stapling Deed, its obligations under any document which it is bound or a relevant law; or
 - otherwise involve the Responsible Entity or the Sub Trustee acting in a manner which is not in the best interests of the holders of Stapled Securities.
- **Fees:** The Manager is to be reimbursed for all costs and expenses incurred by the Manager in carrying out its duties and responsibilities but it will not be paid any other amounts in connection with the provisions of services or the performance of its duties. See Section 12.1 for further details of the Manager costs.
 - **Indemnification of the Manager:** Viva Energy REIT indemnifies the Manager against any liability to the extent it arises out of, or in connection with: (i) the Manager's appointment to manage the assets and liabilities of Viva Energy REIT or its exercise of day-to-day control over the Portfolio; (ii) the Manager's engagement to provide the services; or (iii) anything done or not done by the Manager in accordance with the Management agreement, except, in each case, to the extent any such liability is caused by the negligence, default, breach, wilful misconduct, fraud or dishonesty of the Manager or its agents.

13. Material agreements (cont)

- **Term:** The Management Agreement does not have a fixed term. However, there are certain circumstances in which the Manager may retire or the Manager or Viva Energy REIT may terminate the Management Agreement, as described in further detail below. The Manager may also assign any of its rights or obligations under the Management Agreement to any of its related bodies corporate, provided that Viva Energy Group guarantees the payment obligations of such assignee.

If the Management Agreement is terminated, the Manager is obliged to deliver records to Viva Energy REIT and use reasonable endeavours to facilitate the orderly transfer of the management of Viva Energy REIT to the person nominated by Viva Energy REIT and provide any other assistance that the Responsible Entity reasonably requests.

- **Termination**

- **Retirement of the Manager:** The Manager may, at any time, retire as the manager of Viva Energy REIT on six months' written notice to Viva Energy REIT.
 - **Termination by the Manager:** The Manager may terminate the Management Agreement by written notice to Viva Energy REIT if:
 - Viva Energy REIT is insolvent;
 - the Responsible Entity ceases to hold the appropriate licences, authorisations or approvals required to perform the Management Agreement;
 - the Responsible Entity is removed as the responsible entity of the Trust or the Sub Trustee is removed as trustee of the Sub Trust; or
 - the Trust would be in breach of any applicable law if the Responsible Entity at the time continued to perform its responsibilities and discharge its duties under the Management Agreement.
 - **Termination of the Management Agreement by Viva Energy REIT:** Viva Energy REIT may terminate the Management Agreement by giving the Manager written notice with immediate effect:
 - if the Manager is insolvent;
 - where the Manager materially breaches the Management Agreement or applicable law, and such breach has not been remedied within 30 days of receiving notice of the breach (or for such other longer period as is reasonably required to remedy such breach); or
 - if each of the following criteria is met:
 - an independent review (which can be commissioned at any time by either the Company or the Responsible Entity (with the consent of the Company)) identifies any substantial failure by the Manager to carry out its duties and obligations where such failure is material to the ongoing management or performance of Viva Energy REIT;
 - the Company reasonably considers that the continued provision of the management services under the Management Agreement is no longer in the best interests of Viva Energy REIT;
 - the Company and the Manager are unable to agree on a satisfactory solution to the deficiency in question within 60 days of the results of the independent review being released; and
 - the Company serves a notice of termination within 30 days of the expiry of the 60 day period referred to immediately above and the Manager fails to cure the matter within 30 days of being served with that notice; or
 - where the Manager has been unable to perform its material obligations under the Management Agreement for a period of more than 60 days due to a force majeure event.
- **Guarantee:** Viva Energy Group guarantees to Viva Energy REIT the due and punctual payment by the Manager of all amounts payable by it under the Management Agreement.

13. Material agreements (cont)

13.4. Site Acquisition and Leasing Agreement

Viva Energy and Viva Energy REIT (acting through the Sub Trustee) are parties to a Site Acquisition and Leasing Agreement relating to the identification and supply of acquisition and leasing opportunities to Viva Energy and Viva Energy REIT.

- **Purpose:** To enable the parties to work together for their mutual benefit by furthering their respective commercial objectives, being:
 - for Viva Energy, to receive commercial gain through facilitating the growth of its service station network; and
 - for Viva Energy REIT, to receive commercial gain by directly participating in the expansion of Viva Energy's leasehold portfolio.
- **Opportunities identified by Viva Energy:** Viva Energy may bring new acquisition opportunities to the attention of Viva Energy REIT from time to time and, if Viva Energy REIT is interested in pursuing an opportunity:
 - Viva Energy REIT must use commercially reasonable efforts to acquire the relevant site;
 - Viva Energy (and each other member of the Viva Energy Group) must not seek to acquire the site for a period of six months; and
 - if the site is acquired by Viva Energy REIT, Viva Energy must lease it from Viva Energy REIT on agreed terms.
- **Opportunities identified by Viva Energy REIT:** Viva Energy REIT may bring new acquisition opportunities to the attention of Viva Energy from time to time which Viva Energy REIT considers appropriate for Viva Energy REIT to acquire and lease to Viva Energy. If Viva Energy is interested in pursuing that leasing opportunity:
 - Viva Energy REIT must use commercially reasonable efforts to acquire the relevant site;
 - if the site is acquired by Viva Energy REIT, Viva Energy must lease it from Viva Energy REIT on agreed terms; and
 - Viva Energy (and each other member of the Viva Energy Group) must not seek to acquire the site for a period of six months.
- **Notification obligation:** If Viva Energy REIT identifies a new acquisition opportunity but then determines it does not wish to pursue that opportunity, it must give notice of the details of that opportunity to Viva Energy, which may pursue that opportunity independently of and without consultation with Viva Energy REIT.
- **Non-exclusivity:** Viva Energy REIT and Viva Energy each acknowledge and agree that, other than to the extent expressly contemplated by the Site Acquisition and Leasing Agreement, the Master Agreement or any other written agreement or arrangement between them from time to time and subject to any rights of third parties, they may each engage in dealings in real property as they see fit and without regard to the interests of the other. Accordingly, the Site Acquisition and Leasing Agreement does not oblige Viva Energy REIT to acquire any properties that Viva Energy identifies and also does not oblige Viva Energy to bring opportunities to the attention of Viva Energy REIT. Both parties may acquire sites outside of the Site Acquisition and Leasing Agreement.

13. Material agreements (cont)

13.5. Assumption Deeds Poll

The Transfer of each property in the Portfolio⁴ to Viva Energy REIT (acting through the Sub Trustee) and their lease back to Viva Energy will result in assignments of rights and obligations under each Site Agreement which relates to those properties. Those assignments are permitted without Coles Express's consent, provided that:

- at the time of Transfer and lease back, the assignee is a Permitted Transferee⁵;
- the assignee fully and effectively assumes the rights and obligations which are transferred to it; and
- the assignor guarantees the assignee's performance of the assumed obligations,

with the requirements in the second and third bullet points above being the **Transfer Requirements**.

If Viva Energy REIT and Viva Energy engage in any future dealing in respect of a property which is the subject of a Site Agreement and the transferee is a Permitted Transferee, then it is likely that the parties will enter into one or more deeds poll in respect of that dealing on terms consistent with the Assumption Deeds Poll.

The key elements of the Assumption Deeds Poll are outlined below.

13.5.1. Assumption Deed Poll (Transfer)

Viva Energy and Viva Energy REIT (acting through the Sub Trustee) have entered into the Assumption Deed Poll (Transfer) in favour of each other and Coles Express. Under this deed poll, and in connection with the Transfers:

- Viva Energy assigns to the Sub Trustee all of Viva Energy's rights under each Site Agreement in respect of those properties, subject to the Sub Trustee's assumption of certain obligations under the deed poll;
- the Sub Trustee agrees to be bound by each of those Site Agreements as if it were a party to it, and undertakes to perform all obligations attributed to the lessor, licensor or grantor under each of them;
- Viva Energy guarantees to Coles Express and indemnifies the performance by Viva Energy REIT of all the Sub Trustee's obligations under the Site Agreements; and
- the Sub Trustee agrees that upon the disposal of any property (by way of sale, transfer or otherwise) which is the subject of the deed poll:
 - it will ensure that the transferee assumes any obligation under any Site Agreement that is assigned to the transferee in connection with that transfer; and
 - if the disposal is to a Permitted Transferee, it will guarantee the performance of those obligations by that transferee.

13.5.2. Assumption Deed Poll (Concurrent Lease)

Viva Energy and Viva Energy REIT (acting through the Sub Trustee) have entered into the Assumption Deed Poll (Concurrent Lease) in favour of each other and Coles Express. Under this deed poll, and in connection with the grant of each Lease to Viva Energy:

- the Sub Trustee assigns to Viva Energy all of its rights under each Site Agreement in respect of each leased property for the term of the Lease, subject to Viva Energy's assumption of certain obligations under the deed poll;
- Viva Energy agrees to be bound by the obligations under each Site Agreement and undertakes to perform all obligations attributed to the lessor, licensor or grantor under each of them, excluding the rights of first refusal granted to Coles Express and any obligation under any Site Option (**Excluded Obligations**), which are to be retained by the Sub Trustee, as it will remain the owner of the property; and
- the Sub Trustee guarantees to Coles Express the performance by Viva Energy of all of its obligations under each Site Agreement (excluding the Excluded Obligations).

4. With the exception of two unmanned truck stops in respect of which there are no Site Agreements.

5. As at the date of this Offer Document, each of Viva Energy and Viva Energy REIT is a Permitted Transferee and, so far as they are aware, they will each continue to be so as at the Transfer Date.

13. Material agreements (cont)

13.6. Sale and Purchase Agreement

Viva Energy (as seller) and Viva Energy REIT (acting through the Sub Trustee, as buyer) have entered into the Sale and Purchase Agreement in respect of the Transfers. Key terms of the Sale and Purchase Agreement are:

- **Price:** The properties in the Portfolio will be transferred for the Purchase Price on the Transfer Date, free of any security interest but, where relevant, subject to interests affecting those properties, the Site Agreements and other third party lease arrangements.
- **Risk:** Risk in the properties will pass from Viva Energy to the Sub Trustee on the Transfer Date, being the date of completion of the Sale and Purchase Agreement.
- **Condition and state of repair:** The Sub Trustee takes the properties in their condition and state of repair as at the Settlement Date.
- **Title and possession:** At completion of the Sale and Purchase Agreement:
 - title in the properties passes to the Sub Trustee and Viva Energy must give the Sub Trustee all documents required to effect a transfer of the legal and beneficial title in the properties (including the transfers described in Section 13.7) signed by Viva Energy ; and
 - Viva Energy must give the Sub Trustee possession of the properties, subject to any registered interests, the Site Agreements and any other third party lease arrangements.
- **GST:** The parties agree that the sale of the properties under the Sale and Purchase Agreement constitutes the supply of a going concern for the purposes of the GST law.
- **Warranties:** Viva Energy and the Sub Trustee each give the other certain warranties in relation to the transfer of the properties. The Sub Trustee must not make any claim for a breach of warranty which is less than \$50,000 and until the aggregate of all claims which exceed that amount is \$250,000. The aggregate amount of all claims in respect of:
 - any property, must not exceed the purchase price of that property; and
 - the Portfolio as a whole, must not exceed the Purchase Price

13.7. Transfers

As part of the Sale and Purchase Agreement Viva Energy (as transferor) and Viva Energy REIT (acting the Sub Trustee, as transferee) will execute transfers of each of the properties in the Portfolio. The transfers will be stamped at the relevant revenue office in the State or Territory where the land is located, and then registered at the relevant titles office. Registration of the transfers effects the legal transfer of the properties to the Sub Trustee.

- **Stamp duty:** The Sub Trustee (as transferee) is liable for stamp duty on the Sale and Purchase Agreement and the each transfer.
- **Registration fees:** The Sub Trustee (as transferee) is liable for the registration fees payable on lodgement of the transfers at each relevant titles office.

13. Material agreements (cont)

13.8 Debt Facility Agreement

The key terms of the Debt Facility Agreement are summarised below:

- **Debt Facilities:** Unsecured debt facilities totalling up to approximately \$837 million and comprising a \$736.7 million term loan facility split evenly over two tranches with three and five year maturity terms and a \$100 million revolving credit facility with a three year maturity term.
- **Facility limit increase to revolving credit facility:** Viva Energy REIT may, at any time after the first anniversary of Financial Close, request an increase to the facility limit of the revolving credit facility (on a pre-approved, but non-committed basis, meaning that existing Lenders will have the choice as to whether or not to participate in any such facility increase), by an additional \$200 million, subject to certain conditions including, but not limited to the total amount drawn under each Facility (including any proposed facility limit increase) will not cause Gearing (as adjusted from time to time) to exceed 45%, drawdown is for an approved purpose and no default has occurred and is continuing under the Debt Facility Agreement.
- **Approved purpose:** The Debt Facilities may be used for approved purposes which include: (a) funding the acquisition of the Portfolio and payment of other Transaction and Offer related costs (including for the avoidance of doubt, by on-lending such amounts to the Sub Trustee to be applied for such funding); (b) general corporate purposes; and (c) assisting with the funding of future Permitted Acquisitions.
- **Financial covenants:** The Debt Facility Agreement includes a number of financial covenants and terms and conditions, including that on 30 June and 31 December of each year:
 - Gearing does not exceed 50%; and
 - Interest Cover Ratio not to be less than 2:1.
- **Margin:** Under the Debt Facility Agreement the margin is variable depending on the Gearing, as outlined in the table below:

Gearing	Tranche A1 and Facility B (3 years)	Tranche A2 (5 years)
> 40% ≤50%	1.90%	2.10%
> 35% ≤ 40%	1.75%	1.95%
≤ 35%	1.60%	1.80%

In each case, the margins above will increase by 30 basis points if, in aggregate, 30% or more (by rental income value) of all tenants either do not possess an investment grade credit rating or are not guaranteed by an entity who possesses an investment grade credit rating. Viva Energy Holding currently has an investment grade credit rating at the lowest level on the investment grade credit rating scale.

- **Conditions precedent:** The provision of commitments and participation in the initial utilisation of the Debt Facilities by the Lenders will be subject to the satisfaction of a number of conditions precedent which are customary for unsecured debt facilities of this nature, and will include, but not be limited to, the following:
 - providing constitutional and corporate approval documents to the Lenders;
 - legal opinions being issued to the Lenders;
 - completion and delivery of the Valuation Report;
 - evidence that, upon completion of the Offer, less than 50% of the total Stapled Securities on issue are held by members of the Viva Energy Group;
 - confirmation from the Borrower that the total amount of initial loans made available under the Debt Facilities does not exceed 35% of the total value of the Portfolio;
 - confirmation from the Borrower that the appeal period in relation to the proceedings with Coles Express (as described in Section 10.1.23) has lapsed without an appeal being lodged to the High Court of Australia;
 - provision of certain reports including legal due diligence reports, a tax report and an environmental report;
 - confirmation from the Borrower that, following completion of the Offer, Viva Energy Holding will be assigned an investment grade credit rating;
 - evidence that each Lease is guaranteed by Viva Energy, that Viva Energy is the subject of an ASIC Class Order Guarantee with Viva Energy Holding and the Tenant has undertaken to the Borrower to procure that Viva Energy Holding will comply with certain of its special purpose vehicle covenants as contained in the Master Agreement (see Section 13.2 above);
 - a copy of Viva Energy REIT's Corporate Investment Policy, Corporate Governance Policy, Hedging Policy and Valuation Policy;

13. Material agreements (cont)

- evidence that insurances reasonably expected to be taken out in respect of the Sub Trustee or Viva Energy (having regard to the type of entity and portfolio of assets) have been taken out and are in full force and effect;
 - evidence of no material difference between the purchase price in the Sale and Purchase Agreement and the valuation price of properties in the Portfolio; and
 - evidence of certain exemptions or modifications obtained from ASIC in connection with the Transaction and Offer.
 - **Key undertakings:** In addition to certain standard undertakings for unsecured debt facilities of this nature, and the financial covenants as described in Section 6.8, the Debt Facility Agreement contains the following undertakings:
 - *Information undertakings:* Financial statements for Viva Energy REIT (excluding any interest in special purpose vehicles) to be provided to the Facility Agent; notification of acquisitions and disposals; certificates of compliance with financial covenants and environmental laws; and notification of events of defaults, potential event of default and any event or circumstance leading to a higher margin being payable under the Debt Facility Agreement will all be provided to the Facility Agent.
 - *Disposals:* Subject to certain customary exceptions, there are restrictions on the ability to sell, lease, transfer or otherwise dispose of any asset. Pursuant to the terms of the Debt Facility Agreement, no Obligor is permitted to dispose of any property or Site (or an Obligor that owns such property or Site) where the value of such property or Site when aggregated with the aggregate value of all other properties or Sites disposed of by an Obligor in the previous 12 month period exceeds 10% of the total tangible assets of the Viva Energy REIT (excluding any interest in special purpose vehicles).
 - *Negative pledge:* Subject to certain customary exceptions, there are restrictions on the creation of security interests.
 - *Distributions:* No Distributions are permitted if an event of default or a potential event of default is continuing immediately prior to, or immediately after, such Distribution or during any remedy period except with the prior written consent of the Facility Agent (acting on the instructions of the Majority Lenders).
 - *Insurance:* The Company (or any member of the Viva Energy REIT) shall, for itself and for Viva Energy REIT, take out and maintain, or procure that each tenant takes out and maintains reasonable insurances.
 - *Valuations:* The Borrower must ensure that each property is valued by an independent valuer at least once every three consecutive years, with at least 30% of the properties within the Portfolio (by number) being valued on an annual rolling basis and promptly notify the Facility Agent of any material amendment to the Valuation Policy. The Facility Agent may also request (acting on the instructions of the Majority Lenders) an independent valuation of a property at any time whilst an event of default is continuing (but may only request such valuation in respect of a property that has not been valued within the last three months).
 - *Gearing:* No drawing of a facility requested if such drawdown would result in the Gearing (as adjusted from time to time) to exceed 45%.
 - *Alliance Agreement:* If the Alliance Agreement is terminated, the Facility Agent is to be promptly notified of any information known in respect of such termination.
 - *Guarantor threshold:* The aggregate total tangible assets and EBITDA of the Borrower and each other Obligor represent not less than 90% of the consolidated total tangible assets and EBITDA of the Viva Energy REIT (excluding any special purpose vehicle).
 - *Most favoured nation:* If an Obligor incurs any financial indebtedness with a third party financial institution (Third Party Loan), to the extent any corresponding gearing ratio, interest cover ratio or similar financial covenants contained in any agreements required to give effect to any such Third Party Loan is more beneficial to that third party than the financial covenants under the Debt Facility Agreement or to the extent the Third Party Loan includes other financial covenants, then the financial covenants in the Debt Facility Agreement will be adjusted for the benefit of the Lenders in order to align with any such corresponding gearing ratio, interest cover ratio or similar financial covenants contained in any such other agreement and any other financial covenants in that agreement.
 - *Other restrictions:* In each case, subject to certain customary exceptions, there are restrictions on incurring financial indebtedness, acquisitions (see below for details for Permitted Acquisitions), disposing of assets, mergers, any substantial change in business and dealing with certain material documents (including the Company Constitution, the Trust Constitution, the Stapling Deed, the Sale and Purchase Agreement, the Master Agreement, the Management Agreement, the Restructure Implementation Deed, the Leases and the environmental due diligence procedures set out in the Corporate Investment Policy).
 - **Permitted Acquisitions:** Pursuant to the terms of the Debt Facility Agreement, a “Permitted Acquisition” shall be any acquisition which is either made with the consent of the Majority Lenders or which involves the acquisition of a property that is, or will be used as a petrol station (a “Site”) or of all the issued shares or units in an entity which owns (directly or indirectly) a Site or Sites.
-

13. Material agreements (cont)

Furthermore, acquisitions of Sites must also satisfy each of the following conditions:

- no event of default or a potential event of default under the Debt Facility Agreement is continuing or would occur as a result of making the proposed acquisition;
- the acquisition is consistent with the core business of the Viva Energy REIT as at the date of the Debt Facility Agreement;
- the acquisition must relate to a Site located within Australia or New Zealand;
- the acquisition must be made in accordance with Viva Energy REIT's Corporate Investment Policy; and
- the Site is either:
 - o a Category A Site (as defined below); or
 - o the total consideration for the acquisition of that Site, when aggregated with the consideration paid for all other Sites which are not Category A Sites, and which have been acquired by a member of the Viva Energy REIT (other than any special purpose vehicle) in the previous 12 month period, does not exceed in value 5% of the total tangible assets of the Viva Energy REIT (excluding any special purpose vehicle).

The Borrower will have 6 months to remedy any breach caused by an acquisition which exceeds the above 5% threshold by either directly or indirectly disposing of Sites or ensuring that any number of Sites become Category A Sites.

To be considered a "Category A Site", the Site must be one where:

- any material environmental liability which is applicable (including any responsibility for remediation) is, or will be, imposed on the tenant under that Site's lease; and
 - the tenant of that Site is either:
 - o Viva Energy Holding (who at the time possesses an investment grade credit rating) or a subsidiary of Viva Energy Holding: (a) whose payment obligations under the relevant lease are guaranteed by Viva Energy Group; (b) which is the subject of an ASIC Class Order Guarantee with Viva Energy Holding; and (c) which has undertaken that Viva Energy Holding will comply with the special purpose vehicle covenants as contained in the Master Agreement (as described in Section 13.2); or
 - o another entity which has an investment grade credit rating or whose obligations under the relevant lease are guaranteed by an entity which has an investment grade credit rating.
- **Representations and warranties:** The Debt Facility Agreement contains representations and warranties customary for unsecured debt facilities of this nature.
 - **Events of default:** The Debt Facility Agreement contains events of default which are customary for unsecured debt facilities of this nature, and include, but are not limited to, the following:
 - failure to pay amounts due under the Debt Facility Agreement;
 - failure to comply with an undertaking (including, subject to cure periods, the financial covenants);
 - repudiation, termination or vitiation of any finance document or any material documents (including the Company Constitution, the Trust Constitution, the Stapling Deed, the Sale and Purchase Agreement, the Master Agreement, the Management Agreement, the Restructure Implementation Deed and the Leases);
 - Viva Energy REIT is removed from ASX or any its Stapled Securities are suspended from official quotation on ASX for a continuous period of 10 business days;
 - subject to certain exceptions, the Stapled Securities cease to be stapled to each other; or
 - any other event or circumstance occurs which has or is reasonably likely to have a material adverse effect.
 - **Review event:** It will be a review event under the Debt Facility Agreement if the Viva Energy Group, either directly or indirectly, ceases to beneficially own and control at least 20% of the Stapled Securities by selling or transferring its interests in the Stapled Securities, or an entity other than a member of the Viva Energy Group Controls either the Company or the Trust. In such circumstance, subject to certain agreed negotiation and notification periods, a repayment of the Debt Facilities may be required as outlined in further detail in Section 10.1.14.

13. Material agreements (cont)

13.9. Restructure Implementation Deed

The Restructure Implementation Deed sets out the way in which the Transfer of the Portfolio from Viva Energy to Viva Energy REIT will be effected. The key terms of the Restructure Implementation Deed are set out below:

- **Restructure steps:** The key restructure steps are as follows:
 - **Step 1 (Execution of Restructure Documents):** Each person executes each Restructure Document to which it is contemplated to be a signatory.
 - **Step 2 (Execution of Leases):** Viva Energy and the Sub Trustee each execute each Lease.
 - **Step 3 (Completion under Sale and Purchase Agreement)** Completion occurs under the Sale and Purchase Agreement, pursuant to which:
 - Viva Energy transfers the properties in the Portfolio to the Sub Trustee in exchange for the Sub Trustee issuing the Promissory Note (Cash payment) to Viva Energy and the Promissory Note (Company shares) and Promissory Note (Trust units) to Viva Energy Group (at the direction of Viva Energy). A promissory note is a promise by the issuer of the note to pay the face value of that note to the holder of the note upon its presentation to the issuer; and
 - the Assumption Deed Poll (Transfer) and certain other Restructure Documents take effect.
 - **Step 4 (Commencement of Leases):** the term of each Lease commences and the Assumption Deed Poll (Concurrent Lease) takes effect.
 - **Step 5 (Issuance of Stapled Securities to Viva Energy Group):** Viva Energy Group is issued the Viva Energy Offer Securities and in consideration of which Viva Energy Group endorses and delivers the Promissory Note (Company shares) to the Company and the Promissory Note (Trust units) to the Responsible Entity. The Responsible Entity then presents and surrenders Promissory Note (Trust units) to the Sub Trustee in consideration of the issuance of partly paid units in the Sub Trust to the Responsible Entity.
 - **Step 6 (Taxation matters):** Certain formal taxation-related steps are undertaken by the Viva Energy Group and Viva Energy REIT.
 - **Step 7 (Settlement of the Offer):** The Offer settles pursuant to the Offer Management Agreement.
 - **Step 8 (Allotment of the Stapled Securities):** Stapled Securities are issued to participants in the Offer and all subscription monies received for Stapled Securities are paid to the Responsible Entity and the Company.
 - **Step 9 (Drawdown under Debt Facility Agreement):** The Borrower draws down a loan under the Debt Facilities and on-lends the net proceeds of that loan to the Sub Trustee.
 - **Step 10 (Presentation of promissory notes):** Each Promissory Note (other than Promissory Note (Trust units)) is presented and surrendered to the issuer of that note in exchange for a cash payment equal to the face value of that note. The Responsible Entity also applies most of the cash proceeds raised from the issuance of Units under the Offer to pay up the partly paid units in the Sub Trust issued to it under Step 5 (Issuance of Stapled Securities to Viva Energy Group). This payment on those units is required to put the Sub Trustee in funds to satisfy its payment obligations to Viva Energy upon presentation of the Promissory Note (Cash payment).
 - **Timing of restructure steps:** Step 1 (Execution of Restructure Documents) will occur on or before the date of this Offer Document, Step 2 (Execution of Leases) will occur prior to the Transfer Date, Step 3 (Completion under Sale and Purchase Agreement) to Step 6 (Taxation matters) will occur on the Transfer Date, Step 7 (Settlement of the Offer) will occur on the Settlement Date, and Step 8 (Allotment of the Stapled Securities) to Step 10 (Presentation of promissory notes) will occur on the Allotment Date.
 - **Limitation of liability:** The liability of certain parties to the Restructure Implementation Deed who have executed that document in their capacity as the trustee of a trust is limited in accordance with their standard limitation of liability clause which, in each case, limits the liability of that party to the assets of the trust of which it is the trustee.
 - **Conditions precedent:** The implementation of the restructure contemplated by the Restructure Implementation Deed is conditional upon:
 - satisfaction or waiver of the conditions precedent under the Offer Management Agreement;
 - each condition precedent to the drawdown of funding under the Debt Facility Agreement having been satisfied or waived (other than any condition relating to Settlement occurring); and
 - neither of the above-mentioned agreements having been terminated and no party to the Restructure Implementation Deed being restrained from performing its obligations under that deed.
 - **Termination:** Viva Energy may terminate the Restructure Implementation Deed by written notice at any time prior to 8am on the Transfer Date. Any party may terminate the document where a condition precedent becomes incapable of satisfaction or has not been satisfied by 31 December 2016.
-

13. Material agreements (cont)

13.10. Site Agreements

The properties to be transferred to Viva Energy REIT are currently subject to proprietary and occupation rights granted to Coles Express (as tenant) by Viva Energy (as landlord). These consist of site leases, site licences and site options entered into pursuant to the Alliance Agreement and they are collectively referred to in this Offer Document as the **Site Agreements**. As described in Section 13.5, Viva Energy REIT (acting through the Sub Trustee) will, for a moment in time, be bound by all of the terms of each of those Site Agreements. Upon the grant of the Leases, Viva Energy will again become the landlord to Coles Express under the site leases and site licences; however, Viva Energy REIT (acting through the Sub Trustee) will retain the Excluded Obligations, as they are obligations which only the landowner can perform. If a Lease is terminated or expires in respect of a site which is, at that time, the subject of a Site Agreement, Viva Energy REIT may become the landlord to Coles Express under that Site Agreement and, in that event it would be bound by the terms of that document.

Key terms of the Site Agreements are:

- **Grant of lease (or licence):** The landlord grants to Coles Express (among other things):
 - a lease (or licence) of the premises for the conduct of its business from that site; and
 - the right to use the fuel equipment on the premises for the conduct of its business.
- **Rental and utilities:** Calculation of the rental payable by Coles Express is detailed in each Site Agreement. Coles Express pays all utilities or services (excluding rates) to the premises, including garbage collection, pest control, electricity, gas, excess water and sewerage, oil, and any other type of energy or fuel, telephone and telecommunications, subject to certain exceptions. The landlord pays all rates due on the sites.
- **Care, maintenance and repair of the premises:** Coles Express must keep the premises clean, tidy and maintained and in good repair and condition, having regard to its condition at the commencement of the Site Agreement, excepting fair wear and tear. Repair and maintenance are obligations of Viva Energy or covered by manufacturer warranty or defect liability periods.
- **Care, maintenance and repair of the fuel equipment:** The landlord must keep the fuel equipment maintained and in good repair and condition.
- **Contamination indemnity:** The landlord indemnifies Coles Express and certain of its related bodies corporate from time to time and their respective officers and employees against any liability in relation to any historical contamination and certain kinds of contamination caused during the term of the Site Agreement.
- **Insurances:** Coles Express must effect and maintain insurance for public liability and industrial special risks.
- **Restriction on disposal of site or head lease:** The landlord may not sell, transfer, assign, surrender or otherwise part with the benefit of its right, title or interest in the site, other than with the consent of Coles Express (which may not be unreasonably withheld) or to a Permitted Transferee if the Transfer Requirements are satisfied.
- **Right of first refusal:** If the landlord intends to sell, transfer or otherwise dispose of a site the subject of a Site Agreement, it must first offer to dispose of that site to Coles Express before disposing of it to a third party. However, that right shall not apply with respect to any such disposal to a Permitted Transferee (for example, the Sub Trustee as at the Transfer Date), provided that the Transfer Requirements are satisfied. With effect from completion of the Transfers, Viva Energy REIT (acting through the Sub Trustee) will be bound by certain site options in relation to a number of the properties in the Portfolio. The site options relate to certain sites which Coles Express occupies under a licence (rather than a lease) and allow it to exercise an option to acquire the site if the landowner fails to comply with any right of first refusal obligations owed to Coles Express in respect of that site.

13. Material agreements (cont)

13.11. Stapling Deed

The Responsible Entity and the Company entered into a stapling deed dated 10 July 2016 (Stapling Deed). The Stapling Deed sets out the terms and conditions on which each Unit in the Trust is to be stapled to a Share in the Company (and vice versa) and the obligations of the Responsible Entity and the Company in respect of the Stapled Securities. Key terms of the Stapling Deed are:

- **Shares and Units trade together:** Units and Shares may only be dealt with together (as described below) until they are de-stapled. Neither the Responsible Entity nor the Company may do anything or refrain from doing anything that would result directly or indirectly in any Unit or Share not forming part of a stapled security. The Stapled Securities may only be de-stapled if the de-stapling is approved by the Responsible Entity and the holders of the Stapled Securities in accordance with the Constitution of the Company and the Trust Constitution and the parties have arranged the necessary funding for the Company and the Trust to operate independently.
- **Obligations of the Company and the Responsible Entity:** The Company and the Responsible Entity have obligations to ensure that a Share is stapled to a Unit. In particular, the Company and the Responsible Entity must ensure that no offer, transfer (or registration of a transfer), consolidation, sub-division, cancellation, buy-back or redemption of a Share occurs unless there is a corresponding and identical offer, transfer (or registration of a transfer), consolidation, sub-division, cancellation, buyback or redemption of a Unit (and vice versa).
- **Allocation of price:** The Company will, in consultation with the Responsible Entity, determine what part of the amount payable for the issue of a Stapled Security is to represent the issue price of each Share and each Unit. If the Company and the Responsible Entity cannot reach agreement, within the specified time period an auditor (jointly appointed by the Company and the Responsible Entity) will make a decision on the allocation of the issue price, and such decision is binding unless there is a manifest error.
- **General obligations:** The Responsible Entity and the Company agree that they must at all material times do all things reasonably necessary to enable them to give effect to the terms and conditions of the Stapling Deed and perform their respective obligations under the Stapling Deed. Specific matters listed for co-operation and consultation include holding concurrent or consecutive meetings of Securityholders and in relation to changing, reorganising or restructuring the stapling arrangements.
- **Corporate actions:** Neither the Responsible Entity nor the Company may cause, or enter into any document to give effect to, a placement, rights issue, distribution or dividend or other issue of securities, without the prior consent of the other. Neither the Responsible Entity nor the Company may buyback, repurchase or redeem Shares or Units or other securities without the prior consent of the other.
- **Registers:** The Company must maintain, or procure the maintenance of, a register of Stapled Securities identifying the holder of each Stapled Security and ensure that the registers of holders of Stapled Securities, Shares and Units are entirely consistent with one another.
- **Duties of the Responsible Entity and the Company:** The Responsible Entity and Company must perform and comply with duties and obligations contained in the respective constitution, any other agreement to which it is bound and the Listing Rules. Subject to any fiduciary duties and the Corporations Act in exercising any power or discretion, the Responsible Entity and the Company must, while the stapling provisions in the Stapling Deed apply, have regard to the interests of the Unitholders and Shareholders as a whole.
- **Retirement of the Responsible Entity:** If the Responsible Entity retires, it must procure that an incoming responsible entity executes a deed undertaking to be bound by the Stapling Deed upon which the retiring Responsible Entity shall be discharged and released from its obligations under the Stapling Deed and in accordance with applicable law.
- **Limitation of liability of the Responsible Entity:** Other than to the extent that the Responsible Entity is entitled to recover from the Company any personal liability, the Responsible Entity enters into the Stapling Deed only in its capacity as responsible entity of the Trust and in no other capacity. Except in the case of willful misconduct, fraud or dishonesty, the Responsible Entity is not personally liable under the Stapling Deed, and its liability under the Stapling Deed is limited to the extent to which the liability can be satisfied out of the Trust and the Responsible Entity is actually indemnified for the liability.
- **Company guarantee and indemnity:** The Company must, immediately on demand by the Responsible Entity, pay to the Responsible Entity such amount as the Responsible Entity requires for the purposes of satisfying the liabilities of the Trust or satisfying any liabilities which the Responsible Entity incurs in its personal capacity as a result of acting as Responsible Entity.
- **Precedence of constitutions:** If there is any inconsistency between the Stapling Deed and either the Trust Constitution or the Company Constitution, the provisions of the Trust Constitution or the Company Constitution (as the case requires) apply to the extent of the inconsistency.
- **Dispute resolution:** The Responsible Entity and the Company must use their best endeavours to resolve any dispute in respect of the Stapling Deed without first commencing court proceedings.

13. Material agreements (cont)

13.12. Trade Mark Licence Agreement

Under the Trade Mark Licence Agreement, Viva Energy Holding grants Viva Energy REIT a non-transferrable, non-exclusive, royalty free licence to use the words 'Viva Energy' and any trade marks as agreed from time to time (**Viva IP**) for the purpose of conducting its business of owning and deriving income from land.

- **Use of Viva IP:** Viva Energy REIT must comply with Viva Energy Holding's directions and guidelines concerning use of the Viva IP notified to Viva Energy REIT in writing from time to time and not use the Viva IP in a manner likely to deceive or cause confusion or prejudice to Viva Energy Holding.
- **Termination:** Viva Energy Holding may terminate the agreement by written notice effective immediately if:
 - Viva Energy REIT materially breaches the agreement and does not cure that breach within 10 business days of being given notice of the breach;
 - the Master Agreement has been terminated;
 - in aggregate, 50% or more (by income value) of all tenants of properties owned (directly or indirectly) by Viva Energy REIT are persons other than members of the Viva Energy Group;
 - in aggregate, 50% or more (by market value) of the assets of Viva Energy REIT are not, or are not substantially the same in nature as, investment properties;
 - at any time, the aggregate relevant interests of the Viva Energy Group in Viva Energy REIT is fewer than 20% of the total securities in Viva Energy REIT on issue at that time;
 - Viva Energy REIT suffers an insolvency event;
 - Viva Energy REIT ceases or threatens to cease to carry on all or a substantial part of its business or changes the nature or scope of that business;
 - a competitor of Viva Energy Holding acquires control of Viva Energy REIT or a majority of the properties owned by it;
 - Viva Energy REIT engages in any conduct or practice that is reasonably likely, in Viva Energy Holding's opinion, to adversely affect the Viva IP; or
 - Viva Energy Holding gives written notice of termination at its convenience.
- **Consequences of termination:** on termination, Viva Energy REIT must use best endeavours to procure that the holders of Stapled Securities pass a special resolution to adopt a new name for Viva Energy REIT and, where the initial attempt is unsuccessful, it must continue to propose such resolution on an annual basis until it is passed. At all times until such resolution is passed, Viva Energy REIT must not use the 'Viva Energy' name except to the minimum extent necessary, including in order to carry on its business in the ordinary course.
- **Indemnity:** Viva Energy REIT indemnifies Viva Energy Holding for all losses it suffers by reason of any breach of the agreement by Viva Energy REIT and certain related matters.

13.13. Alliance Agreement – Rights upon termination

Under the Alliance Agreement, Coles Express has, in certain limited circumstances, a right to require that Viva Energy assigns and transfers to Coles Express its rights under each Lease in respect of properties in the Portfolio which are the subject of a Site Agreement.

That is, if the Alliance arrangements are terminated in certain circumstances, and Viva Energy does not exercise a right it has to acquire the stock, plant and equipment of Coles Express (**Stock Acquisition Right**), then Coles Express will, amongst other rights, have a right to require that Viva Energy assigns and transfers to Coles Express its rights under those Leases (**Tenant Step-In Right**).

If Coles Express was to exercise its Tenant Step-In Right, then Coles Express would become the principal tenant (Viva Energy would cease to be the tenant) to Viva Energy REIT, on the terms of the Leases.

It is important to note that this right of Coles Express to become the tenant under certain of the Leases is only exercisable if (a **Relevant Termination Event**):

- the Alliance Agreement is terminated upon the occurrence of certain limited events; and
- Viva Energy does not exercise its Stock Acquisition Right.

Viva Energy has informed Viva Energy REIT that, as at the date of this Offer Document, Viva Energy is not aware of any fact, matter or circumstances that is reasonably likely to give rise to the occurrence of any such event.

13. Material agreements (cont)

13.14. Rights and liabilities attaching to Stapled Securities

The rights and obligations of the Responsible Entity, the Company and the Securityholders of each Unit and Share are primarily set out in the Constitution of the Company (in respect of the Shares in the Company) and the Trust Constitution (in respect of the Units in the Trust).

13.14.1. Trust Constitution

The Trust Constitution is the constitution of the Trust and sets out the terms of the Units which bind the Responsible Entity and holders of Units. Key terms of the Trust Constitution are:

- **Termination:** The Trust continues until terminated by the Responsible Entity or holders of Units in accordance with the Constitution or as required by law. Subject to the Corporations Act, the Listing Rules and the Stapling Deed, the Trust may be terminated:
 - if the Trust is registered, by the holders of Units in accordance with the Corporations Act;
 - if the Trust is not registered, by a resolution approved by holders of Units which carry not less than 75% of the total votes of those entitled to vote on the resolution that the Trust be terminated; or
 - at any time, if the Responsible Entity gives written notice to the holders of Units that the Trust is to be terminated.
- **Terms of Units:** The beneficial interest in the assets of the Trust is divided into Units, which carry all rights, and are subject to all obligations, of Unitholders under the Trust Constitution. Each Unit confers on its holder an undivided, absolute vested and indefensible beneficial interest in the assets of the Trust as a whole, subject to the liabilities of the Trust. It does not confer on a holder an interest in any particular asset of the Trust.
- **Issue of Units and options:** The Responsible Entity may, at any time, consolidate, divide, issue or create Units. The Responsible Entity may at any time issue different classes of Units having attached to them such preferred, deferred or other rights, restrictions and obligations as the Responsible Entity thinks fit, subject to the stapling provisions. Subject to the Corporations Act, the Listing Rules and the Trust Constitution, the Responsible Entity may issue options on whatever terms and conditions it determines from time to time.

- **Withdrawal:** While the Trust is listed, the Responsible Entity may, subject to and in accordance with the Corporations Act (including the conditions of any applicable ASIC Instrument) and any requirements under the Listing Rules, purchase Units at a price determined in its discretion (such purchase being funded by the assets of the Trust) and cause the Units to be cancelled.

Subject to the Corporations Act, and, if applicable, the Listing Rules and any applicable ASIC Instrument, the Responsible Entity may, in its absolute discretion, redeem some or all Units held by a Unitholder or held by all Unitholders (and may also redeem all or any Units in a class) provided that the Responsible Entity complies with the notice requirements in the Trust Constitution.

While the stapling provisions in the Stapling Deed apply, the Responsible Entity must not redeem any Units unless at the same time there is a corresponding and identical redemption of Shares.

- **Small holdings:** While the Trust or Units are listed, the Responsible Entity may on one occasion in any 12 month period sell any listed Units held by Unitholders which comprise less than a marketable parcel (as defined in the Listing Rules) provided that the relevant Unitholder has not advised the Trust within the specified timeframe that it wishes to retain the Units, and in accordance with the Trust Constitution.

While the stapling provisions apply, the Responsible Entity must not sell any Units unless at the same time there is a corresponding and identical sale of Shares.

- **Distributions:** The Responsible Entity must determine the distributable income of the Trust for each distribution period. The distributable income for the relevant distribution period of the Trust is the net taxable income for the distribution period, unless net income exceeds the net taxable income, in which case, the distributable income of the Trust shall be the net income for that distribution period, or such other amount as the Responsible Entity determines. The Responsible Entity may distribute capital. A capital Distribution may be in cash, or non-cash assets or by way of additional Units, subject to the stapling provisions. The Responsible Entity may decide whether to allow holders of Units to reinvest all or some of any Distribution (after deduction of fees or tax) provided that the reinvestment of the Distribution complies with the stapling provisions of the Stapling Deed. The Responsible Entity has sole and absolute discretion to determine whether an amount is capital or income.
 - **Stapling provisions:** The Responsible Entity must use reasonable endeavours to ensure that Units are dealt with in a manner consistent with the Constitutions of the Company and the Trust and must not do anything that would result in a Unit no longer comprising a Stapled Security.
 - **Options:** Subject to the Corporations Act, the Listing Rules and the Trust Constitution, the Responsible Entity may issue options over, to subscribe for, or to acquire, a Unit or a Stapled Security on whatever terms and conditions it determines from time to time.
-

13. Material agreements (cont)

- **Transfers:** Subject to the Trust Constitution and the ASX Settlement Operating Rules in respect of a transfer, a Unitholder may only transfer Units in the manner the Responsible Entity from time to time prescribes. The Responsible Entity must refuse to register a transfer of Units if it is required to do so by the Listing Rules and it may refuse to register any transfer of Units if:
 - the transferee does not meet the Responsible Entity's criteria for membership of the Trust;
 - the transfer is not duly stamped or otherwise inconsistent with the requisite form of transfer; or
 - any amount payable by the transferee to the Responsible Entity in respect of the Units remains unpaid;
 - there is a lien over the Units; or
 - it is permitted to do so under the Trust Constitution or the Listing Rules.

While the stapling provisions apply, a transfer of a Unit will only be accepted as a proper transfer in registrable form if the transfer relates to or is accompanied by a transfer or a copy of a transfer for a Share in favour of the same transferee.

- **Approval for proportional takeover bids:** A transfer giving effect to a takeover contract resulting from the acceptance of an offer made under an off-market bid that is made or purports to be made under section 618(1)(b) of the Corporations Act in respect of a specified proportion of Units included in a class of Units must not be registered unless and until a resolution is passed by those entitled to vote to approve the bid no less than 14 days before the last day of the bid period in respect of the bid.
- **Powers of Responsible Entity:** The Responsible Entity shall have the exclusive right to manage and control the assets of the Trust as it may deem for the best interests of the Unitholders, free from all control by the Unitholders, as fully and to the same extent as though the Responsible Entity was the sole legal and equitable owner thereof.

The Responsible Entity, by power of attorney, agency, contract or otherwise, may authorise one or more persons, to do anything that it may lawfully delegate, including, but not limited to, holding any assets of the Trust and executing documents on its behalf.

While the scheme is registered, the Trust Constitution may be amended by the Responsible Entity by deed, subject to obtaining approval of holders of Units if required by the Corporations Act.

- **Outgoings:** All costs, charges, expenses and outgoings reasonably and properly incurred by the Responsible Entity in the proper performance of its duties are payable or reimbursable out of assets of the Trust.
- **Responsible Entity Fee:** The Responsible Entity is entitled to receive a fee out of the Scheme Property for managing the Scheme of \$200,000 per annum. The Responsible Entity may waive or defer the receipt of any fee, or any part of a fee, or charge a lesser fee than it is entitled to receive.
- **Meetings:** As the Trust is a registered managed investment scheme, the convening and holding of meetings must be in accordance with the Corporations Act.

When the stapling provisions apply, a meeting may be convened and conducted in conjunction with a meeting of members of the Company.

- **Voting:** Subject to the Trust Constitution and to any rights or restrictions attached to any Units or class of Units, at a general meeting:
 - on a show of hands, every member present in person or by proxy, attorney or representative has one vote; and
 - on a poll, every member present in person or by proxy has one vote for each dollar of the value of the total interests they have in the Trust.

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is demanded before a vote by show of hands is taken or before or immediately after the declaration of the result of the show of hands:

- by the chair of the meeting;
- by at least five members entitled to vote on the relevant resolution; or
- by a member or members representing at least 5% of the votes that may be cast on the resolution on a poll.

13. Material agreements (cont)

- **Interested dealings:** Subject to the law and the Listing Rules, the Responsible Entity and any one or more of its associates may at any time:
 - in any capacity subscribe for, purchase, hold or otherwise deal with Units;
 - be a responsible entity, trustee or manager in relation to any other managed investment schemes or trusts;
 - act in any representative, fiduciary or professional capacity on its own behalf or on behalf of itself or with any other of them in any capacity or with any Unitholder;
 - invest in and maintain as the assets of the Trust interests in other managed investment schemes managed or promoted by the Responsible Entity or any of its associates; and
 - be interested in or enter into any contract or transaction with itself in any capacity or with any other of them in any capacity or with any Unitholder or with any company or other entity any part of whose units, or shares or other issued capital forms part of the assets of the Trust;

and in each case the Responsible Entity (or an associate) may retain for its own benefit all profits and benefits derived from that activity.

- **Responsible Entity limitation of liability and indemnity:** To the extent legally permitted, where the Responsible Entity acts without fraud, negligence or a breach of trust involving a failure to show the degree of care and diligence required of it having regard to the powers, authorities or discretions conferred on it by the Trust Constitution, the Responsible Entity is not liable to any future Responsible Entity, any Unitholder or any other person for any loss caused; or in any event, to a greater extent than the investments, cash and other property to which the Responsible Entity is entitled and does recover through its right of indemnity from assets of the Trust actually vested in the Responsible Entity in accordance with the Trust Constitution.

Subject to the Corporations Act, the Responsible Entity is indemnified out of the assets of the Trust for any liability incurred by it in properly performing any of its duties in relation to the Trust.

- **Liability of Unitholders:** Subject to the Trust Constitution, the liability of each Unitholder is limited to the amount subscribed, or agreed to be subscribed by the Unitholders, for Units. Recourse of the Responsible Entity and Trust creditors is limited to assets of the Trust.
- **Winding up:** On termination of the Trust, the Responsible Entity must wind it up in accordance with the Trust Constitution or a court order made under the Corporations Act.
On winding up, each Unitholder is entitled to receive a share of the net proceeds of realisation of the assets of the Trust.

13.14.2. Company Constitution

The constitution of the Company (Company Constitution) sets out the terms of the Shares of the Company and is binding on the holders of Shares and the Company. Key terms of the Company Constitution are:

- **Issue of shares and options:** Subject to the Company Constitution, the Listing Rules and the ASX Settlement Operating Rules, the Directors have the right to issue Shares or grant options over unissued Shares to any person and they may do so at such times as they think fit and on the conditions they think fit.
The Company may issue preference Shares from time to time. Preference Shares have rights and restrictions as set out in the Company Constitution.
The Directors may not offer, allot or issue an ordinary Share or any other Share of another class designated by the Directors as forming part of a Stapled Security, unless, at the same time, one of each of the Units is also offered, allotted or issued (as applicable) to the same person.
- **Allocation of issue price:** The Board of the Company will, in consultation with the Responsible Entity, determine what part of the amount payable for the issue of a Stapled Security is to represent the issue price of each Share and each Unit. Unless otherwise agreed between the Company and the Responsible Entity, the allocation is to be in the ratio that the net assets (adjusted for the net market value of its investments) of the Company and the Trust at the end of the relevant period bears to the amount of the aggregate assets (adjusted for the net market value of their investments) of the Company and the Trust at the end of the relevant period immediately prior to the issue of the Stapled Security.
- **Small holdings:** The Company may on one occasion in any 12 month period sell any Shares which comprise less than a “marketable parcel” (as defined in the Listing Rules) provided that the relevant holder has not advised the Company within the specified timeframe that it wishes to retain the Shares, and in accordance with the Company Constitution.

While the stapling provisions in the Stapling Deed apply, the Company must not sell any Shares unless at the same time there is a corresponding sale of Units.

13. Material agreements (cont)

- **Variation of class rights:** The rights attached to any class of Shares may, unless their terms of issue state otherwise, be varied:
 - with the written consent of the holders of 75% of the Shares of the class; or
 - by a special resolution passed at a separate meeting of the holders of shares of the class.
- **Transfer of Shares:** Subject to the Company Constitution and to the rights or restrictions attached to any Shares or class of Shares, a member may transfer all or any of the member's Shares by:
 - a Proper ASTC Transfer (as defined in the Corporations Regulations); or
 - an instrument in writing in any usual form or in any other form that the directors approve.

While the stapling provisions apply, a transfer of a Share will only be accepted as a proper transfer in registrable form if the transfer relates to or is accompanied by a transfer or a copy of a transfer for a Unit in favour of the same transferee.

- **Approval for proportional takeover bids:** A transfer giving effect to a takeover contract resulting from the acceptance of an offer made under an off-market bid that is made or purports to be made under section 618(1)(b) of the Corporations Act in respect of a specified proportion of Shares included in a class of Shares in the Company must not be registered unless and until a resolution is passed by those entitled to vote to approve the bid no less than 14 days before the last day of the bid period in respect of the bid.
- **Meetings:** A general meeting may be convened by the Directors by resolution of the Board in accordance with the Corporations Act.

The Directors may, while the stapling provisions apply, convene a meeting of members in conjunction with a meeting of any members of the Trust.
- **Directors' duties:** Where stapling applies, the Directors:
 - may have regard to the interests of the members of the Trust; and
 - must have regard to the Company's members' interests, as holders of Shares, and as members of the Trust.
- **Director remuneration:** Each Director is entitled to such remuneration out of the funds of the Company as the Directors determine, but the remuneration of Non-Executive Directors may not exceed in total in any year the amount fixed by the Company in general meeting for that purpose. Remuneration of Directors may be provided as a contribution to a superannuation fund.
- **Interested Directors:** No contract made by a Director with the Company and no contract or arrangement entered into by or on behalf of the Company in which any Director may be in any way interested is avoided or rendered voidable merely because the Director holds office as a Director or because of the fiduciary obligations arising out of that office. No Director contracting with the Company or being interested in any arrangement involving the Company is liable to account to the Company for any profit realised by or under a contract or arrangement of that kind merely because the director holds office as a director or because of the fiduciary obligations arising out of that office provided that the director complies with any disclosure requirements applicable to the director under the Company Constitution.
- **Director indemnity:** The Company must indemnify, to the extent permitted by law, each Director, alternate Director or executive officer of the Company, or such other officers (or persons who formerly held such offices) of the Company or its related bodies corporate as determined by the Directors, in each case for all losses or liabilities incurred by the person as an officer of the Company or of a related body corporate including, but not limited to, a liability for negligence or for reasonable legal costs on a full indemnity basis.
- **Stapling provisions:** The Directors must use reasonable endeavours to ensure that Shares are dealt with in a manner consistent with the Constitutions of the Company and the Trust and must not do anything that would result in a Share no longer comprising a Stapled Security.
- **Dividends:** Subject to the Corporations Act and the Company Constitution, the Directors may pay any interim, special or final dividends as, in their judgment, the financial position of the Company justifies.

While stapling applies, no reinvestment of dividends may occur unless, contemporaneously with the reinvestment in additional Shares, the member subscribes for or purchases an additional number of Units which, when issued or acquired, are stapled to the additional Shares.

13. Material agreements (cont)

13.15. Offer Management Agreement

Viva Energy, the Company, the Responsible Entity and the Joint Lead Managers have entered into an Offer Management Agreement dated on or about the date of this Offer Document.

Under the Offer Management Agreement, the Company and the Responsible Entity (together, the **Issuer**) appoint Deutsche Bank and Merrill Lynch (being the Joint Lead Managers) as lead managers for the Offer, and the Joint Lead Managers agree to arrange and manage the Offer, including the institutional bookbuild, and to provide settlement support for the settlement obligations of Applicants who are allocated Stapled Securities under the Institutional Offer or Broker Firm Offer.

The following is a summary of the principal provisions of the Offer Management Agreement. Where used below, the term “**Offering Documents**” means this Offer Document, the International Offering Circular and certain other documents issued or published by or on behalf of, and with the authorisation of and in a form approved by, the Issuer in respect of the Offer.

Fees and expenses

On the Settlement Date, the Issuer must pay the Joint Lead Managers, in equal proportions, a management fee equal to 2.5% of the gross Offer proceeds.

The Issuer must also pay or reimburse the Joint Lead Managers for the reasonable costs of and incidental to the Offer incurred by them.

The Joint Lead Managers are liable for the payment of any fees, commissions or rebates due to any Brokers appointed under the Offer Management Agreement.

Termination events not limited by materiality

Each Joint Lead Manager may terminate its obligations under the Offer Management Agreement at any time prior to 10.00am on the Settlement Date if any of the following events occur:

- **disclosure in Offering Documents:** an Offering Document does not contain all material information required to comply with all applicable laws and regulations or contains a material statement which is untrue, inaccurate, misleading or deceptive or likely to mislead or deceive (whether by inclusion or omission);
- **supplementary Offer Document:** the Issuer issues or, in the Joint Lead Managers’ reasonable opinion, becomes required to issue a supplementary Offer Document to comply with section 719(1) or section 1016E of the Corporations Act or to amend or supplement the International Offering Circular by issuing a supplemental International Offering Circular;
- **forecasts:** the Offering Documents include any forecast, expression of opinion, belief, intention or expectation which is not, in all material respects, made after due and careful consideration in good faith and based on reasonable assumptions, or any financial forecast appearing in an Offering Document is or becomes incapable of being met or is unlikely to be met in the projected time;
- **market fall:** the S&P/ASX 200 Index closes at a level that is 12.5% or more below its level on either the business day immediately prior to the date of the Offer Management Agreement or on the closing date for the Institutional Offer (i) for at least two consecutive business days before the Settlement Date, or (ii) on the business day immediately before the Settlement Date;
- **withdrawal:** after lodgement of this Offer Document with ASIC, the Issuer withdraws this Offer Document or the Offer;
- **unable to issue Stapled Securities:** the Issuer is prevented from allotting and issuing Stapled Securities within the time required by the timetable set out in the Offer Management Agreement (as may be amended or varied in accordance with the Offer Management Agreement), the Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government agency;
- **timetable:** closing or settlement of the Offer, or the allotment of Stapled Securities under the Offer, in the timetable set out in the Offer Management Agreement is delayed by more than 2 business days without the prior written consent of the Joint Lead Managers (other than any delay agreed between the Joint Lead Managers and the Issuer, any delay caused by the Joint Lead Managers or a delay as a result of an extension of the exposure period by ASIC);
- **insolvency:** the Issuer or one of its subsidiaries or Viva Energy is insolvent or there is an act or omission which may reasonably be expected to result in any of them becoming insolvent;
- **ASIC modifications and ASX waivers:** any ASIC modification or ASX waiver granted or obtained in connection with the Offer is withdrawn, revoked or materially amended without the Joint Lead Managers’ consent (not to be unreasonably withheld or delayed);
- **notifications:** any of the following occurs: (i) ASIC issues an order (including an interim order) under section 739 or 1020E of the Corporations Act unless such an order is not made public or is withdrawn within 2 business days or, if it is issued within 2 business days of the Settlement Date, it has not be withdrawn by 5.00pm on the day before the

13. Material agreements (cont)

Settlement Date, (ii) ASIC holds a hearing under section 739(2) or 1020E(4) of the Corporations Act, (iii) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or the Offering Documents or ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Offer or the Offering Documents unless such an application is not made public or is withdrawn within 2 business days or, if it is issued within 2 business days of the Settlement Date, it has not been withdrawn by 5.00pm on the day before the Settlement Date, (iv) any person (other than the Joint relevant Lead Manager) who has previously consented to the inclusion of its name in any of the Offering Documents withdraws that consent, (v) any person gives a notice under section 730, 1021J(3) or 1021L(2) of the Corporations Act in relation to the Offering Documents, or (vi) any government agency commences, or gives notice of an intention to hold, any investigation, proceedings or hearing in relation to the Offer or any of the Offering Documents or prosecutes, commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Issuer or Viva Energy;

- **listing approval and conditional trading:** unconditional approval (or conditional approval subject only to customary conditions) is refused or not granted for (i) Viva Energy REIT's admission to the Official List, (ii) the official quotation on ASX of all of the Stapled Securities to be issued under the Offer, or (iii) conditional trading of those Stapled Securities, in each case on or before the Settlement Date (other than in the case of (iii) where approval must be obtained before an earlier date), or, if granted, the approval is subsequently withdrawn (without immediate replacement), qualified (other than by customary conditions or other conditions acceptable to the Joint Lead Managers, acting reasonably) or withheld;
- **mutual recognition:** the Issuer fails to comply with the requirements of "NZ Mutual Recognition Regime" to enable to the Offer to proceed on the basis of this Offer Document, such regime being the trans-Tasman mutual recognition of securities offering under subpart 6 of Part 9 of the *Financial Markets Conduct Act 2013 (NZ)* and under subpart 2 of Part 9 of the *Financial Markets Conduct Regulations 2014 (NZ)*;
- **change in responsible entity:** the Responsible Entity is replaced as the responsible entity of the Trust;
- **material agreements:** any agreement disclosed in this Section (other than the Offer Management Agreement) is void or voidable, is breached in a material respect, terminated or rescinded or circumstances exist or have arisen which would entitle a party to any such agreement to terminate that agreement as a result and those rights to terminate have not been waived or a condition precedent to an obligation under any one of those agreements being, in the opinion of the Joint Lead Managers (acting reasonably), incapable of being satisfied and it has not been waived with the consent of the Joint Lead Managers;
- **failure to deliver closing certificate:** a closing certificate required to be given by the Issuer or Viva Energy under the Offer Management Agreement is not given by the time required by, and in accordance with, the Offer Management Agreement;
- **prosecution or fraud:** a director of the Issuer engages or has engaged in any fraudulent conduct or fraudulent activity or is charged with an indictable offence, or any of the Issuer or Viva Energy or any of their respective subsidiaries or any related body corporate of Viva Energy engages in fraudulent conduct or fraudulent activity, whether or not in connection with the Offer; or
- **change in Chairman:** a change of the Chairman of Viva Energy REIT occurs (other than as disclosed in this Offer Document).

Termination events limited by materiality

Each Joint Lead Manager may terminate its obligations under the Offer Management Agreement at any time prior to 10.00am on the Settlement Date if any of the following events occur and, in the reasonable opinion of the relevant Joint Lead Manager, the event (i) has had or is likely to have a material adverse effect on the outcome, success or settlement of the Offer, or (ii) will or is likely to give rise to a contravention by the relevant Joint Lead Manager of, or the relevant Joint Lead Manager being involved in a contravention of, the Corporations Act or any other applicable law, or a liability of the relevant Joint Lead Manager under any applicable law:

- **material adverse change:** there is an adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Issuer and its subsidiaries or Viva Energy and its subsidiaries or related bodies corporate from that disclosed publicly by them;
 - **new circumstances:** there occurs a new circumstance that arises after this Offer Document is lodged that would have been required to be included in this Offer Document if it had arisen before the lodgement of this Offer Document with ASIC;
 - **prosecution:** either (i) a director of the Issuer or Viva Energy is charged with an offence relating to any financial or corporate matter, (ii) a director of the Issuer is disqualified from managing a corporation under Part 2D.6 of the Corporations Act, or (iii) any government agency commences any public action against the Issuer or Viva Energy or any of their respective directors in their capacity as a director of that entity, or announces that it intends to take such action;
 - **misrepresentation:** a representation and warranty made or given by the Issuer or Viva Energy or deemed to have been made or given by either of them under the Offer Management Agreement is or becomes untrue or incorrect;
-

13. Material agreements (cont)

- **breach:** a default by the Issuer or Viva Energy in the performance of any of its obligations under the Offer Management Agreement occurs (including any undertaking contained in the Offer Management Agreement);
- **material agreements:** an agreement disclosed in this Section (other than the Offer Management Agreement) is amended without the consent of the Joint Lead Managers;
- **due diligence disclosures:** the due diligence report of the due diligence committee established in connection with the Offer or any other information supplied by or on behalf of the Issuer or Viva Energy to the Lead Managers in relation to the Issuer and its subsidiaries, Viva Energy and its subsidiaries or related bodies corporate, or the Offer (in final form) is or becomes misleading or deceptive;
- **change of law:** there is introduced into the Parliament of Australia, any State of Australia or New Zealand a new law, or a government agency or any Federal or State authority of Australia or New Zealand adopts a new policy, any of which does or is likely to prohibit or regulate the Offer, capital issues or stock markets;
- **closing certificate content:** a closing certificate which is required to be furnished by the Issuer or Viva Energy under the Offer Management Agreement is untrue, incorrect or misleading;
- **disruption in financial markets and hostilities:** either (i) a general moratorium on commercial banking activities in Australia, the United States or Hong Kong is declared by the relevant central banking authority, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries, (ii) trading in all securities quoted or listed on ASX, the New York Stock Exchange or the London Stock Exchange is suspended or limited in any material respect for one or more days on which that exchange is open for trading, or (iii) hostilities not presently existing commence (whether war has been declared or not) involving any one or more of Australia, the United States, the United Kingdom or Hong Kong or any member state of the European Union, or a major terrorist act is perpetrated in or against a governmental or diplomatic installation of any of the countries mentioned above;
- **force majeure:** there is an event or occurrence which makes it illegal for the Joint Lead Managers to satisfy an obligation under the Offer Management Agreement, or to market, promote or settle the Offer;
- **compliance with regulatory requirements:** a contravention by the Issuer or any of its subsidiaries of the Corporations Act, the *Competition and Consumer Act 2010* (Cth), the *Australian Securities and Investments Commission Act 2001* (Cth), the NZ Securities Laws, a Constitution or any of the Listing Rules, or a failure to obtain any necessary regulatory consents contemplated by an agreement disclosed in this Section (other than the Offer Management Agreement);
- **change in board or senior management:** a change of the board of directors of the Company or the Responsible Entity or a change to those senior executives of the Issuer or the Manager described in the pathfinder version of this Offer Document or in this Offer Document is announced or occurs (other than a change disclosed in such pathfinder version or this Offer Document);
- **financial services licence:** the Responsible Entity's financial services licence is cancelled or revoked or there is an amendment to the terms and conditions attached to that licence; or
- **unauthorised alterations:** without the prior written consent of the Joint Lead Managers (acting reasonably), the Issuer alters its capital structure (other than as a result of the Offer) or a Constitution.

Effect of termination

If a Joint Lead Manager validly terminates its obligations under the Offer Management Agreement, that Joint Lead Manager will be relieved of its obligations under the Offer Management Agreement and the other Joint Lead Manager may, within 2 business days, elect to also terminate its obligations under the Offer Management Agreement or assume the obligations of the terminating Joint Lead Manager under the Offer Management Agreement.

Representations, warranties and undertakings

The Issuer and Viva Energy give various representations, warranties and undertakings to the Joint Lead Managers under the Offer Management Agreement which are standard for an agreement of this nature.

These representations, warranties and undertakings relate to matters such as power and authorisations, compliance with applicable laws and the Listing Rules, financial information, information contained in this Offer Document, the conduct of the Offer and the due diligence process, litigation, material contracts, liabilities, encumbrances, licences, insurance, dividends and distributions, title to property, environmental matters, internal controls and tax.

The Issuer has agreed that, other than pursuant to the Offer and subject to certain other limited exceptions, between the date of the Offer Management Agreement and the date that is 90 days after completion of the Offer, it will not, without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed), issue, agree to issue, offer for subscription or grant any option over any shares, options or other securities of (or convertible or exchangeable into equity of) the Issuer (or indicate in any way that it will or may do any of the foregoing).

13. Material agreements (cont)

The Issuer and Viva Energy have each undertaken to carry on their business, and to procure that each subsidiary of the Issuer carries on its business, in the ordinary course, and not to dispose of or charge, or agree to dispose of or charge, the whole or any material part of their business or property (except in the ordinary course of business) or enter into any agreement or commitment which is material to the making of an informed investment decision in relation to the Stapled Securities being offered under the Offer, in each between the date of the Offer Management Agreement and the date that is 120 days after completion of the Offer, without the prior written consent of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed).

Indemnity

The Issuer has agreed to indemnify the Joint Lead Managers and certain of the Joint Lead Managers' affiliated parties from losses arising out of or in connection with the Offer, the Offering Documents or the appointment of the Joint Lead Managers pursuant to the Offer Management Agreement (subject to customary exclusions including fraud, wilful misconduct, negligence and wilful default).

Guarantee

Viva Energy has given a guarantee in favour of the Joint Lead Managers in respect of the performance by the Issuer of its obligations under the Offer Management Agreement. The guarantee expires upon completion of the Offer (subject to the survival of accrued rights).

Section 14

Additional information



14. Additional information

14.1. *Nature of Offer Document*

To the extent that the Offer relates to the issue of a Unit in the Trust, this Offer Document is a product disclosure statement, for the purposes of Part 7.9 of the Corporations Act.

To the extent that the Offer relates to the issue of a Share in the Company, this Offer Document is a prospectus, for the purposes of Chapter 6D of the Corporations Act.

This Offer Document is issued by Viva Energy REIT.

14.2. *ASX waivers and confirmations*

In order to conduct the Offer, Viva Energy REIT has sought, and has been notified that it will be granted, certain confirmations of and waivers to the Listing Rules by ASX, being those listed below:

- confirmation that the structure of Viva Energy REIT is appropriate for a listed entity for the purposes of Listing Rule 1.1 (condition 1);
- confirmation that Viva Energy REIT is not required to provide accounts for the last three financial years under Listing Rule 1.3.5(a);
- confirmation that the reviewed financial statements provided in this Offer Document are sufficient for the purposes of Listing Rule 1.3.5(c);
- confirmation under Listing Rule 2.1 (condition 1) that the terms of the Stapled Securities are acceptable;
- confirmation that disclosure by one entity on behalf of Viva Energy REIT satisfies the obligation for each entity on a matter for the purposes of Listing Rule 3.1;
- confirmation under Listing Rule 7.40 that the proposed timetable is acceptable to ASX;
- customary stapling relief in relation to Listing Rules 1.1. (condition 7 and condition 8), 2.1 (condition 2), 6.24, 8.10 and 10.1;
- a waiver of Listing Rule 10.1 to the extent necessary to allow exercise of each of the Sub Trustee Right of First Refusal, the Viva Energy Right of First Refusal, the Viva Energy Call Option to Purchase, the Viva Energy Lease Right and the Viva Energy Fuel Equipment Call Option to occur on the basis disclosed in this Offer Document (whether exercised under the Master Agreement and/or the Lease) without the approval of Securityholders;
- confirmation that Viva Energy REIT will not, at the time of its admission to the Official List of ASX, have any restricted securities on issue;
- waiver of Listing Rule 6.24, clause 1 of Appendix 6A to the extent necessary so that Viva Energy REIT does not need to advise ASX of the rate of a Distribution on the date the record date is announced on the condition that an estimated distribution rate is advised to ASX on that date and the actual rate is advised to ASX as soon as it becomes known; and
- confirmation that there will be no mandatory escrow of the Stapled Securities pursuant to Listing Rule 9.1.3.
- a waiver of Listing Rules 1.1 (condition 16) and 12.8 to the extent necessary to permit Viva Energy REIT not to have a remuneration committee.

14.3. *ASIC relief*

In order to conduct the Offer, Viva Energy REIT has sought, and been granted, the following relief and modifications from ASIC:

- customary stapling relief modifying Parts 5C.2 and 5C.7 of the Corporations Act to allow the Stapled Securities to be treated as a single stapled economic entity;
- modification of sections 601FC(1) and 601FD(1)(c) to allow the Responsible Entity and its officers to consider the interests of Unitholders as holders of Stapled Securities, not just in their capacity as Unitholders of the Trust;
- modification of section 601LC to allow the Responsible Entity to give financial benefits out of property of the Trust to the Company;
- modification of sections 708(13) and 1012D(3) of the Corporations Act to allow the Company and Trust to apply dividends and distributions made to their respective members who are participants in a distribution reinvestment plan to acquire Stapled Securities; and
- an exemption from compliance with section 1020B(2) of the Corporations Act to permit the Stapled Securities to be sold during the conditional market expected to be declared by ASX in respect of the Stapled Securities.

14. Additional information (cont)

14.4. *Distribution Reinvestment Plan*

The Responsible Entity and the Company have jointly established rules for participation by Securityholders in a DRP, pursuant to which eligible Securityholders may elect to reinvest Distributions and receive additional Stapled Securities. The operation, suspension and termination of the DRP is at the discretion of the Company and the Responsible Entity. The Company and the Responsible Entity have not determined if the DRP will be offered and, if it is to be offered, for which Distributions the DRP will be made available.

Under the rules of the DRP, participation by Securityholders in the DRP is optional and not transferable and is limited to Securityholders (or, where the Stapled Securities are not beneficially held, the beneficial holder) whose registered address is in Australia or New Zealand, unless the Company and the Responsible Entity in their absolute discretion are both satisfied that such participation would not constitute a breach of the laws of that jurisdiction.

If the Company and the Responsible Entity determine to operate the DRP, full details will be available on Viva Energy REIT's website www.vivaenergyreit.com.au, including the Distributions (if any) in respect of which the DRP is available.

Key terms and conditions of the DRP are set out below:

- Securityholders who wish to participate in the DRP (Participant) must lodge an application form with the Registry, and must specify on the application form whether the Participant seeks full participation or partial participation in the DRP. If the application form does not specify the level of participation, it shall be deemed to be an application for full participation in the DRP.
- The Company and the Responsible Entity may in respect of a Distribution specify a minimum number and/or a maximum limit on the number of Stapled Securities available for participation in the DRP.
 - If the minimum level of participation is not met, the Distribution will be paid to the Participant rather than reinvested.
 - If the maximum limit of participation is exceeded, the Company and the Responsible Entity may scale back on a pro-rata basis each the Participant's participation in the DRP in respect of that Distribution. Where a scale-back applies, any amount of a Participant's Distribution which is not reinvested under the DRP will be paid to the Participant.
- The Company may satisfy its obligations under the DRP by issuing new Shares to Participants and the Responsible Entity may satisfy its obligations under the DRP by issuing new Units to Participants (in each case, in accordance with the Stapling Deed while stapling remains in force). All new Shares and Units issued to Participants under the DRP will rank equally with existing Shares and Units.
- The Company will issue additional Shares and the Responsible Entity will issue additional Units to a Participant (in each case, in accordance with the Stapling Deed while stapling remains in force) based on the average daily volume weighted average price of all Shares and Units sold during a certain period, reduced by a discount to be determined by the plan administrator (however, not exceeding 5.0%), rounded to four decimal points, and adjusted to exclude special trades and other non-market trades (at the discretion of the plan administrator).
- A Participant may, at any time, vary its participation in the DRP or cancel participation in the DRP by notice in writing to the Registry, and to be effective for an upcoming Distribution any such notice must be received by 5.00pm on the Business Day following the record date for that Distribution.
- The issue of Stapled Securities to Participants under the DRP is subject to all necessary Australian Government or other regulatory approvals (for example, in relation to foreign investment) and it will be the sole responsibility of the Participant to obtain any such approvals.
- No brokerage, commissions, stamp duty or other transaction costs will be payable by Participants in respect of an application for, or allotment of, Stapled Securities under the DRP.

It is the Participant's sole responsibility to obtain all approvals and authorisations that may be required for it to participate in the DRP.

14. Additional information (cont)

14.5. Interests of Directors

Except as set out in this Offer Document:

- no Director or proposed director holds, or held at any time during the last two years any interest in:
 - the formation or promotion of Viva Energy REIT;
 - property acquired or proposed to be acquired by Viva Energy REIT in connection with either of the formation or promotion of Viva Energy REIT or with the Offer; or
 - the Offer; and
- other than set out below, no person has paid or agreed to pay, or given or agreed to give, any benefit to a Director or proposed director:
 - to induce them to become, or to qualify as, a Director; or
 - for services provided by a Director or proposed director in connection with either the formation or promotion of Viva Energy REIT or with the Offer.

At the date of this Offer Document, none of the Directors have any interest in the Stapled Securities. Directors are entitled to participate in the Offer and, in that regard, intend to participate in the Offer as follows (directly or indirectly).

Directors	Stapled Securities to be purchased under the Offer
Laurence Brindle	100,000
Michael Bradburn	50,000
Georgina Lynch	50,000
Stephen Newton	25,000
Scott Wyatt	50,000

Remuneration of Directors

Under the Company Constitution, the Board may decide the remuneration to which each Director is entitled for his or her services as a Director. However, the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Viva Energy REIT in general meeting. This amount has been fixed at \$750,000 per annum.

Each Non-Executive Director (other than the Chairman) is currently entitled to receive \$100,000 per annum inclusive of statutory superannuation contributions for acting as a Director. The Chairman is entitled to receive \$200,000 per annum inclusive of statutory contributions. The Chairman has received consultancy fees of \$16,667 per month since 1 June 2015 until Listing, and is entitled to a further \$25,000 upon Listing. The other Non-Executive Directors have received consultancy fees of \$8,333 per month from 1 June 2016 until Listing.

In addition to the above Director's fees, the Chairman of Viva Energy REIT's Audit and Risk Management Committee will be paid \$20,000 annually and other independent non-executive Directors who are members of the Audit and Risk Management Committee will be paid \$10,000 annually for their services provided to the committee.

Deeds of indemnity

Viva Energy REIT has entered into a deed of indemnity with each Director which confirms the Director's right of access to certain books and records of Viva Energy REIT while they are a director and for a period of seven years after the Director ceases to hold office.

The deeds of indemnity require Viva Energy REIT to indemnify Directors to the full extent permitted by law against all losses or liabilities (including all reasonable legal costs) incurred by the Director.

Under the deeds of indemnity, Viva Energy REIT must ensure that the Director is at all times during his or her appointment, and for a period of seven years after the Director ceases to hold office, included as a beneficiary under a Director and Officer insurance policy.

14. Additional information (cont)

14.6. *Interests of experts, advisers and promoters*

Other than as set out in this Offer Document, no person named in this Offer Document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Offer Document and no promoter of Viva Energy REIT or Joint Lead Manager of the Offer or financial services licensee named in this Offer Document as a financial services licensee involved in the Offer, holds at the date of this Offer Document, or has held in the two years prior to that date, an interest in the formation or promotion of Viva Energy REIT, any property acquired or proposed to be acquired by the Offer Document in connection with its formation or promotion of the Offer, nor has anyone paid or agreed to pay any amount, or given or agreed to give any benefit, to such persons for services provided in connection with the formation or promotion of Viva Energy REIT.

Gilbert + Tobin is entitled to be paid approximately \$3.6 million (plus GST and disbursements) in fees and charges for legal services rendered to Viva Energy REIT up to the date of this Offer Document in connection with the Offer. Further amounts may be paid in accordance with its normal time based charges.

PricewaterhouseCoopers Securities Limited is entitled to be paid approximately \$0.39 million (plus GST and disbursements) in fees and charges for tax advice rendered to Viva Energy REIT up to the date of this Offer Document in connection with the Offer. Further amounts may be paid in accordance with its normal time-based charges.

PricewaterhouseCoopers Securities Limited is entitled to be paid approximately \$0.25 million (plus GST and disbursements) in fees and charges for preparation of the Investigating Accountant's Report and for accounting advice provided to Viva Energy REIT up to the date of this PDS in connection with the Offer. Further amounts may be paid in accordance with its normal time-based charges.

CIVAS (NSW) Pty Ltd is entitled to be paid approximately \$1.16 million (plus GST and disbursements) in fees and charges for valuation services rendered to Viva Energy REIT up to the date of this Offer Document in connection with the Offer.

Deutsche Bank and Merrill Lynch will receive fees for acting as Joint Lead Managers for the Offer as described in Section 13.15. Subject to the terms of the Debt Facility Agreement, Deutsche Bank and Bank of America NA, Australian Branch, a banking affiliate of Merrill Lynch, will be lenders to Viva Energy REIT under the Debt Facility Agreement summarised in Section 13.8, and as existing lenders to the Viva Energy Group may be repaid in part or in full from the cash amount payable to Viva Energy as part consideration for the Transfers.

14.7. *Description of the syndicate*

The Joint Lead Managers to the Offer are Deutsche Bank AG, Sydney Branch and Merrill Lynch Equities (Australia) Limited.

Securities, strategic advisory, and corporate advisory services are performed in Australia by Merrill Lynch International (Australia) Limited, Merrill Lynch Markets (Australia) Pty. Limited, Merrill Lynch (Australia) Futures Limited, Merrill Lynch Equities (Australia) Limited and their related bodies corporate (together "**BofAML**") which hold, or are exempt from the requirement to hold, an AFSL. Apart from Bank of America NA, Australian Branch, none of the other BofAML entities are an Authorised Deposit-taking Institution under the Banking Act 1959 (Cth) in Australia nor regulated by the Australian Prudential Regulation Authority. The obligations of BofAML entities in Australia (other than Bank of America NA, Australian Branch) do not represent deposits or other liabilities of Bank of America NA, Australian Branch and are not guaranteed by Bank of America NA, Australian Branch.

The Co-Managers to the Offer are Deutsche Craigs Limited, Morgans Financial Limited, National Australia Bank Limited and Wilson HTM Finance Limited.

14.8. *Consents*

Consents to be named and to inclusion of statements in the Offer Document

The persons listed in the table below have given and have not, before the lodgement of this Offer Document with ASIC, withdrawn their written consent to:

- be named in this Offer Document in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Offer Document; and

14. Additional information (cont)

- the inclusion of other statements in this Offer Document which are based on or referable to statements made in those reports or statements, or which are based on or referable to other statements made by those persons in the form and context in which they are included:

Name of person	Named as	Reports or statements
CIVAS (NSW) Pty Ltd	Colliers International	Independent Valuation Report in Section 8 Independent Industry Report in Section 9
Deutsche Bank AG, Sydney Branch	Joint Lead Manager	-
Deutsche Craigs Limited	Co-Manager	-
Eureka Operations Pty Ltd	Coles Express	Statements included in Sections 2.6.1.3, 2.6.1.3.1, and 10.1.23
Gilbert + Tobin	Australian legal adviser	-
Link Market Services Limited	Registry	-
Merrill Lynch Equities (Australia) Limited	Joint Lead Manager	-
Morgans Financial Limited	Co-Manager	-
National Australia Bank Limited	Co-Manager	-
PricewaterhouseCoopers Securities Limited	Investigating Accountant	Investigating Accountant's Report in Section 7
PricewaterhouseCoopers	Tax adviser and auditor	-
Viva Energy	-	Statements included in Section 2
Wilson HTM Corporate Finance Limited	Co-Manager	-

Each Director has given and has not, before lodgement of this Offer Document with ASIC, withdrawn his or her consent to be named in this Offer Document as a director in the form and context in which they are named and for the statements made by and on behalf of him or her to be included in this Offer Document.

None of the persons referred to above has made any statement that is included in this Offer Document or any statement on which this Offer Document is based, other than any statement or report included in this Offer Document with the consent of that person as specified above.

Each of the persons referred to above:

- has not authorised or caused the issue of this Offer Document, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in this Offer Document; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Offer Document other than references to its name or a statement or report included in this Offer Document with the consent of that person as specified above.

Director's consent to lodgement

Each Director as at the date of this Offer Document has consented to the lodgement of this Offer Document with ASIC.

14.9. Expenses of the Offer

The total expenses of the Offer payable are estimated at approximately \$41.3 million (post GST). They also include equity capital raising costs, advisory, legal, accounting, listing and other administrative fees, as well as printing, advertising and other expenses. These fees and expenses are payable by Viva Energy REIT.

14.10. Litigation and claims

Viva Energy REIT is not a party to any current litigation and the Company Board and the Responsible Entity Board have no knowledge of any such potential litigation.

14.11. Social, labour and ethical considerations

The Company and the Responsible Entity do not take into account labour standards or social or ethical considerations due to the non-operational nature of Viva Energy REIT's business. However, these considerations may be taken into account if they materially affect the value of the investment, but no specific methodology is applied.

14. Additional information (cont)

14.12. *Privacy and personal information*

The Application Form requires you to provide information that may be personal information for the purposes of the Privacy Act 1988 (Cth) (as amended) (**Privacy Act**). Viva Energy REIT (and the Registry on its behalf) collects, holds and uses that personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and to administer Viva Energy REIT. The Corporations Act requires certain particulars of securityholders to be collected and maintained in a public register.

Access to information may also be provided to other Viva Energy REIT group entities and to Viva Energy REIT's agents and service providers on the basis that they deal with such information as required by law. If you do not provide the information requested of you in the Application Form, the Registry may not be able to process your Application for Stapled Securities appropriately.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) Viva Energy REIT. You can request access to your personal information by telephoning or writing to the Registry.

Application Form

Returning a completed Application Form will be taken to constitute a representation by the Applicant that they:

- have received a printed or electronic copy of the Offer Document (and any supplementary or replacement document) accompanying the Application Form and have read them all in full;
- agree that their Application is completed and lodged in accordance with this Offer Document and subject to the declarations and statements on their Application Form;
- declare that all details and statements in the Application Form are complete and accurate;
- acknowledge that once the Application Form is returned it may not be withdrawn;
- agree to being issued the number of Stapled Securities referable to the value they apply for (or a lower number issued in accordance with this Offer Document);
- if natural persons, are at least 18 years old and do not suffer from any legal disability preventing them from applying for Stapled Securities; and
- authorise Viva Energy REIT and the Joint Lead Managers and their officers or agents, to do anything on their behalf necessary for Stapled Securities to be issued to them, including to act on instructions received by the Registry using the contact details in the Application Form.

14.13. *Goods and services tax*

Under current Australian law, goods and services tax will not be payable in respect of any transfer of Stapled Securities.

14.14. *Description of Viva Energy REIT*

The Company has interests in the following child entities:

- VER Limited (100%) (which is the responsible entity of the Trust); and
- VER Custodian Pty Ltd (100%) (which is the trustee of the Sub Trust and which, in that capacity, will own each property in the Portfolio and be the landlord under each Lease and holds 100% of the issued share capital in VER Finco Pty Ltd).

The Responsible Entity owns all of the units in the Sub Trust.

Each of the entities listed above undertakes the business set out in this Offer Document.

14.15. *Related party transactions*

A number of related party transactions will occur in connection with the establishment and listing of Viva Energy REIT on the terms disclosed in this Offer Document. Further, Viva Energy and Viva Energy REIT have each granted to the other a number of important rights in respect of the properties in the Portfolio which rights may be exercised in certain circumstances following the Listing, as more fully described in this Offer Document.

As described in this Offer Document, Viva Energy REIT's ongoing relationship with the Viva Energy Group will impact Viva Energy REIT's future success in a number of important respects. They include the provision of management services to Viva Energy REIT by the Manager, potential opportunities to acquire properties from and lease properties to Viva Energy, and Viva Energy's performance of its obligations under the Leases.

1. Under the Corporations Act, the Viva Energy Group will remain a related party of Viva Energy REIT for six months following the Allotment Date, but it is expected that, from that time, it will cease to be a related party of Viva Energy REIT.

14. Additional information (cont)

Viva Energy REIT has established a corporate governance framework which the Board considers is appropriate to deal with any actual or perceived conflicts of interest that may arise in connection with its relationship with the Viva Energy Group following the Listing.

14.16. *Complaints*

If you have a complaint about the Responsible Entity in connection with your investment in Viva Energy REIT, you can write to the Compliance Officer at:

Level 16
720 Bourke Street
Docklands, VIC 3008

The Compliance Officer will acknowledge your complaint immediately, investigate it and report back to you within 45 days.

If you are dissatisfied with the response or the complaint is not resolved within 45 days, you may raise the matter directly with the Financial Ombudsman Service Limited (**FOS**). The FOS's contact details are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Telephone: 1800 367 287

14.17. *Access to information*

Viva Energy REIT will provide regular communication to Securityholders, including publication of:

- Viva Energy REIT's half yearly reports which provide an update on the operation and performance of Viva Energy REIT;
- Viva Energy REIT's annual report including audited financial statements for each financial year;
- half yearly distribution statements;
- annual taxation statements; and
- any continuous disclosure notices given by Viva Energy REIT.

Viva Energy REIT also has a website that will provide up to date information on the Stapled Trusts including current Stapled Unit prices, access to half year and annual reports and distribution information. See www.vivaenergyreit.com.au.

Viva Energy REIT, as a disclosing entity, will be subject to regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to Viva Energy REIT may be obtained from, or inspected at, an ASIC office.

You also have the right to obtain a copy of each annual report, half yearly report and any continuous disclosure notice from Viva Energy REIT free of charge.

As at the date of this Offer Document, Viva Energy REIT has not lodged with ASIC any annual report or half year report and have not given any continuous disclosure notices to ASX.

14.18. *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*

Viva Energy REIT may be required to collect certain customer identification information and verify that information in compliance with the Anti-Money Laundering/Counter-Terrorism Financing Act 2006 (Cth) (the **AML/CTF Act**) and AML/CTF Rules before it can issue Stapled Securities to Applicants.

Customer identification information may include detailed know your customer (**KYC**) information in relation to the Applicant such as, for an individual Applicant, name, address, and date of birth and for an Applicant that is a business entity, details of directors and beneficial owners, and where the Applicant is a trustee, details of the trust and beneficiaries. Viva Energy REIT may require further KYC information such as information concerning business activities, structure and source of funds of Applicants and from time to time may require an Applicant to provide updated or additional information.

Viva Energy REIT may refuse to accept an Application or decline to issue Stapled Securities to an Applicant until it has satisfactorily concluded a customer identification procedure in relation to the Applicant.

Viva Energy REIT may delay or refuse any request or transaction, including by suspending the issue or redemption of Stapled Securities if Viva Energy REIT is concerned that the request or transaction may cause Viva Energy REIT to contravene the AML/CTF Act. Viva Energy REIT will incur no liability to the Applicant if it does so.

14. Additional information (cont)

If Viva Energy REIT forms the view that, in its reasonable opinion, it is required to disclose information to any person in order to comply with any obligations it may have under the AML/CTF Act, to the extent permitted by law, each Securityholder agrees that such disclosure will not be a breach of any obligation or duty owed by that party, whether such obligation or duty is imposed by contract or law, and that party will be released from any claim made against it in respect of such disclosure.

14.19. *Foreign selling restrictions*

New Zealand

This document has not been approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**). This document has been filed with the New Zealand Companies Office in accordance with the requirements of the Trans-Tasman mutual recognition provisions under subpart 1 of Part 9 of the FMC Act. The Stapled Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United States

No action has been taken to register or qualify this Offer Document, the Stapled Securities or the Offer or otherwise to permit a public offering of the Stapled Securities in any jurisdiction outside Australia or New Zealand.

This Offer Document does not constitute an offer or invitation to subscribe for Stapled Securities in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Offer Document.

The Stapled Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Offers to any persons in the United States are only being made pursuant to, and in accordance with the terms described in, the International Offering Circular.

This Offer Document may not be distributed in the United States or elsewhere outside Australia or New Zealand unless it is attached to, or constitutes part of, the International Offering Circular that describes selling restrictions applicable in the United States and other jurisdictions outside Australia or New Zealand, and may only be distributed to persons to whom the Offer may be lawfully made in accordance with the laws of any applicable jurisdiction. The Offer is not an offer or invitation in any jurisdictions where, or to any person to whom, such an offer or invitation would be unlawful.

Each Applicant in the Broker Firm Offer, the Priority Offer, the Viva Energy and Viva Energy REIT Employee Offer and the non-U.S. portion of the Institutional Offer will be taken to have represented, warranted and agreed on behalf of itself and each person for whom it is applying for Stapled Securities as follows:

- it understands that the Stapled Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the U.S. Securities Act and any other applicable securities laws;
- it is not in the United States at the time of such Application;
- it has not and will not send the Offer Document or any other material relating to the Offer to any person in the United States; and
- it will not offer, sell or resell the Stapled Securities in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the U.S. Securities Act and in compliance with applicable laws in the jurisdiction in which Stapled Securities are offered and sold.

14.20. *Governing law*

Unless otherwise indicated, this Offer Document and the contracts that arise from the acceptance of the Applications are governed by the law applicable in Victoria and each Applicant submits to the exclusive jurisdiction of the courts of Victoria.

Appendix A

Site register



A. Site register

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
Australian Capital Territory				
CNR CANBERRA AVE & FLINDERS WAY, MANUKA	2,726	17	7.9	6.00%
CNR NETTLEFORD ST & LATHLAIN DR, BELCONNEN	2,726	18	9.9	6.00%
CNR COHEN & JOSEPHSON STS, BELCONNEN	2,726	11	3.1	6.75%
20 SPRINGVALE DV, HAWKER	2,726	15	5.1	6.50%
LHOTSKY ST, CHARNWOOD	2,726	17	7.5	6.00%
RYLAH CRESCENT, WANNIASSA	2,726	11	2.8	6.75%
172 MELROSE DV, PHILLIP	2,726	14	4.7	6.00%
CNR IPSWICH & WILUNA STS, FYSHWICK	2,726	11	2.6	6.75%
CNR MORT ST & GIRRAHWEEN ST, BRADDON	2,726	12	4.2	5.50%
25 HOPETOUN CIRCUIT, DEAKIN	2,726	14	4.4	6.50%
17 STRANGWAYS ST, CURTIN	2,726	12	3.9	6.50%
New South Wales				
115 HEATHCOTE RD, WATTLE GROVE	2,726	17	10.5	4.75%
71 MINJUNGBAL DV, TWEED HEADS SOUTH	3,415	16	5.2	6.00%
CNR COWPASTURE RD & GREEN VALLEY RD, GREEN VALLEY	5,877	14	5.6	5.00%
LOT 201 APPIN RD, ST HELENS PARK	8,571	10	3.0	5.50%
575-581 GREAT WESTERN HWY, FAULCONBRIDGE	2,620	12	3.6	5.50%
14 THOMAS ST, WALLSEND	2,940	18	9.8	5.50%
CNR AVOCA DR & BUNGOONA ST, KINCUMBER	3,967	17	4.9	7.00%
36-46 VICTORIA RD, DRUMMOYNE	1,809	16	6.9	5.00%
19 DAVIES RD, PADSTOW	2,499	14	5.6	5.00%
102-106 WYONG RD, KILLARNEY VALE	1,696	18	6.2	7.00%
427 BUNGARRIBEE RD, DOONSIDE	3,490	13	5.4	5.00%
100 TAREN POINT RD, TAREN POINT	2,726	16	6.4	4.75%
MULGOA RD & WOLSELEY RD, JAMISONTOWN	5,991	13	5.4	5.25%
LOT 33 RICHMOND RD, BERKSHIRE PARK	13,400	13	3.9	6.00%
592-596 OLD NORTHERN RD, DURAL	2,596	12	4.4	5.25%
CNR CUMBERLAND HWY & JOHN ST, CABRAMATTA	2,869	13	3.7	5.25%
CNR HUME HWY & BRAIDWOOD ST, ENFIELD	2,193	11	3.1	5.25%
611 GREAT WESTERN HIGHWAY, EASTERN CREEK	12,040	18	11.7	4.75%
SNOWY MOUNTAINS HWY, TUMUT	2,858	11	2.4	8.00%
1443 CAMDEN VALLEY WAY, LEPPINGTON	4,898	10	2.2	5.75%
LOT 2 LAKE ENTRANCE RD, OAK FLATS	3,603	10	3.4	6.00%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
CNR VICTORIA & ELIZABETH STS, WETHERILL PARK	5,126	12	4.8	5.00%
LOT 2, COAST RD, HASTINGS POINT	2,496	12	2.5	5.75%
CNR BONG BONG ST & BOWRAL ST, BOWRAL	1,334	13	5.5	5.75%
CNR MOUNT & MIDDLE STS, GUNDAGAI	4,110	18	10.0	6.50%
PACIFIC HWY, BULAHDELAH	3,158	10	1.7	8.25%
CNR WHYLANDRA ST & VICTORIA ST, DUBBO	4,277	18	10.2	6.00%
MID WESTERN HWY & PINE ST, WYALONG	4,110	14	3.2	8.00%
PACIFIC HIGHWAY, WOOLGOOLGA	15,900	10	1.7	8.50%
198 BEACH RD, BATEHAVEN	2,155	15	5.1	7.00%
CNR NEWELL HWY & TOORAWEEAH RD, GILGANDRA	30,782	10	2.4	8.50%
35-51 VICTORIA RD, DRUMMOYNE	2,726	15	5.1	4.75%
69-73 GEORGE ST, SINGLETON	1,441	17	6.4	7.25%
CNR MAMRE RD & BANKS DV, ST CLAIR	1,815	11	4.1	5.50%
NEWELL HIGHWAY, BOGGABILLA	27,720	15	6.1	7.50%
147-152 BRIDGE ST, TAMWORTH WEST	2,600	15	4.8	7.00%
CNR PACIFIC HWY & KANGAROO ST, RAYMOND TERRACE	2,726	11	2.0	8.00%
112 ROOKWOOD (CNR BRUNKER) RDS, YAGOONA	2,333	15	5.0	5.00%
251-253 GOONOO GOONOO RD, TAMWORTH	1,606	17	6.1	5.75%
CNR BALO ST & GWYDIR ST, MOREE	2,024	12	2.1	9.25%
274-276 GRAND PARADE (CNR RAMSGATE RD), RAMSGATE	1,353	13	5.3	4.75%
CNR PRINCES HWY & THE BOULEVARDE, KIRRAWEE	2,931	16	7.0	4.75%
CNR CLINTON & COWPER STS, GOULBURN	2,055	15	4.7	7.00%
1032-1036 VICTORIA RD, WEST RYDE	2,551	13	7.2	4.85%
73 PEMBROKE RD (CNR DURHAM ST), MINTO	1,882	10	2.1	5.75%
279-287 PRINCES HIGHWAY, BULLI	2,348	17	9.8	6.00%
CNR PACIFIC HWY & MAUDE ST, BELMONT	1,745	14	3.6	6.25%
89-93 MARSH ST, ARMIDALE	2,057	12	3.2	8.75%
FRANCES & WHARF STS, TWEED HEADS	3,712	14	4.0	6.00%
96 WICKS RD, NORTH RYDE	2,422	15	4.2	5.50%
GORDAN & HOLLINGSWORTH STS, PORT MACQUARIE	1,328	17	8.3	6.00%
269-275 PRINCES HIGHWAY, CORRIMAL	2,768	13	4.8	5.75%
197 WINDSOR RD, NORTHMEAD	1,549	10	2.5	5.50%
1-3 SYDNEY AVE, UMINA	2,567	11	4.2	7.50%
4 RYDE RD, HUNTERS HILL	955	12	3.9	5.25%
386 PENNANT HILLS RD, PENNANT HILLS	2,323	17	9.1	4.75%
275 LANE COVE RD, NORTH RYDE	1,163	12	3.8	5.00%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
CNR DAVID ST & GUINEA ST, ALBURY	3,312	15	5.0	7.00%
CNR MERRYLANDS RD & BRAESIDE ST, GREYSTANES	1,315	10	2.5	5.50%
298 STEWART ST (CNR ROCKET ST), BATHURST	2,137	13	5.7	6.50%
CNR SUMMER ST & SALE ST, ORANGE	2,096	14	4.6	6.50%
311 GREAT WESTERN HIGHWAY, LAWSON	1,843	10	2.3	7.00%
131-133 COBRA ST (CNR FITZROY ST), DUBBO	4,110	12	3.7	7.25%
2-6 JOHN ST, COONABARABRAN	3,136	11	2.2	7.50%
196-200 PACIFIC HWY, HORNSBY	2,743	16	6.6	4.75%
165 SMITH ST (CNR COCHRANE ST), KEMPSEY	4,110	10	1.9	8.50%
27 QUEEN ST, CAMPBELLTOWN	3,307	11	3.0	5.50%
387 WATTLE ST (CNR KELLY ST), ULTIMO	1,667	14	12.4	4.75%
23 STOCKTON ST, NELSON BAY	2,163	15	5.3	6.25%
575 WAGGA RD, LAVINGTON	4,110	18	9.8	6.75%
CNR CHURCH ST & MORTIMER ST, MUDGEE	1,429	14	5.0	6.50%
64 HIGH ST, WAUCHOPE	4,110	10	2.0	7.50%
371 PENNANT HILLS RD, PENNANT HILLS	3,769	18	9.4	4.75%
93-99 ARGYLE ST, PICTON	2,049	14	4.7	6.00%
959-961 ANZAC PARADE, MAROUBRA	1,304	10	2.3	5.50%
299 BUNNERONG RD, PAGEDWOOD	1,765	17	7.9	4.75%
CNR AUDLEY ST & CADDELL ST, NARRANDERA	2,263	14	3.5	8.00%
CNR RAW SQUARE & ALBERT RD, STRATHFIELD	2,015	16	6.5	4.75%
CNR HIGH ST & SMITH ST, MAITLAND	1,633	10	2.1	7.00%
26-28 GEORGES RIVER RD (CNR CARVERS RD), OYSTER BAY	2,276	11	4.2	5.00%
CNR PACIFIC HWY & COONANBARRA RD, WAHROONGA	2,321	13	8.8	4.75%
21 RYDE RD, PYMBLE	1,189	14	5.7	4.85%
179-181 MONA VALE RD, ST IVES	1,631	15	5.2	4.85%
CNR MILLER ST & PALMER ST, CAMMERAY	1,413	14	5.6	5.00%
CNR BEN BOYD RD & ERNEST ST, NEUTRAL BAY	1,755	14	5.4	5.00%
59-63 VICTORIA ST, TAREE	2,033	17	5.7	7.25%
CNR TAREN POINT RD & PARRAWEENA RD, TAREN POINT	1,834	12	4.6	5.00%
120-138 BIRRELL ST, BONDI JUNCTION	974	16	7.4	4.50%
54 ALISON RD, RANDWICK	1,461	13	5.4	4.75%
48-56 GARDENERS RD, KINGSFORD	1,416	12	3.6	5.00%
57 COWPER WHARF RD (CNR DOWLING ST), WOOLLOOMOOLOO	2,726	14	6.2	5.00%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
124-126 JOHNSTON ST, ANNANDALE	1,972	11	4.0	4.50%
26-30 KING ST, WARRAWONG	1,644	12	3.5	6.00%
CNR PRINCESS HWY & OLIVER RD, HEATHCOTE	1,328	12	4.2	5.00%
835 KING GEORGES RD, SOUTH HURSTVILLE	2,347	16	7.0	4.75%
88 VICTORIA RD (CNR BULLER ST), PARRAMATTA	2,726	15	6.1	5.00%
199-203 KISSING POINT RD (CNR KIRBY ST), DUNDAS	2,068	11	2.6	5.75%
CNR LANE COVE RD & MYRA AVE, RYDE	1,726	11	2.9	5.50%
1418 PITTWATER RD, NARRABEEN	3,161	17	8.4	4.75%
357-361 EDWARD ST, WAGGA WAGGA	4,110	17	4.7	7.00%
63-69 MAUD ST (CNR MILLER ST), MAYFIELD	1,607	10	1.9	6.75%
148 BRIDGE ST (CNR HILL ST), MUSWELLBROOK	1,547	11	2.8	6.75%
252 PRINCES HIGHWAY, ALBION PARK	2,303	15	5.7	6.25%
152-158 PRINCES HWY, DAPTO	1,448	11	3.4	6.00%
267-281 PRINCES HIGHWAY, CARLTON	2,726	11	3.2	5.00%
338-340 HUME HIGHWAY, LIVERPOOL	3,009	16	7.0	5.00%
877-879 PACIFIC HWY, CHATSWOOD	1,789	17	9.2	4.75%
CNR WARRINGAH RD & COOK ST, FORESTVILLE	2,515	18	12.5	4.75%
CNR WINBOURNE RD & HARBORD RD, BROOKVALE	2,453	17	6.8	5.50%
6-8 PACIFIC HWY, KARIONG	3,157	18	10.1	7.00%
797 PACIFIC HWY, BELMONT SOUTH	3,986	15	5.1	6.50%
2 BRUNKER RD, BRDMEADOW	1,701	16	6.2	5.75%
15 THOMAS ST (CNR BROOK ST), WALLSEND	1,941	18	12.7	5.75%
65 HUME HIGHWAY, LANSDALE	3,501	12	2.9	5.50%
CNR ALLISON AVE & PACIFIC HIGHWAY, LANE COVE	1,113	11	3.3	5.00%
CNR KINGHORN ST & WORRIGEE ST, NOWRA	1,587	15	6.9	6.00%
308-310 PARRAMATTA RD, STANMORE	2,053	16	7.3	4.50%
884-888 HUME HWY (CNR STRICKLAND ST), BASS HILL	2,726	12	3.8	5.25%
100 DAWSON ST & MAGELLAN ST, LISMORE	4,110	10	1.8	8.50%
88 CENTRE ST, CASINO	4,110	10	1.5	8.00%
562 BOTANY RD, ALEXANDRIA	2,726	18	11.6	4.75%
164 WILLIAM ST, BROKEN HILL	2,726	17	5.4	7.00%
2 GENERAL HOLMES DV, BRIGHTON-LE-SANDS	1,107	15	6.2	4.75%
59 DURHAM ST, BATHURST	1,346	17	7.5	6.00%
188-190 PENNANT HILLS RD, THORNLEIGH	2,809	17	7.2	5.00%
227 MILITARY RD, CREMORNE	864	11	6.3	4.75%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
CNR AVALON PDE & BARRENJOEY RD, AVALON	1,480	11	3.8	4.75%
118 NEW ENGLAND HWY, RUTHERFORD	3,413	11	2.1	8.00%
128 PACIFIC HWY, CHARLESTOWN	2,230	14	4.1	6.00%
274 OLD HUME HIGHWAY, CAMDEN	6,872	15	5.0	6.00%
CNR PARRAMATTA RD & WALKER ST, FIVE DOCK	3,036	18	12.8	5.25%
336 VICTORIA ST, DENILIQUIN	1,948	10	1.5	7.50%
CNR WINDSOR RD & OLIVE ST, BAULKHAM HILLS	1,874	12	9.3	4.85%
Northern Territory				
2 YARRAWONGA RD, PALMERSTON	5,180	17	6.9	5.75%
1 GAP RD, ALICE SPRINGS	2,820	11	2.8	7.00%
LARAPINTA DV, ALICE SPRINGS	2,807	12	5.5	7.00%
37 PROGRESS DV, NIGHTCLIFF	2,210	10	2.9	6.50%
KATHERINE TERRACE, KATHERINE	1,676	11	2.4	7.50%
37 DALY ST, DARWIN CITY	1,840	16	6.3	5.75%
Queensland				
58 PEASE ST, CAIRNS (MANOORA)	1,729	15	5.2	5.75%
920 CAPTAIN COOK HIGHWAY, SMITHFIELD, CAIRNS	830	18	8.0	6.75%
1 INTERLINK COURT (CNR FARRELLY'S RD), MACKAY	5,029	10	1.0	7.50%
123-127 SOUTH PINE RD, BRENDAL	3,138	10	0.4	7.00%
130 BENFER RD (CNR REDLAND BAY RD), VICTORIA POINT	3,607	14	4.7	6.25%
611 MOGGILL RD, CHAPEL HILL	3,754	17	6.4	5.75%
2 HIGHWAY PLAZA (CNR BRUCE HWY & HICKS RD), MACKAY	7,704	18	8.5	5.50%
90 DEPOT RD, DEAGON	2,647	12	3.2	6.50%
16-20 CROMBIE RD, BUNDALL	2,711	15	5.4	6.00%
94 BREAKFAST CREEK RD, NEWSTEAD	4,007	18	10.5	5.38%
10526 NEW ENGLAND HIGHWAY, HIGHFIELDS	15,320	14	4.6	6.00%
CHRISTINE AVE & BERMUDA ST, BURLEIGH WATERS	3,678	17	7.4	6.00%
11 LONDON RD (CNR CROSS ST), BELMONT	10,950	18	9.9	5.50%
315-325 LOGANLEA RD, LOGANLEA	4,202	16	5.2	6.25%
387 OXLEY DRV, RUNAWAY BAY	3,965	14	4.8	6.00%
GUINEAS CREEK RD & COOLGARDIE ST, ELANORA	1,743	13	4.1	6.50%
501 COMPTON RD, RUNCORN	4,602	16	4.9	6.25%
196-206 HIGHFIELD DV, MUDGEERABA	6,597	18	8.2	5.50%
171 OLD NORTHERN RD, ALBANY CREEK	4,434	18	9.1	6.50%
69 BEERBURRUM ST, CALOUNDRA	3,986	16	5.5	5.75%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
259-277 MT CROSBY RD, KARALEE	18,960	16	5.4	6.25%
376 DECEPTION BAY RD (CNR PARK RD), DECEPTION BAY	6,001	17	7.6	5.75%
38-42 CHATSWOOD RD, SLACKS CREEK	3,878	16	5.1	6.00%
230 BLOOMFIELD ST (CNR PRINCESS ST), CLEVELAND	6,453	17	6.5	5.75%
143-153 BIRKDALE RD (CNR NAPIER ST), BIRKDALE	2,645	13	3.4	6.50%
1507-1511 ANZAC AVE (CNR DUFFIELD RD), KALLANGUR	3,031	13	3.6	6.50%
2 RAILWAY TERRACE (CNR IPSWICH MOTORWAY), GOODNA	19,650	13	3.8	7.00%
604-614 BROWNS PLAINS RD (CNR SECOND AVE), MARSDEN	11,910	12	3.4	6.50%
221-239 BARKLY HWY, MOUNT ISA	113,700	18	7.7	5.50%
PACIFIC HWY & MACPHERSON RD, YATALA	42,670	18	9.7	6.50%
419 ELIZABETH AVE, KIPPA-RING	3,258	13	4.3	6.25%
96 FINUCANE RD (CNR ABELIA ST), ALEXANDRA HILLS	4,861	13	3.7	6.50%
1728 IPSWICH RD (CNR SHETTLETON ST), ROCKLEA	29,330	13	5.5	6.50%
22-24 THURINGOWA DV, KIRWAN	2,803	17	7.0	5.00%
3495-3497 PACIFIC HIGHWAY, SLACKS CREEK	20,940	10	1.7	6.50%
589 NAMBOUR CONNECTION RD, NAMBOUR	7,734	15	4.6	6.75%
61-65 BRYANTS RD, LOGANHOLME	3,938	12	3.5	6.50%
2650 BEAUDESERT RD, CALAMVALE	2,883	18	7.5	6.00%
CNR BRISBANE RD & FOOTE ST, MOOLOOLABA	2,134	17	6.7	5.50%
GLYN ST & ASHMORE RD, BENOWA	3,301	12	3.9	6.00%
140-146 GLADSTONE RD, ROCKHAMPTON	2,668	11	2.2	6.75%
21 DAISY HILL RD (CNR ALLAMANDA DRV), DAISY HILL	2,443	14	4.8	6.50%
CNR SHERIDAN & JAMES STS, CAIRNS	3,039	16	5.5	5.75%
CNR CARTWRIGHT & HERBET STS, INGHAM	3,262	10	2.3	6.00%
UNDERWOOD RD & ROCHEDALE RD, ROCHEDALE	3,650	13	3.7	6.50%
2156 GOLD COAST HWY, MIAMI	5,863	15	6.5	5.75%
106 CAMOOWEAL ST (CNR GRACE ST), MOUNT ISA	2,639	18	6.2	7.00%
50 DRAYTON ST, DALBY	3,053	11	3.7	6.50%
254 MAINS RD (CNR TURTON ST), SUNNYBANK	2,719	18	7.2	5.75%
MOSS ST & KINGSTON RD, WOODRIDGE	3,703	12	3.5	6.00%
GRANARD & BEATTY RDS, ROCKLEA	7,080	17	6.0	5.50%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
CAPRICORN HWY & COLUMBA ST, BLACKWATER	5,060	10	3.3	7.50%
2231 WYNNUM RD, WYNNUM	2,610	13	3.8	6.25%
290 STUART DV, WULGURU	1,798	10	1.6	6.00%
278 BRIDGE (CNR HOLBERTON) STS, TOOWOOMBA	1,824	15	5.0	6.75%
361 ELLISON RD (CNR MURPHY RD), GEEBUNG	1,700	12	3.5	5.75%
1870 CREEK RD (CNR PICKWICK ST), CANNON HILL	3,453	14	4.1	5.75%
174 HUGH ST, CURRAJONG	1,889	16	5.1	6.00%
29 GAILEY RD, TARINGA	2,681	17	7.6	5.00%
CNR BAPAUME RD & KURINGAI ST, HOLLAND PARK	3,165	18	8.8	5.50%
CNR BRIDGE RD & NEBO RD, MACKAY	2,036	10	2.9	5.75%
1890 SANDGATE RD (CNR ROBINSON RD), VIRGINIA	5,552	18	8.3	6.00%
10 MCLEAN ST, GOONDIWINDI	2,021	11	2.6	6.25%
CLERMONT ST & OPAL ST, EMERALD	1,614	14	4.7	6.50%
1582 LOGAN RD, MOUNT GRAVATT	1,798	16	5.9	6.00%
CHURCHILL ST & BROADHURST ST, CHILDERS	2,380	10	1.8	6.00%
319 CORONATION DV, MILTON	2,423	18	9.0	4.75%
117 YOUNGMAN ST, KINGAROY	1,696	10	1.0	7.00%
63 BYRNES ST, MAREEBA	2,023	12	4.4	6.50%
240 MUSGRAVE ST (CNR HIGH ST), ROCKHAMPTON NORTH	3,027	15	6.6	6.00%
1412 GYMPIE RD, ASPLEY	5,750	18	7.3	5.75%
213 OLD CLEVELAND RD, COORPAROO	3,989	18	8.4	5.00%
281 MARGARET ST & MYLNE ST, TOOWOOMBA	2,890	12	3.3	5.50%
1469 WYNNUM RD, TINGALPA	3,243	16	6.1	5.25%
CNR 2824 GOLD COAST HWY & GENOA ST, SURFERS PARADISE	2,623	13	4.6	5.75%
1201 LOGAN RD, MOUNT GRAVATT	3,026	11	2.5	5.75%
82-86 FITZROY ST (CNR CAMPBELL ST), ROCKHAMPTON	2,026	11	3.7	6.00%
110 HORNIBROOK ESP, CLONTARF	2,908	14	4.4	6.25%
CNR OXFORD ST & HAWTHORNE RD, BALMORAL	3,007	17	7.2	5.00%
TOOLONA ST & GOLD COAST HWY, TUGUN	6,183	17	8.4	5.75%
South Australia				
207 MAIN RD, McCLAREN VALE	2,264	16	4.1	7.25%
92 TASMAN TCE, PORT LINCOLN	1,109	12	2.9	7.25%
2 RAMROD AVE, HALLETT COVE	1,996	13	3.7	6.00%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
452 GRAND JUNCTION RD, MANSFIELD PARK	2,827	18	4.3	6.75%
CNR BEACH RD & HANNAH RD, NOARLUNGA CENTRE	1,948	13	3.4	5.75%
CNR HIGHWAY 1 & STIRLING RD, PORT AUGUSTA	16,480	13	4.3	8.25%
1461 MAIN NORTH RD, SALISBURY EAST	2,890	12	3.1	6.00%
113 WEST LAKES BOULEVARD, WEST LAKES	3,769	12	3.1	5.75%
MAIN NORTH RD, SMITHFIELD	5,441	13	3.1	6.75%
34 HIGHWAY 1 & STOKES TCE, PORT AUGUSTA	5,896	13	3.4	7.75%
69-71 PRINCES HWY, TALEM BEND	6,698	18	7.2	8.00%
267 WRIGHT RD, VALLEY VIEW	2,759	10	1.9	5.75%
443 SALISBURY HIGHWAY, PARAFIELD GARDENS	2,401	11	1.8	6.00%
323 HANCOCK RD, FAIRVIEW PARK	1,497	12	3.3	6.00%
1230 GRAND JUNCTION RD & VALLEY RD, HOPE VALLEY	4,977	16	4.6	6.00%
1 PEAKE TERRACE, WAIKERIE	1,200	12	2.0	7.25%
12 MURRAY ST, GAWLER	2,052	17	4.4	7.75%
44 O.G. RD, KLEMZIG	2,528	10	1.7	5.75%
150 FULLARTON RD (CNR ALEXANDRA AVE), ROSE PARK	1,626	12	4.0	5.25%
89 MAIN SOUTH RD, REYNELLA	2,800	16	3.4	6.50%
53-57 PORT RD, THEBARTON	2,085	12	3.0	5.50%
30-32 MCKENZIE ST, CEDUNA	12,271	14	3.0	7.50%
100 COMMERCIAL ST WEST, MOUNT GAMBIER	2,190	16	3.6	7.50%
110 YORKTOWN RD, ELIZABETH PARK	1,407	12	2.6	6.50%
57 ADELAIDE RD, MURRAY BRIDGE	2,735	13	2.9	7.25%
371 SHEPHERDS HILL RD, BLACKWOOD	2,611	12	2.9	5.75%
150 MONTACUTE RD, HECTORVILLE	2,500	14	4.5	5.75%
41 PLAYFORD AVE & ELLIOTT ST, WHYALLA	1,712	12	3.2	8.25%
62 STEWART TCE, NARACOORTE	3,609	12	2.3	8.00%
245 FINDON RD & GRANGE RD, FINDON	2,783	13	4.3	6.00%
CNR NORTH EAST RD & SUDHOLZ COURT, WINDSOR GARDENS	3,924	11	2.1	5.75%
1477-1479 MAIN SOUTH RD, DARLINGTON	3,973	17	4.2	6.25%
150 BELAIR RD, HAWTHORN	1,878	11	2.6	5.75%
2 SNOWTOWN RD, PORT WAKEFIELD	6,985	14	3.4	7.50%
77 PORT RD, QUEENSTOWN	2,951	12	2.0	6.00%
111 WEST TCE, ADELAIDE	2,135	15	4.0	5.50%
Tasmania				
MIDLAND HWY & ANDREW ST, BRIGHTON	2,332	11	3.4	7.00%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
27 HAMILTON RD (LYELL HIGHWAY), NEW NORFOLK	4,110	10	1.7	8.00%
1-3 HOBBLERS BRIDGE RD, NEWSTEAD	2,497	17	6.9	6.50%
22 FORMBY RD, DEVONPORT	1,527	17	5.0	6.50%
2 HOWRAH RD, HOWRAH	1,475	13	3.9	7.00%
69 WELLINGTON ST, LAUNCESTON	1,980	16	5.1	6.00%
257 ELIZABETH ST, HOBART	3,520	14	4.5	5.50%
103 INVERMAY RD, INVERMAY	4,110	11	2.7	7.00%
418 MAIN RD, GLENORCHY	4,110	12	3.2	6.50%
112 CHARLES ST, MOONAH	2,605	12	2.4	7.50%
142 SANDY BAY RD, SANDY BAY	835	11	2.6	6.00%
Victoria				
21 ARDENA COURT (CNR EAST BOUNDARY RD), BENTLEIGH EAST	1,500	16	4.2	5.50%
719-721 FIFTEENTH ST, MILDURA	1,952	11	4.3	7.00%
210 BOUNDARY RD, MORDIALLOC	3,192	16	3.2	5.75%
469 MAROONDAH HIGHWAY, LILYDALE	2,726	18	7.7	5.25%
945-957 PASCOE VALE RD, BROADMEADOWS	2,726	16	2.9	5.75%
1010-1012 NEPEAN HIGHWAY, MORNINGTON	2,053	18	5.6	5.50%
27 SPENCER ST (CNR DALTON RD), THOMASTOWN	2,726	18	10.3	5.50%
HANSON RD & CRAIGIEBURN RD WEST, CRAIGIEBURN	2,647	17	7.7	5.25%
493 BURWOOD HWY, VERMONT SOUTH	2,726	17	6.8	5.00%
BOUNDARY RD, BRAESIDE, DINGLEY	9,373	18	4.9	5.50%
SOUTH GIPPSLAND HIGHWAY, HAMPTON PARK	5,009	18	8.4	5.50%
551-557 DONCASTER RD, DONCASTER	3,781	17	7.3	5.25%
247 MELBOURNE RD, GEELONG NORTH	6,806	17	4.3	6.25%
260 DERRIMUT RD (CNR HOGANS RD), HOPPERS CROSSING	3,834	16	5.2	5.25%
CNR KINGS WAY & KEILOR-MELTON RD, TAYLORS LAKES	6,660	18	10.0	5.50%
1076 RAGLAN PARADE, WARRNAMBOOL	3,600	15	1.8	6.75%
MACEDON RD & HORNE ST, SUNBURY	4,647	18	7.5	5.75%
12 BARRABOOL RD, HIGHTON	1,976	16	4.6	6.75%
54 HOLMES ST, BRUNSWICK EAST	1,180	15	2.5	5.75%
MCDONALDS RD, SOUTH MORANG	2,965	17	3.8	5.50%
127-132 PLENTY RD & GREENHILLS RD, BUNDOORA	2,342	17	6.7	5.00%
206 PRINCES HIGHWAY, HALLAM	3,686	17	5.4	5.50%
1120 CRANBOURNE FRANKSTON RD, CRANBOURNE	4,319	17	4.8	5.75%
1444 PLENTY RD, MERNDA	780	15	2.9	6.50%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
PLENTY RD & UNIVERSITY DV, MILL PARK	3,439	16	6.3	5.25%
STATION ST & BROOKLYN RD, MELTON SOUTH	1,676	18	4.9	6.00%
418 HIGH ST (CNR O'NEILLS RD), MELTON	3,372	18	7.6	5.25%
155-171 NARRE WARREN NORTH RD, NARRE WARREN NORTH	4,026	16	6.4	5.50%
87-91 PORTER ST (CNR FITZSIMONS LANE), TEMPLESTOWE	3,374	16	5.2	5.25%
PRINCES HIGHWAY, TRARALGON	3,076	18	8.9	6.75%
820 MOOROODUC RD, MOOROODUC	4,115	15	1.5	8.00%
1662-1664 FERNTREE GULLY RD (OPP SCORESBY RD), SCORESBY	2,121	16	3.4	6.00%
9389 WESTERN HIGHWAY, WARRENHEIP	9,302	16	4.1	6.75%
3-9 SETTLEMENT RD, BELMONT	2,375	18	3.1	6.50%
OGILVIE AVE & PREMIER ST, ECHUCA	4,110	17	3.8	7.00%
107 GREAT OCEAN RD, ANGLESEA	1,460	16	3.3	6.50%
CRANBOURNE & WARRANDYTE RDS, LANGWARRIN	1,903	15	2.9	6.00%
185-189 RIVERSDALE RD HAWTHORN	908	17	6.4	5.00%
1140 BURWOOD HWY, FERNTREE GULLY	3,305	16	5.3	6.00%
260 CANTERBURY RD & REDVERS ST, SURREY HILLS	2,590	16	5.4	5.00%
4655 SOUTH GIPPSLAND HIGHWAY, LANG LANG	4,368	17	3.0	7.50%
MAIN RD & MT PLEASANT RD, ELTHAM	3,805	17	4.7	5.50%
202-210 LATROBE TCE, GEELONG WEST	2,603	17	6.5	6.00%
175-183 MICKLEHAM RD, TULLAMARINE	2,968	18	5.8	5.50%
148-150 CANTERBURY RD (CNR DORSET RD), BAYSWATER	4,179	18	4.3	5.25%
26 AILSA ST SOUTH, LAVERTON	3,881	18	12.7	5.50%
PRINCES HWY & LAUDERDALE RD, NARRE WARREN	2,307	18	5.5	5.50%
385-389 CANTERBURY RD (CNR HEATHERDALE RD), RINGWOOD	1,560	15	5.6	5.50%
POLICE & JACKSONS RDS, MULGRAVE	4,374	18	9.4	5.25%
2-14 PRINCESS HIGHWAY (CNR BAILLIE ST), COLAC	1,750	17	5.9	6.25%
1175 HUME HWY, DONNYBROOK	7,616	18	21.1	6.00%
473-477 PRINCES HWY, NARRE WARREN	3,939	16	5.6	5.00%
632-642 MELBOURNE RD, SPOTSWOOD	2,194	18	8.9	5.25%
763-779 DANDENONG RD, MALVERN	1,108	17	7.3	5.00%
140-146 MAIN ST (CNR JOYCE AVENUE), GREENSBOROUGH	1,905	15	5.3	5.50%
137-139 PRINCES HIGHWAY, WERRIBEE	5,874	16	6.1	5.25%
1-5 MURRAY RD, PRESTON	1,698	17	3.7	5.50%
STATION RD & MAIN RD WEST, ST ALBANS	2,700	17	7.8	5.25%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
390 BALLARAT RD, SUNSHINE	2,424	16	6.3	5.25%
MALVERN & GLENFERRIE RDS, MALVERN	1,532	17	7.8	4.75%
147-161 DANDENONG RD (CNR CHAPEL ST), WINDSOR	2,050	17	7.8	4.75%
187-193 HIGH ST (CNR MANNINGHAM RD), DONCASTER	2,215	15	2.7	5.50%
521 MAROONDAH HWY & OBAN RD, RINGWOOD EAST	2,078	15	7.0	5.00%
123 MAROONDAH HWY & HARKER ST, HEALESVILLE	1,908	16	3.9	6.50%
126-134 BARKLY ST, ST KILDA	2,014	17	5.5	4.75%
ALEXANDRA PDE & BLANCHE ST, COLLINGWOOD	1,602	18	6.3	4.50%
255 MAIN ST (CNR PYKE ST), BAIRNSDALE	1,104	15	3.2	7.00%
HEIDELBERG RD & RATHMINE ST, FAIRFIELD	2,840	16	4.9	4.25%
CNR DIMBOOLA RD & DAVID ST, HORSHAM	4,400	15	3.6	7.00%
75-81 ALEXANDRA PDE (CNR RAE ST), CLIFTON HILL	836	15	3.9	4.50%
280 BARKLY ST, ARARAT	2,023	17	3.0	7.00%
MCIVOR RD & KENNEDY ST, BENDIGO	2,027	15	3.5	6.75%
249 KEILOR RD (CNR GILBERTSON ST), ESSENDON NORTH	1,648	16	5.4	5.25%
BELL & SUSSEX STS, COBURG	2,358	17	5.7	5.25%
CNR CLEMENT ST & PARFITT RD, WANGARATTA	2,268	17	6.0	6.50%
CNR BRIDGE ST & MARGARET ST, BENALLA	4,110	16	4.3	6.75%
664-668 OLD CALDER HWY & HUNTER ST, KEILOR	2,817	18	4.9	5.75%
192-202 BROADWAY ST, RESERVOIR	1,765	15	2.4	6.25%
PRINCES HWY & CLYDE RD, BERWICK	2,260	18	6.1	6.00%
BURWOOD HWY & CENTRAL AVE, BURWOOD	1,768	16	4.5	5.00%
1319 STURT & PLEASANT ST, BALLARAT	1,873	15	3.0	6.75%
47-49 HIGH ST, MARYBOROUGH	1,976	17	3.1	7.00%
MIDDLEBOROUGH RD & SPRINGFIELD RD, BLACKBURN	1,847	16	4.2	6.00%
BELL & STOTT STS, PRESTON	1,509	15	5.0	5.50%
230 GREENSBOROUGH RD (CNR YALLAMBIE RD), MACLEOD	1,468	16	6.1	5.25%
465-469 RAGLAN ST, WARRNAMBOOL	4,110	15	2.9	7.00%
HIGH & JOHNSTON STS, ASHBURTON	2,045	17	4.6	4.75%
266-278 HODDLE ST (CNR TRURO ST), ABBOTSFORD	1,100	16	4.3	4.75%
260 STEPHENSONS RD & WAIMARIE DR, MOUNT WAVERLEY	2,175	15	2.9	5.50%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
SPRINGVALE RD & FERNTREE GULLY RD, BRANDON PARK	5,400	18	10.1	5.00%
422 SOUTH RD (CNR LINTON ST), MOORABBIN	1,830	16	6.5	5.00%
397 SPRINGVALE RD, FOREST HILL	3,340	15	2.7	6.00%
DANDENONG RD & RENVER RD, CLAYTON	4,564	16	6.1	5.50%
198 HIGH ST (CNR HONEYSUCKLE ST), BENDIGO	3,300	15	3.2	6.75%
1181 HODDLE ST, EAST MELBOURNE	1,460	15	6.7	4.75%
MAROONDAH HWY & MIDDLEBOROUGH RD, BLACKBURN	2,113	16	3.0	5.50%
413 NEPEAN HIGHWAY (CNR BEACH ST), FRANKSTON	2,198	15	2.9	5.00%
1388 DANDENONG RD, OAKLEIGH	3,835	18	9.4	4.75%
105-107 NEPEAN HWY (CNR WARRRRRIGAL RD), MENTONE	1,928	16	5.7	5.50%
LYGON & ELGIN STS, CARLTON	1,113	16	5.0	3.50%
468 MELBOURNE RD, NORLANE	1,108	15	1.8	7.00%
822 STURT ST, BALLARAT	2,006	18	5.4	6.50%
BURKE & BARKERS RDS, KEW	1,919	16	4.2	4.75%
245 COTHAM RD, KEW	1,898	15	3.3	5.00%
399-411 PUNT RD, RICHMOND	2,422	17	7.9	4.75%
Western Australia				
KARRATHA TRAVEL & TRUCK, CNR MADIGAN & NORTH WEST COASTAL HIGHWAY, KARRATHA	39,740	13	7.0	7.75%
CORNER 193 WARWICK RD & GLENGARRY DV	2,807	15	5.3	6.25%
88 CAUSEWAY RD, BUSSELTON	3,682	15	3.3	7.00%
UNITS 1-9 57 JOHNSTON ST, COLLIE	645	10	1.4	9.25%
77 BUSSELL HWY, MARGARET RIVER	3,531	18	4.8	6.25%
12-24 CLAUGTON WAY, GLEN IRIS (BUNBURY) 6230	11,581	18	7.1	6.50%
1/64 DUNN BAR RD, DUNSBOROUGH	2,080	15	3.5	6.50%
LOT 800 PINJARRA RD (CNR WATSON DV), MANDURAH	11,603	12	3.0	7.75%
LOT 8 NICHOLSON RD & SPENCER RD, LANGFORD	5,062	13	3.6	6.75%
67 WALTER RD WEST (CNR GRANDE PROMENADE), DIANELLA	2,771	14	3.5	6.75%
MAIN ST, MEEKATHARRA	4,110	10	2.8	9.75%
117 BURSLEM DV (CNR OLGA RD), MADDINGTON	1,969	11	2.6	6.50%
87 GREAT NORTHERN HWY, FITZROY CROSSING	7,424	10	1.6	9.75%
222 MANNING RD, KARAWARA	2,060	11	3.4	6.50%

A. Site register (cont)

Address	Site area (m ²)	Lease term (years)	Independent valuation (\$ million)	Capitalisation Rate
1128-1132 ALBANY HWY, BENTLEY	2,726	13	4.4	6.50%
CNR CHURCH RD & HAMPTON DV, DAMPIER	4,110	10	2.5	8.50%
CHAMPION DR & SEVILLE DR, WESTFIELD	2,726	14	4.3	7.00%
35 FRANK ST, BOULDER	1,966	11	1.9	8.50%
LOT 22 NAPIER TERRACE (CNR HAMERSLEY ST), BROOME	2,023	10	2.7	7.75%
CNR MINE RD & PARABURDOO TOM PRICE RD, TOM PRICE	4,110	10	2.3	9.00%
CNR ROCKLEA RD & CAMP RD, PARABURDOO	4,110	10	1.7	9.50%
1 MCDONALD PLACE, HALLS CREEK	6,295	10	2.8	9.75%
1333 GREAT NORTHERN HWY, UPPER SWAN	2,726	18	8.2	6.75%
KEWDALE RD & ABERNETHY RD, KEWDALE	2,726	18	11.5	6.50%
VAHLAND AVE & HIGH RD, WILLETTON	2,726	12	2.3	6.50%
STRELITZIA AVE & HALE RD, FORRESTFIELD	2,726	13	3.6	6.75%
71 CRANFORD AVE (CNR MOOLYEEN RD), BRENTWOOD	2,726	17	4.6	6.50%
253 WALCOTT ST (CNR FITZGERALD ST), MOUNT LAWLEY	2,726	13	5.9	6.25%
WILSON ST, PORT HEDLAND	4,110	10	1.7	8.00%
WELCOME RD & SEARIPPLE RD, KARRATHA	4,110	10	2.8	8.00%
80 CARRINGTON ST (CNR MARMION ST), PALMYRA	2,726	12	2.8	6.75%
45 GREAT NORTHERN HWY, MIDDLE SWAN	2,726	18	6.9	6.50%
6 JERSEY ST (CNR HAY ST), JOLIMONT	2,726	10	3.0	6.50%
69 NORTH LAKE RD (CNR MARMION ST), MYAREE	2,726	14	3.2	6.75%
269 STIRLING HWY & MARY ST, CLAREMONT	2,726	17	5.6	6.25%
1-3 THE ESPLANADE (CNR CANNING HWY), MOUNT PLEASANT	2,726	11	2.3	6.00%
394 CANNING HWY (CNR WADDELL RD), BICTON	2,726	16	4.4	6.50%
66 KENT ST (CNR BERWICK ST), VICTORIA PARK EAST	2,726	14	4.1	7.00%
30 THOMAS ST (CNR WELLINGTON ST), WEST PERTH	2,726	14	5.0	5.25%
101 HAMPTON RD, FREMANTLE	2,726	15	4.6	6.50%
3 CANNING HWY, SOUTH PERTH	2,726	17	5.6	6.25%
337 CAMBRIDGE ST, WEMBLEY	2,726	16	4.7	6.50%
CNR FORREST AVENUE AND BLAIR ST, BUNBURY	4,110	16	4.7	7.25%

Appendix B

Glossary



B. Glossary

Term	Definition
A-REIT	an Australian real estate investment trust
AASB	the Australian Accounting Standards Board
ABN	Australian Business Number
ACCC	Australian Competition and Consumer Commission
Accounting Standards	the accounting standards (as defined in section 9 of the Corporations Act) as they apply to Viva Energy REIT
ACN	Australian Company Number
AFSL	an Australian Financial Services Licence issued under the Corporations Act
Alliance	the contractual alliance between Viva Energy and Coles Express (and their associated entities), including the Alliance Agreement and Site Agreements
Alliance Agreement	the Alliance Agreement between Coles Express and Viva Energy (and certain of their associated entities) dated 27 May 2003, and as amended from time to time
Allotment	the date on which Stapled Securities are allotted pursuant to the Offer, expected to be 10 August 2016
AML/CTF Act	<i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth)
Applicant	a person who submits an Application
Application	an application to subscribe for Stapled Securities offered under this Offer Document
Application Form	the application form attached to or accompanying this Offer Document (including the electronic form provided by an online application facility)
Application Monies	the amount accompanying an Application Form submitted by an Applicant
ARSN	Australian Registered Scheme Number
ASIC	Australian Securities and Investments Commission
ASIC Instrument	means: <ul style="list-style-type: none"> • an exemption or declaration granted by ASIC under Part 5C.11 of the Corporations Act; • any other instrument issued by ASIC under a power conferred on ASIC which applies or relates to the Responsible Entity or the Trust; • any declaration made or exemption granted by ASIC that is applicable to the Scheme and that the Responsible Entity elects to rely upon (if relevant)
Assumption Deeds	the deeds poll described in Section 13.5
ASX	ASX Limited ACN 008 624 691, the Australian Securities Exchange, or the market operated by it, as the context requires
ASX Guidelines	ASX Corporate Governance Principles and Recommendations (third edition)
ASX Settlement	ASX Settlement Pty Ltd ABN 49 008 504 532
ASX Settlement Operating Rules	the operating rules of ASX Settlement and, to the extent they are applicable, the operating rules of each of ASX and ASX Clear Pty Ltd ABN 48 001 314 503
Australian Accounting Standards	Australian Accounting Standards and other pronouncements issued by the AASB
Board	the Company Board and the Responsible Entity Board, which are the same, except that Scott Wyatt is not a director of the Responsible Entity, or either of them as the context requires.
Borrower	VER Finco Pty Limited ACN 612 951 774
Broker	a broker or co-manager appointed by the Joint Lead Managers to act as a participating broker to the Broker Firm Offer
Broker Firm Applicant	an Applicant who has received a firm allocation from their Broker and who lodges their Application Form and their Application Monies and Broker Service Fee with the Broker with whom they have received a firm allocation

B. Glossary (cont)

Term	Definition
Broker Firm Offer	the offer of Stapled Securities under this Offer Document to Australian or New Zealand resident clients of Brokers who have received an invitation to participate from their Broker, as described in Section 5.6
Business Day	a day on which banks are open for business excluding Saturdays, Sundays and public holidays in Melbourne, Victoria
CAGR	Compound annual growth rate
Capitalisation Rate	the percentage return of a property calculated by the net income expressed as a percentage of the Independent Value
Category A Site	has the meaning given in Section 13.8
CGT	Capital gains tax
CHESS	the Clearing House Electronic Subregister System, operated under the Corporations Act
Closing Date	the date on which the Broker Firm Offer, the Priority Offer and the Employee Offer are expected to close, being 5.00pm (Melbourne time) on 28 July 2016
Co-Managers	Deutsche Craigs Limited, Morgans Financial Limited, National Australia Bank Limited and Wilson HTM Finance Limited
Coles	Coles Supermarkets Australia Pty Ltd ABN 45 004 189 708 and its affiliates and subsidiaries
Coles Express	Eureka Operations Pty Ltd trading as Coles Express ABN 78 104 811 216
Colliers International	CIVAS (NSW) Pty Ltd
Commencement Date	the date that the Leases commence, being on or around the Transfer Date
Company	Viva Energy REIT Limited ACN 612 986 517
Company Board	the board of directors of the Company
Company Constitution	the constitutions of the Company, as amended or replaced from time to time
Company Directors	the directors of the Company
Compliance Plan	the compliance plan of the Trust, as amended or replaced from time to time
Constitutions	the constitution of the Company and the constitution of the Trust
Contamination	the presence in, on or under land, air or water of a substance (whether a solid, liquid or gas) at a concentration or level above the concentration or level at which the substance or matter is normally present in, on or under (respectively) land, air or water in the same locality, being a presence that presents a risk of harm to human health or any other aspect of the environment.
Control	has the meaning given in section 50AA of the Corporations Act and broadly means the capacity to determine the outcome of decisions about the financial and operating policies of an entity
Corporations Act	<i>Corporations Act 2001</i> (Cth)
CPI	Consumer Price Index
CY17	the period for the 12 months to 31 December 2017
Debt Facilities	has the meaning given in Section 6.8
Debt Facility Agreement	has the meaning given in Section 6.8
Deutsche Bank	Deutsche Bank AG, Sydney Branch
Directors	the Company Directors and Responsible Entity Directors
Distributable Earnings	calculated as net profit adjusted to remove transaction costs and non-cash items, including straight lining of rental income, the amortisation of debt establishment fees and any fair value adjustment to investment properties and derivatives (plus the amount of any undistributed Distributable Earnings with respect to any relevant prior period)
Distributable Earnings Yield	the rate of return derived by dividing the Distributable Earnings per Stapled Security by the Offer Price

B. Glossary (cont)

Term	Definition
Distribution Yield	the rate of return derived by dividing the Distribution per Stapled Security by the Offer Price
Distributions	the amount payable to Securityholders at the discretion of the Entity Board
DRP	Distribution Reinvestment Plan
EBITDA	Earnings before interest, tax, depreciation and amortisation
Eligible Employee	an employee of Viva Energy REIT or Viva Energy and its controlled entities who is an Australian or New Zealand resident and is not in the United States or acting on behalf of a person in the United States
Eligible U.S. Fund Manager	a dealer or other professional fiduciary organised, incorporated or (if an individual) resident in the United States that is acting for an account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. persons" (as defined in Rule 902(k) under the U.S. Securities Act) for which it has and is exercising investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the U.S. Securities Act
Employee Offer	the offer of Stapled Securities under this Offer Document to Eligible Employees, as described in Section 5.8
Establishment Date	the date on which Viva Energy REIT Trust was established, being 14 June 2016
Excluded Obligations	has the meaning given in Section 13.5.2
Exposure Period	the period commencing on 12 July 2016 (being the day after the date of lodgement of the Original Offer Document with ASIC) and ending on 25 July 2016
Facility Agent	Bank of America N. A., in its capacity as facility agent under the Debt Facility Agreement
Financial Close	the date on which all conditions precedent in respect of the Debt Facilities are satisfied and the first drawing under a facility occurs, which is expected to occur on or about Allotment
Financial Information	the financial information relating to Viva Energy REIT as set out in Section 6
Finco Loan Agreement	an agreement between the Borrower and the Sub Trustee under which the Borrower agrees to on-lend the proceeds borrowed by it under the Debt Facility Agreement to the Sub Trustee
Forecast Distribution Statements	has the meaning given in Section 6.1
Forecast Financial Information	the Statutory Forecast Financial Information and the Forecast Distribution Statements
Forecast Period	has the meaning given in Section 6.3
FOS	Financial Ombudsman Service Limited
FY or Financial Year	the financial year ended or ending 31 December
FY16	the financial year ending 31 December 2016
FY17	the financial year ending 31 December 2017
Gearing	the ratio of: (a) total liabilities (as adjusted to exclude mark to market on hedging, transactional costs and expenses (including stamp duty) in respect of the acquisition of any properties, any subordinated debt and exceptional, extraordinary or non-recurring items or liabilities) (TL); to (b) the total tangible assets (TTA). TL and TTA will, subject to such adjustments, be calculated in accordance with generally accepted Australian Accounting Standards
GST	goods and services tax imposed in Australia
Guarantee Deed Poll	the deed poll under which Viva Energy Group guarantees the performance of Viva Energy's payment obligations under the Leases for the benefit of the Sub Trustee
IFRS	International Financial Reporting Standards
Independent Industry Report	the industry report set out in Section 9

B. Glossary (cont)

Term	Definition
Independent Valuations	the valuations by the Independent Valuer as set out in the Valuation Report
Insolvency Event	<p>in respect of any person, the occurrence of any one or more of the following events in relation to that person:</p> <p>(a) an order is made that it be wound up, declared bankrupt or that a provisional liquidator or receiver or receiver and manager be appointed;</p> <p>(b) a liquidator or provisional liquidator is appointed;</p> <p>(c) an administrator is appointed to it under the Corporations Act ss 436A, 436B or 436C;</p> <p>(d) a Controller (as defined in the Corporations Act s 9) is appointed to it or any of its assets (including, in the case of the Sub Trustee, the assets of VER Trust);</p> <p>(e) a receiver is appointed to it or any of its assets (including, in the case of the Sub Trustee, the assets of VER Trust);</p> <p>(f) it proposes a winding-up, dissolution or reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;</p> <p>(g) it is insolvent as disclosed in its accounts or otherwise, states that it is insolvent, is presumed to be insolvent under an applicable law (including under the Corporations Act ss 459C(2) or 585)) or otherwise is, or states that it is, unable to pay all its debts as and when they become due and payable;</p> <p>(h) it is taken to have failed to comply with a statutory demand as a result of the Corporations Act s 459F(1);</p> <p>(i) a notice is issued under the Corporations Act ss 601AA or 601AB and not withdrawn or dismissed within 21 days;</p> <p>(j) a writ of execution is levied against it or its property which is not dismissed within 21 days;</p> <p>(k) it ceases to carry on business or threatens to do so; or</p> <p>(l) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in the above paragraphs of this definition.</p>
Institutional Investor	<p>investors who are invited to participate in the Institutional Offer and who are:</p> <ul style="list-style-type: none"> • persons in Australia who are sophisticated or professional investors within the meaning of sections 708(8) or 708(11) of the Corporations Act or wholesale clients within the meaning of section 761G of the Corporations Act • institutional investors in certain other jurisdictions, as agreed by the Company and the Joint Lead Managers, to whom offers of Stapled Securities may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any government agency (except one with which the Company is willing in its discretion to comply), <p>in either case provided that if such investors are in the United States, they are either a QIB or an Eligible U.S. Fund Manager</p>
Institutional Offer	the institutional offer to Institutional Investors set out in Section 5.5
International Offering Circular	the offering circular under which the Institutional Offer will be made to QIBs and Eligible U.S. Fund Managers in the United States, which consists of this Offer Document and an offer document "wrap"
Interest Cover Ratio	calculated as EBITDA before transaction and extraordinary costs for the previous 12 months divided by net interest expense under any facilities for the making of loans and advances for the previous 12 months
Investigating Accountant	PricewaterhouseCoopers Securities Limited
Joint Lead Managers	means one or both of Deutsche Bank and Merrill Lynch
KYC	know your customer
Landlord's Improvements	in respect of any property in the Portfolio, improvements, plant, equipment and other items on or in the property which are owned by the Sub Trustee

B. Glossary (cont)

Term	Definition
Lease	means a lease in respect of a property in the Portfolio between Viva Energy REIT and Viva Energy
Lenders	has the meaning given in Section 6.8
Listing	the admission of Viva Energy REIT to the Official List, expected to be 3 August 2016
Listing Rules	the listing rules of ASX from time to time as modified by any express written confirmation, waiver or exemption given by ASX
LPG	Liquefied petroleum gas
Main grade products	refers to gasoline, diesel and jet fuel hydrocarbon products
Major Capital Works	any structural and/ or capital works, the cost of which would, in aggregate, exceed \$250,000, to the extent that such structural and/ or capital works would not otherwise be Viva Energy's responsibility or obligation under the relevant Lease.
Majority Lenders	means, at any time, Lenders whose exposures under the Debt Facilities represent at least two thirds of the total exposures of all Lenders
Management Agreement	the agreement between the Company, and the Responsible Entity, the Manager and certain other parties dated on or around the date of this Offer Document, as summarised in Section 13.3
Manager	VER Manager Pty Ltd ACN 613 163 385
Master Agreement	the agreement between Viva Energy and Viva Energy REIT, as summarised in Section 13.2
Merrill Lynch	Merrill Lynch Equities (Australia) Limited
NOI	net operating income, which is property income less non-recoverable outgoings and maintenance expenditure
New Zealand Registrar	the New Zealand Registrar of Financial Service Providers established under the Financial Service Providers (Registration and Dispute Resolution) Act 2008 or any other person established by law to replace the Registrar, and includes a Deputy Registrar or an Assistant Registrar of Companies appointed in accordance with the Companies Act 1993 of New Zealand
NTA	net tangible assets
NZ Securities Law	the Financial Markets Conduct Act 2013 (NZ), the Financial Markets Conduct Regulations 2014 (NZ) and the Companies Act 1993 of New Zealand, in each case as modified by relief from the requirements of those Regulations and that Act by the NZ Mutual Recognition Regulations
Obligor	has the meaning given in Section 6.8
Offer	the offer of Stapled Securities under this Offer Document
Offer Document	this offer document, being a combined prospectus and product disclosure statement and dated 22 July 2016 (being a replacement offer document that replaces the Original Offer Document)
Offer Management Agreement	the agreement in relation to the management of the Offer between Viva Energy, the Company, the Responsible Entity and the Joint Lead Managers, as summarised in Section 13.15
Offer Period	the period between the Opening Date (26 July 2016) and the Closing Date, being 28 July 2016
Offer Price	\$2.20 per Stapled Security
Official List	the official list of ASX
Opening Date	the date on which the Broker Firm Offer, the Priority Offer and Employee Offer will open, being 26 July 2016
Original Offer Document	the offer document dated 11 July 2016 in relation to the Offer, which is replaced by this Offer Document

B. Glossary (cont)

Term	Definition
Outgoings	<p>in respect of any property in the Portfolio, all amounts properly and reasonably incurred, which have been paid or are payable by the Sub Trustee in respect of that property and includes:</p> <ul style="list-style-type: none"> • all taxes (other than income and capital gains tax, duties and fees), land tax (unless recovery is prohibited by law), rates and any other charges imposed by any government agency; • the cost of insuring certain risks to the extent not paid directly by Viva Energy; • maintaining, repairing and keeping the property in the condition required by the relevant Lease; and • capital or structural costs or expenses properly and reasonably incurred by the Sub Trustee to maintain the Landlord's Improvements on, in or under the property in the condition as at the Transfer Date (fair wear and tear excluded), <p>but excludes depreciation on the property or the Landlord's Improvements, interest costs and property management fees.</p>
PDS	this product disclosure statement (in respect of the Units)
Permitted Acquisition	has the meaning given in Section 13.8
Permitted Transferee	<p>a member of the "Vitol Controlled Group" (as that term is defined in the Alliance Agreement). In summary, including:</p> <ul style="list-style-type: none"> • provided that a member of the Viva Energy Group holds at least 25% of the Stapled Securities immediately following the Listing and, at that time, that member of the Viva Energy Group is itself a member of the Vitol Controlled Group, Viva Energy REIT will at all times be a Permitted Transferee. Each of those conditions is expected to be satisfied in connection with the Listing; and • Viva Energy will be a Permitted Transferee: <ul style="list-style-type: none"> – at any time when it is Controlled by Vitol Holding B.V.; and – at all times following any listing of Viva Energy (or entities that Control it) to a recognised exchange, provided that Vitol Holding B.V. (or an entity it Controls) owns at least 25% of the shares in Viva Energy Group immediately following that listing. <p>Viva Energy is currently a member of the "Vitol Controlled Group" and is not aware of any proposal that would result in it ceasing to be one</p>
Portfolio	the 425 service station sites which Viva Energy will transfer to Viva Energy REIT (acting through the Sub Trustee) on the Transfer Date under the Sale and Purchase Agreement
Premises	in respect of any property in the Portfolio, the land described in the Lease of that property and the Landlord's Improvements
Priority Offer	the offer of Stapled Securities to investors nominated by Viva Energy and Viva Energy REIT as described in Section 5.7
Privacy Act	<i>Privacy Act 1988</i> (Cth)
Pro Forma Balance Sheet	pro forma balance sheet as at Establishment Date assuming completion of the Offer set out in Section 6.5
Promissory Note (Cash payment)	a promissory note which is to be issued to Viva Energy as part consideration for the Transfers and which will be presented to the Sub Trustee in exchange for a cash payment of approximately \$1,569 million (being the aggregate of the cash proceeds raised from the issuance of Units under the Offer and the first loan under the Debt Facility Agreement, less transaction costs and working capital retained by Viva Energy REIT) in accordance with the Restructure Implementation Deed
Promissory Note (Company shares)	a promissory note which is to be issued by the Sub Trustee to Viva Energy Group (at the direction of Viva Energy) as part consideration for the Transfers and which Viva Energy Group will endorse to the Company in exchange for the issuance of 40% of the Shares (on a fully diluted basis) in accordance with the Restructure Implementation Deed

B. Glossary (cont)

Term	Definition
Promissory Note (RE and Sub Trustee shares)	a promissory note with a face value of \$5.7 million which was issued by the Company to Viva Energy Group in consideration of the transfer of the Responsible Entity and the Sub Trustee to the Company following their capitalisation by Viva Energy Group to that same amount, and which Viva Energy Group will present to the Company in exchange for a cash payment equal to its face value in accordance with the Restructure Implementation Deed
Promissory Note (Trust units)	a promissory note which is to be issued by the Sub Trustee to Viva Energy Group (at the direction of Viva Energy) as part consideration for the Transfers and which Viva Energy Group will endorse to the Responsible Entity in exchange for the issuance of 40% of the Units (on a fully diluted basis) in accordance with the Restructure Implementation Deed
Promissory Notes	the Promissory Note (Cash payment), Promissory Note (Company shares), Promissory Note (RE and Sub Trustee shares) and Promissory Note (Trust units)
Prospectus	this Prospectus (in respect of the Shares)
Purchase Price	A\$2,104,820,000, as adjusted in accordance with the Sale and Purchase Agreement
QIB	qualified institutional buyer, as defined in Rule 144A under the U.S. Securities Act
Registry	means Link Market Services Limited ACN 083 214 537
REIT	real estate investment trust
Release	means any release, leak, spill, escape, emission or discharge of any chemical substance to the environment at, on or from any property in the Portfolio after the date of transfer of ownership of that property to the Sub Trustee but does not include the migration of any chemical substance from any property which was released, leaked, spilled, escaped, emitted or discharged prior to that date
Relevant Termination Event	has the meaning given in Section 13.13
Responsible Entity	VER Limited ABN 43 609 868 000, a wholly owned subsidiary of the Company, in its capacity as responsible entity of the Trust
Responsible Entity Board	the board of directors of the Responsible Entity
Responsible Entity Directors	the directors of the Responsible Entity
Restructure Documents	each of the Sale and Purchase Agreement, the Assumption Deed Poll (Transfer), the Assumption Deed Poll (Concurrent Lease), the Management Agreement, the Stapling Deed, Promissory Note (RE and Sub Trustee shares), the Site Acquisition and Leasing Agreement, the Master Agreement, the Trade Mark Licence Agreement, the Finco Loan Agreement and the Guarantee Deed Poll
Restructure Implementation Deed	the document of that name pursuant to which certain restructure steps are to be completed in connection with the establishment and listing of Viva Energy REIT
Sale and Purchase Agreement	the agreement of that name in respect of the Transfers dated on or around the date of this Offer Document between Viva Energy (as seller) and Viva Energy REIT (acting through the Sub Trustee, as buyer)
Securityholder	on and from Allotment, a registered holder of a Stapled Security
Settlement	settlement in respect of the Stapled Securities the subject of the Offer Management Agreement and associated settlement support arrangements
Settlement Date	expected to be Tuesday, 9 August 2016
Share	means a share or security in the Company
Shell	Royal Dutch Shell plc and its controlled entities
Shell Brand Licence Agreement	means the licence agreement between Viva Energy and Shell relating to the use of Shell branding on service stations
Site Acquisition and Leasing Agreement	the site acquisition and leasing agreement described in Section 13.4

B. Glossary (cont)

Term	Definition
Site Agreements	means the leases, licences and options between Viva Energy (as lessor, licensor and grantor respectively) and Coles Express (as lessee, licensee and grantee respectively) pursuant to which Coles Express occupies, and has certain rights to acquire, the properties in the Portfolio, as described in Section 13.10
Stapled Security	on and from Allotment, a Unit and a Share stapled together pursuant to the Constitutions and the Stapling Deed
Stapling Deed	the stapling deed entered into between the Company and the Responsible Entity dated 10 July 2016, as set out in Section 13.11
Statutory Forecast Financial Information	has the meaning given in Section 6.1
Stock Acquisition Right	has the meaning given in Section 13.13
Sub Trust	means the VER Trust
Sub Trustee	means VER Custodian Pty Ltd (ACN 612 669 520), in its capacity as trustee of the Sub Trust
Sub Trustee Right of First Refusal	has the meaning given in Section 13.2
Successful Applicant	an Applicant or Institutional Investor who is issued Stapled Securities under the Offer
Tenant's Call Option Trigger Event	the Sub Trustee suffering an Insolvency Event described in paragraphs (a), (b), (c), (d), (e), (f), (g), (i) and (l) of the definition of Insolvency Event
Trade Mark Licence Agreement	the agreement of that name between Viva Energy Holding, the Company and the Responsible Entity
Transaction	has the meaning given in Section 6.2.2
Transfer	in respect of a property in the Portfolio, its transfer to Viva Energy REIT on the Settlement Date in accordance with the Sale and Purchase Agreement
Transfer Date	the Business Day prior to the Settlement Date
Transfer Requirements	has the meaning given in Section 13.5
Triple Net	refers to a lease structure where the lessee (the tenant) is responsible for all outgoing relating to the property being leased in addition to the rent fee applied under the lease. This includes all repairs and maintenance (including structural repairs and maintenance), rates, taxes, insurance and other direct property costs. See Section 2.3.1 for a summary of the Lease terms
Trust	the Viva Energy REIT Trust ARSN 613 146 464
Trust Constitution	the constitution of the Trust, as amended or replaced from time to time
Unit	a unit in the Trust
Unitholders	the holders of Units
Valuation Report	the valuation report set out in Section 8
VEAG	Viva Energy Australia Group Pty Ltd, being the holder of all shares in Viva Energy and which, in turn, is wholly owned by Viva Energy Holding
Vitol	Vitol Holding B.V. and entities controlled by Vitol Holding B.V.
Viva Energy	Viva Energy Australia Pty Ltd ABN 46 004 610 459, a wholly owned member of the Viva Energy Group
Viva Energy Group	Viva Energy Holding and its wholly owned subsidiaries including Viva Energy
Viva Energy Holding	Viva Energy Holding Pty Ltd ACN 167 883 525, being the ultimate holding company of Viva Energy and each other member of the Viva Energy Group (other than Viva Energy Holding itself)
Viva Energy REIT	each of the Company and the Trust and their wholly owned subsidiaries or any of them, as the context requires
Viva Energy Call Option to Purchase	has the meaning given in Section 13.2

B. Glossary (cont)

Term	Definition
Viva Energy Fuel Equipment Call Option	has the meaning given in Section 13.2
Viva Energy Lease Right	has the meaning given in Section 13.2
Viva Energy Right of First Refusal	has the meaning given in Section 13.2
WACR	Weighted Average Capitalisation Rate
WALE	Weighted Average Lease Expiry, weighted by rental income as at Settlement
Weighted Average Capitalisation Rate	represents a widely used measurement for comparing real estate investment opportunities. The weighted average of the individual properties' Capitalisation Rates across the Portfolio
Weighted Average Lease Expiry	the average time to expiry of each lease of the properties in the Portfolio weighted by the rental income of those properties as at the date of the Valuation Report

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Corporate directory

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Telephone: 1800 502 355

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Merrill Lynch Equities (Australia) Limited
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CO-MANAGERS

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