

ASX Release



8 October 2020

LYTTON PERFORMANCE UPDATE AND ANNOUNCEMENT OF REFINERY REVIEW

Ampol Limited (ASX:ALD) (Ampol) today provides an update on Q3 2020 Lytton performance, full year production guidance and announces the commencement of a comprehensive Lytton refinery review.

Lytton performance and 2020 production guidance

The Q3 2020 Lytton unaudited RCOP EBIT was a loss of \$82 million, taking the year to date Lytton loss to \$141 million. The Lytton result reflects the impact of the COVID-19 pandemic on global hydrocarbon demand and refiner margins, and the decision taken to bring forward and extend the planned refinery Turnaround & Inspection (T&I) through this period. The Q3 2020 result also includes the foreshadowed impacts from the higher costs from managing the crude supply chain through the COVID-19 pandemic and the extended T&I. These impacts were considered when making the decision to bring forward and extend the T&I, and no further costs are expected in the Q4 2020 result.

Lytton refinery is now in operation with production for Q4 2020 expected to be 1.3BL, with Lytton expected to deliver 3.4BL of production for the full year of 2020, down from 5.8BL for FY2019.

Announcement of a comprehensive review of Lytton refinery

Given the challenging operating conditions experienced during 2020, Ampol will commence a comprehensive review of the Lytton refinery and its related supply chains to determine the best operating model over the medium term. The review will consider all options for the facility's operations and for the connected supply chains and markets it serves. These options include closure and permanent transition to an import model, the continuation of existing refining operations and other alternate models of operation, including the necessary investments required to execute each of the options.

Ampol Managing Director and CEO, Matt Halliday, said the review will consider all relevant strategic, economic and operational factors, including the recent measures announced by the Australian Government to support refining and bolster fuel security, and the potential impacts on employees, suppliers and other stakeholders.

"Global economic conditions triggered by COVID-19 have put significant pressure on refining, as evidenced by our performance in the first half and the significant losses announced today. We must continue to deliver strong returns on capital and this review will allow us to be proactive in determining the best course of action to protect our balance sheet, improve earnings certainty and maximise shareholder value from our integrated supply chain. The review is also an important step to ensure the ongoing competitive cost of liquid fuel supply to our customers."

The review is expected to be concluded in the second quarter of 2021.

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Authorised for release by: the Board of Ampol Limited.

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