



Coles and Viva Energy sign 10-year supply deal

Supermarket chain Coles has signed a new deal with petrol partner Viva Energy after predicting a surge in earnings from its convenience store division.

With a forecast to increase earnings by 60%, the 685-strong Coles convenience store network has signed a new, long-term fuel distribution deal. Viva Energy will pay \$137 million to renew its fuel partnership with Coles and gain the right to set fuel prices.

"Together, we represent Australia's leading fuel and convenience offer and we look forward to growing the Alliance with Coles Express in the years to come," Viva Energy chief executive Scott Wyatt said in a statement.

Viva will assume full responsibility for the provision of fuel offerings including retail fuel pricing and marketing across the alliance network through to 2029.

Viva will receive the retail fuel margin while Coles will earn a commission per litre based on fuel volumes achieved, according to Small Caps.

Viva Energy is the exclusive licensee of the Shell brand and its products in Australia.