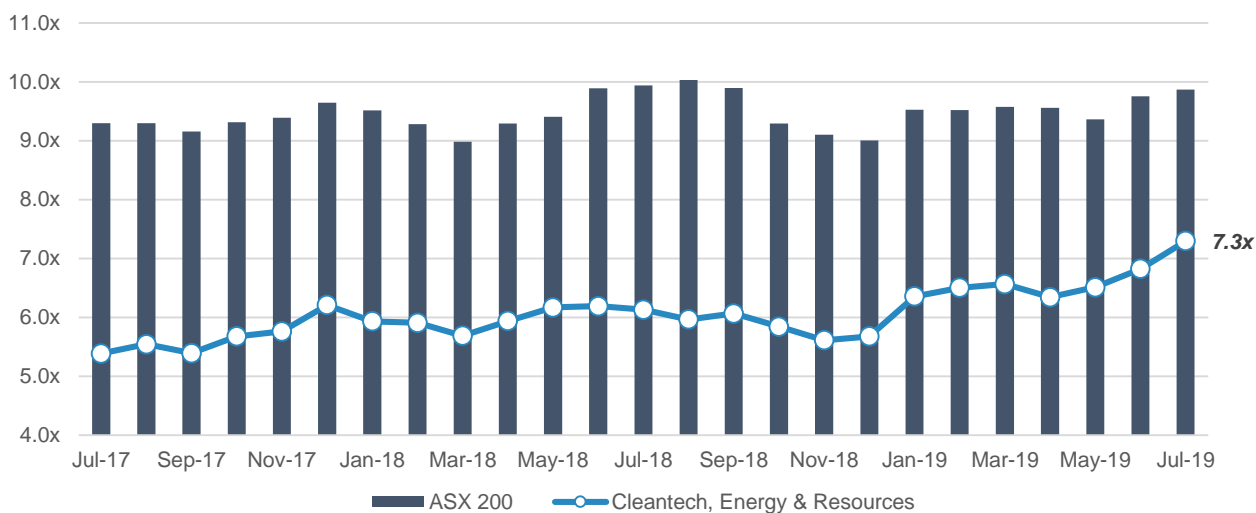


## VALUATION MULTIPLES

**Forward EV / EBITDA Multiples (monthly to 31/07/2019)** Source: FactSet Research Systems Inc.

Multiples in the Cleantech, Energy & Resources sector have increased over the period. At the end of July, the sector traded on a forward EV / EBITDA multiple of 7.3x, compared to the ASX200 on 9.9x.



**Average Values and Trading Multiples (monthly to 21/08/2019)** Source: FactSet Research Systems Inc.

| Subsector                                | Enterprise Value (\$m) | EV/EBITDA FY2019 | EV/EBIT FY2019 | Price / Earnings FY2019 |
|--|------------------------|------------------|----------------|-------------------------|
| Energy & Utilities                       | 57,888                 | 6.6x             | 10.5x          | 19.2x                   |
| Environmental Services                   | 9,337                  | 10.7x            | 17.3x          | 23.9x                   |
| Metals & Mining                          | 267,948                | 6.6x             | 12.1x          | 17.9x                   |
| Natural Resources                        | 308                    | 8.1x             | 9.9x           | 14.1x                   |
| Oil & Gas                                | 63,078                 | 5.1x             | 7.5x           | 10.6x                   |
| <b>Cleantech, Energy &amp; Resources</b> | <b>398,559</b>         | <b>6.7x</b>      | <b>11.4x</b>   | <b>17.4x</b>            |

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. The constituents have been refreshed this month to ensure the sector groups and companies included are current.

<sup>1</sup> The InterFinancial Cleantech, Energy & Resources Index set is an unweighted index comprising Cleantech, Energy & Resources sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

### MERGER & ACQUISITION NEWS...



Value: \$5.7m

**CleanPeak Energy**, an Australian rooftop solar business, is set to buy **ReNu Energy's** solar business for \$5.7m.



Value: \$53.31m (70% stake)

Thailand-based energy group **RATCH Group** has announced that it, through its 100%-held subsidiary **RATCH-Australia**, has acquired a 70% stake in Australian-based Yandin wind farm operator, **Yandin WF Holding** from **Alinta Energy**.



Value: \$422m

Brisbane-based infrastructure investor, **QIC Private Capital** is to acquire contracted power company, **Pacific Energy**. The two companies agreed to a 97.5c per share scheme of arrangement deal, including 1.5c in the form of a fully-franked dividend. A shareholder vote is scheduled on 14 October.



Value: \$18.4m

**Neptune Marine Services** will be acquired by **MMA Offshore** for an estimated consideration of \$18.4m. **Neptune Group** is a leading provider of topside and subsea inspection, maintenance and repair solutions to the oil and gas, marine and renewable energy industries



Value: \$10m

**Blackham Resources** will be selling its **Lake Way Tenements** to **Salt Lake Potash** for \$10m. The Lake Way Transaction is an extension of the previously announced Split Commodity and Access Agreement between **Blackham** and **Salt Lake Potash**.



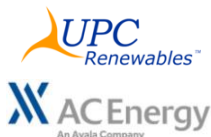
Value: \$55m

**Perth Energy**, an Australia-based electricity retailer, has been acquired by **AGL Energy**. **AGL** will be acquiring an 80% stake in **Perth Energy** from **Infratil** as well as a 20% stake owned by **Hoperidge Enterprises**.



Value: \$7.6m

**Mastermyne Group** has signed a conditional acquisition agreement for the purchase of all the shares of **Wilson Mining Services (WMS)** for an upfront consideration of \$7.6m. The consideration is to be paid as \$3.8m cash and the balance issued as ordinary shares in **Mastermyne**. The consideration may also be supplemented by further cash payments, contingent on performance of **WMS** over the proceeding 3-year period.



Value: Not Disclosed (51% stake)

**UPC/AC Renewables Australia** is purchasing a 51% stake in Australia-based **Baroota Pumped Hydro** and **Bridle Track Solar Farm**. Under the agreement, **UPC/AC** will be funding the construction and accelerating the remainder of the development for the projects.

## DRILLING FOR DEALS...

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- Rival bidders could still emerge to challenge **Sandfire Resources'** bid for **MOD Resources**. Rival suitors are thought to be considering a bid to beat **Sandfire's** \$0.45 cash and scrip-based proposal.
- **Planet Ark Power**, a Queensland-based renewable energy engineering firm, will launch a \$20m Series A funding round at the World Energy Congress in Abu Dhabi in September for its commercialization efforts. The company is seeking capital to speed up commercialization in Australia and begin its international expansion.
- **Energy Developments (EDL)**, an Australian developer and operator of power stations, is actively pursuing acquisitions in North America and is on the cusp of announcing a new deal. **EDL** particularly finds the landfill gas and waste coal mine gas space in the US attractive.
- **EMR Capital** is considering listing its copper assets on the ASX.
- A sale flyer is believed to have been sent to potential buyers over the last week for **Tilt Renewables'** Snowtown 2 wind farm asset. It is anticipated to be worth \$800m.
- **High Purity Quartz Materials (HPQM)**, an Australian emerging high purity quartz sand producer, is seeking to raise \$5m in equity ahead of a potential trade sale or IPO in two years' time.
- **Cooper Energy** and **Beach Energy** are believed to be interested in **GB Energy**, a private Australian energy business that owns the Golden Beach gas field off the coast of Victoria.
- The **South Australian Government** will not privatise its water utility, **SA Water**.
- Australian oil and gas business, **Santos**, has denied they will acquire, Australian energy company, **Oil Search**. **Santos** will instead focus on organic growth to develop its five core assets.
- **South32**, an Australian-based miner is assessing bids for **South Africa Energy Coal**.
- **Resolute Mining** is actively pursuing more acquisition opportunities in and around Senegal.
- **Ramelius Resources** has announced a two-prong approach to M&A including seeking small bolt-on gold projects, and larger strategic acquisitions.
- **Stanmore Coal** has received an unsolicited, non-binding, indicative proposal from **Winfield Group Investments** to acquire the company for an indicative per share price of \$1.50 to \$1.70.
- **Partners Group** has signed a deal to buy a stake in the \$500m **Bango Wind Farm**, an Australian wind energy asset.
- Japan's **Index Corporation**, **CPC Corporation** and **Osaka Gas** are reportedly likely to bid on **Seven Group Holdings'** 15% stake in the Crux gas field. The three potential bidders are conducting due diligence on the asset.
- Canadian pension fund **OPTrust** and Australian manager **Infrastructure Capital Group** may reconsider bidding for **Pacific Energy** next month.
- **Bryah Resources**, the Australian manganese and copper-gold minnow, could consider a further joint venture with current partner **OM Holdings** or another miner, as it executes its manganese strategy.
- **Allume Energy**, an Australian provider of behind-the-meter solar sharing technology, is planning to kick off an \$5m capital raise in March or April next year. **Allume's** technology makes it possible for apartment block residents, small businesses and shopping centres to share a single solar system.
- **Barrick Gold** partner **Newmont Goldcorp** could end up selling its stake in the Super Pit gold mine at Kalgoorlie in Australia. **Barrick** announced its intention to find a buyer for its 50% stake in Kalgoorlie. The 50% stake is worth around USD 1.5bn. **Newmont**, the owner of the other 50% stake, has been reported as a potential buyer.
- **New Century Resources**, an Australian miner has denied any joint venture or M&A rumors, announcing that they see more value in organic expansion opportunities on its current tenements.
- **Zhaojin International Mining** has entered a joint venture partnership with **PCF Capital** to seek deals in the Australian gold space.

## CONTACT DETAILS

If you are interested in specific information regarding mergers and acquisitions in the Cleantech, Energy & Resources sector, please contact David Hassum or Tom Benham.

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