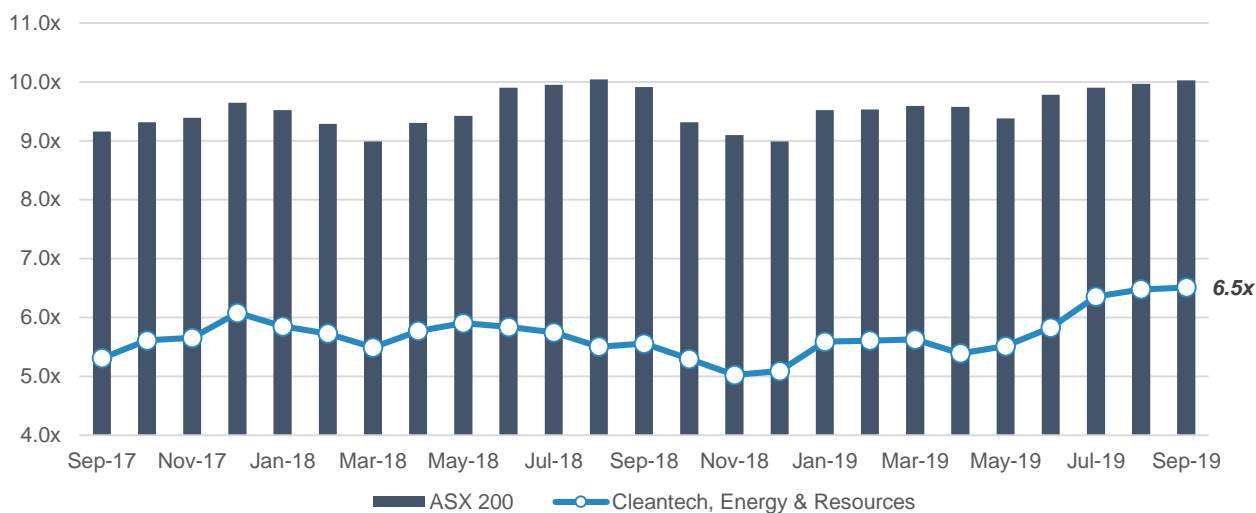


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/09/2019) Source: FactSet Research Systems Inc.

Multiples in the Cleantech, Energy & Resources sector have remained steady over the period. At the end of September, the sector traded on a forward EV / EBITDA multiple of 6.5x, compared to the ASX200 on 10.0x.



Average Values and Trading Multiples (monthly to 23/10/2019) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Energy & Utilities	73,431	8.9x	14.5x	19.4x
Environmental Services	8,111	8.4x	14.8x	22.4x
Metals & Mining	270,484	5.3x	8.2x	12.6x
Natural Resources	236	5.8x	7.4x	9.6x
Oil & Gas	60,924	5.5x	8.7x	12.7x
Cleantech, Energy & Resources	413,186	6.3x	10.0x	14.6x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2020. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

¹ 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: \$420m



Infrastructure Capital Group (ICG) has purchased **Enwave Australia**, an Australian gas network business, from **Brookfield** for AUD 420m. **Enwave** includes the Tasmanian gas distributor, **TasGas**, and a smaller district energy and utility network unit.



Value: Undisclosed



Oilex, an Australian oil and gas exploration company has entered a binding term sheet with Australian **Senex Energy** and a certain number of its related entities to acquire all of the company's interest as operator in 27 Petroleum Retention Licenses in the Northern Oil and West Gas Fairway in the world class Cooper-Eromanga Basins in South Australia.



Value: \$10m

Saracen Mineral Holdings, an Australian gold miner, has entered into a binding agreement to acquire the Sinclair project from **Talisman Mining** for AUD 10m.



Value: Undisclosed

Mitsubishi Corp announced it will sell Australia-based **Crosslands Resources** to **Sinosteel Ocean Capital**. The value of the deal was not disclosed.



Value: \$66m

Cleanaway Waste Management will acquire the assets of the **SKM Recycling Group**, including properties, plant and equipment and certain other assets, for about AUD 66m.



Value: \$36m share swap deal



Australian Future Energy, a privately-held company in Brisbane, will merge with a wholly owned subsidiary of **Synthesis Energy Systems**, the Texas-based coal gasification technology company. As a result of the transaction, **AFE** will become a wholly owned subsidiary of **SES**. **SES** currently holds approximately 35% of the issued capital of **AFE**.

DRILLING FOR DEALS...

- **CIMIC** is exploring strategic options for its mining services assets under its **Thiess** and **Sedgeman** brands. They are thought to be considering buyer interest in assets worth over AUD 1.5bn.
- **Talisman Mining**, an Australian gold and base metals exploration company, is evaluating different pathways to realise value from its Sinclair nickel project in Western Australia.
- **ExxonMobil** is expected to launch sale of Australian oil and gas assets in first half of next year.
- **Cleanaway Waste Management** has entered into a joint venture with **Macquarie Capital's Green Investment Group** to develop an energy from waste project in Western Sydney.
- **Breaker Resources**, an Australia-based miner, is undergoing a strategic review following the receipt of several unsolicited approaches.
- Australian copper explorer **Cobre Pty Ltd.** is seeking an initial public offering to list its shares on the Australian Securities Exchange to raise funds to expand its exploration activities.
- **Metgasco's** directors have urged the company's shareholders to reject the proposed conditional takeover offer from **Melbana Energy** for 100% of the ordinary shares of **Metgasco**, for an implied value of AUD 0.04 each. The offer period has been extended until November 1.

DRILLING FOR DEALS...

- Offers for **BGC Contracting**, an Australia-based mining and construction contractor, are expected in the coming two weeks.
- **Ausgrid**, the Australian electricity distributor, looks at acquisitions including smart metering businesses and other “market disruption” assets.
- The planned initial public offering of **MPC Kinetic** has been withdrawn as owners of the Australian coal seam gas services business were not satisfied with the results of the bookbuild that took place.
- **Strike Energy**, an Australian oil and gas explorer, is anticipated to begin exploring a potential equity raising by the end of the year.
- **Downer** has sent out an information memorandum to buyers for their AUD 700m contract mining unit.
- **Jemena**, the Australian owner and operator of electricity and gas infrastructure, is focused on greenfield development but will consider acquisitions and partnerships, including joint ventures, where it makes sense.
- **Palisade Investments Partners**, **AMP Capital**, and **Jemena** are believed to have made it to the second round of the auction for **Tilt Renewables**’ AUD 800m Snowtown 2 wind energy project.
- Buyers are believed to be circling **Metals X’s** Nifty copper mine.
- **Karoon**, an Australian energy business, remains expected to raise equity to fund its USD 665m acquisition of the **Bauna** field in Brazil.

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