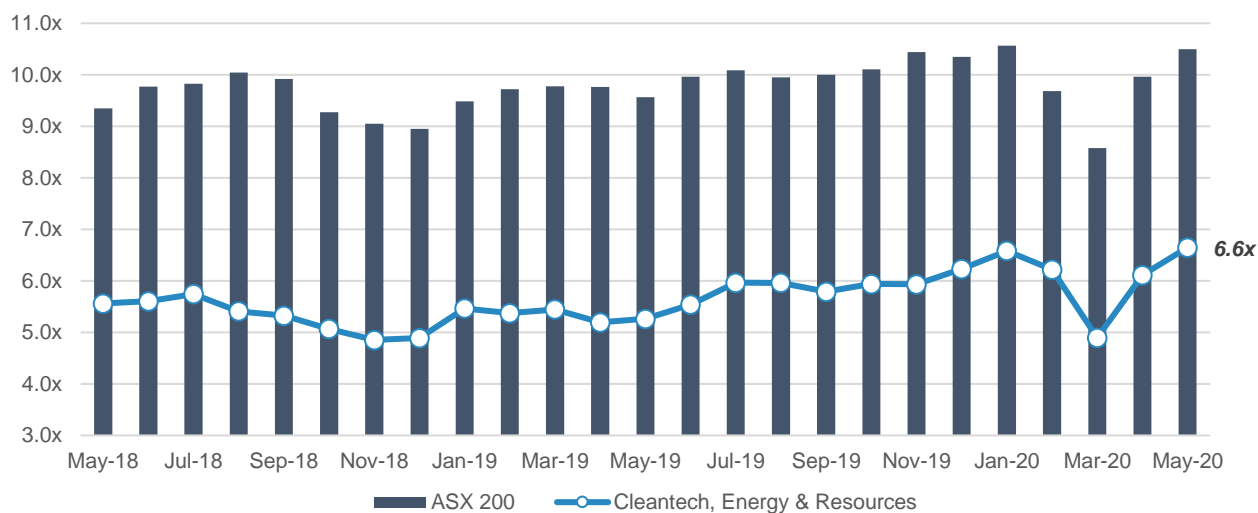


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 31/05/2020) Source: FactSet Research Systems Inc.

Multiples in the Cleantech, Energy & Resources sector increased over the period. At the end of May, the sector traded on a forward EV / EBITDA multiple of 6.6x, compared to the ASX200 on 10.5x.



Average Values and Trading Multiples (monthly to 1/07/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2020	EV/EBIT FY2020	Price / Earnings FY2020
Energy & Utilities	68,815	9.4x	16.2x	23.1x
Environmental Services	8,101	10.1x	NA	29.5x
Metals & Mining	304,624	6.0x	12.2x	19.8x
Natural Resources	94	8.1x	NA	NA
Oil & Gas	44,362	10.6x	NA	42.3x
Cleantech, Energy & Resources	425,996	7.5x	11.4x	23.9x

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. Composition of companies in Sector Dashboards are updated every 6 months. Most recent update: February 2020.

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: AUD 13.5m

Genesis Minerals Ltd [ASX:GMD] has entered into a binding agreement to acquire 100% of the **Kookynie Gold Project** for a consideration of AUD 13.5m.



Value: AUD 68m

OZ Minerals [ASX:OZL], an Australia-based miner, has agreed to acquire **Cassini Resources** [ASX:CZI], an Australian exploration and development company, via a scheme of arrangement. Cassini shareholders will receive consideration with an implied value of AUD 0.16 per share.



Value: Undisclosed

Russian metals miner **Norilsk Nickel (Nornickel)** [MCX:GMKN], through its Australian subsidiary **MPI Nickel Pty Ltd**, entered into definitive agreement with **BHP Billiton Nickel West Pty Ltd**, a wholly owned subsidiary of **BHP Group Limited** [LON:BHP] to sell its **Honeymoon Well nickel project** in Australia. The transaction value is not disclosed.



Value: Undisclosed



Downer [ASX:DOW] has agreed to sell its mining consultancy and software subsidiary **Snowden** to **Datamine**, a mining software business.

DRILLING FOR DEALS...

- **Perenti** [ASX:PRN] is said to be slowly working through the sale of its earthmoving parts business **Best Tractor Parts (BTP)**. The business could be worth AUD 100m to AUD 200m. **Seven Group Holdings** [ASX:SVW], which owns **WestTrac**, has been named as a potential suitor. BTP's used parts and maintenance operations would likely fit well with Westrac. However, the group's equipment hire operations could be attractive to **Emeco** [ASX:EHL]. **H-E Parts** could also be a logical buyer for BTP. Perenti considers BTP non-core, but it is not desperate to sell the operations.
- **LVX Global**, an Australian engineering solutions business, has told fund managers that it hopes to list in around 12 months. LVX has launched a pre-IPO raising to fund M&A, new hiring, and sales capacity. The group is offering shares at AUD 0.011 each, which implies a market cap of AUD 18.2m for LVX.
- **Iberdrola** [BME:IBE], the Spanish energy group bidding for Australia's **Infigen Energy** [ASX: IFN], plans to fight to the end to close the acquisition. The Spanish company wants to avoid the defeat it suffered in 2018 when it failed to acquire **Electrobras** and was beaten by rival **Enel** [BIT:ENEL]. Iberdrola has increased its offer for Infigen by 3.4% to AUD 0.89 per share from AUD 0.84 per share, increasing the total to EUR 530m. Counter bidder **UAC Energy**, owned by the conglomerate **Ayala Group**, offered AUD 0.86 per share.
- **Ampol** [ASX:ALD], an Australian fuel retailer, is open to potential consolidation among Australia's remaining fuel refiners.
- **Brookfield** has teamed up with **IFM Investors** in bidding for a 26.25% stake in infrastructure assets of **Royal Dutch Shell's** [LON:RDSA] **Queensland Curtis Island LNG (QCLNG)** gas project, which is worth USD 2.5bn.
- **Amaysim's** [ASX:AYS] energy retail business **Click Energy** is believed to have drawn interest from **Energy Australia**, **Origin Energy** [ASX:ORG] and **Alinta**.
- **Regis Resources** [ASX:RRL], an Australian gold miner, is likely to pursue a major acquisition, with **Capricorn Metals** [ASX:CMM] and **Gold Road Resources** [ASX:GOR] considered potential targets.
- **South32** [ASX:S32] could consider selling its **Cerro Matoso** nickel mine in northern Colombia, which could be worth over AUD 1bn. The mine is far away from South32's Australian base and has not been a strong performer in its portfolio.
- **BHP Group** [LON:BHP] [ASX:BHP], the Australia-based mining company, is preparing the sale of its Australian thermal coal business following pressure from shareholders about climate change. BHP's Mt Arthur thermal coal mine in New South Wales could sell for between USD 1.5bn and USD 1.8bn.
- **Woodside** [ASX:WPL] is open to buying **Chevron's** [NYSE:CVX] 16.6% stake in the North West Shelf gas project.

CONTACT DETAILS

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