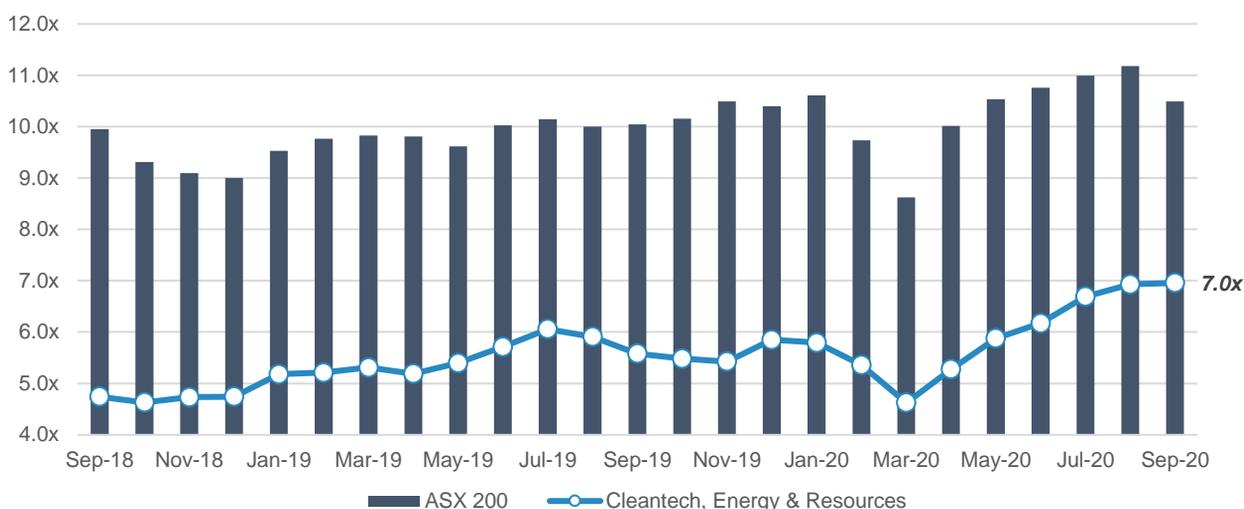


VALUATION MULTIPLES

Forward EV / EBITDA Multiples (monthly to 30/09/2020) Source: FactSet Research Systems Inc.

Multiples in the Cleantech, Energy & Resources sector increased over the period. At the end of September, the sector traded on a forward EV / EBITDA multiple of 7.0x, compared to the ASX200 on 10.5x.



Average Values and Trading Multiples (monthly to 27/10/2020) Source: FactSet Research Systems Inc.

Subsector	Enterprise Value (\$ m)	EV/EBITDA FY2021	EV/EBIT FY2021	Price / Earnings FY2021
Energy & Utilities	69,292	11.9x	23.9x	33.7x
Environmental Services	7,775	13.2x	25.4x	36.3x
Metals & Mining	324,559	6.0x	9.5x	14.0x
Oil & Gas	51,603	6.8x	17.8x	18.4x
Cleantech, Energy & Resources	453,228	7.3x	13.3x	18.4x

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2021. 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: October 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: Not disclosed

Pilot Energy, an Australian junior oil and gas exploration company, has entered a definitive share sale deed to acquire 100% of **Royal Energy**, a privately owned Australian oil and gas company. Post-acquisition, Pilot will own a 21.25% economic interest in Cliff Head Oil Field JV through 50% ownership of the Cliff Head Oil JV operator.



Value: Not disclosed

Kaiser Reef, an Australian gold ore mining company, has entered into an agreement with **Golden River Resources** to acquire some of their material assets in the Victorian Goldfields. The acquisition is expected to propel Kaiser into the highly sought after Victorian high-grade gold district.



Value: ~AUD 400m

Infrastructure Capital Group (ICG) will acquire 75% of the Australian Renewable Energy Trust, which is owned by **Engie** and its Japanese partner **Mitsui**. ICG's investment will help the group build additional renewable energy projects in Australia and support existing operations.



Value: AUD 16bn

Northern Star Resources has agreed on a 'mergers of equals' with **Saracen Mineral** for a deal that will create an AUD 16bn gold miner. The deal values **Saracen** at an implied equity value of AUD 5.8bn (USD 4.2bn) and delivers a 0.4% premium over last closed price of AUD 5.22 per share.



Value: AUD 4.3bn

CIMIC Group, has entered into an agreement for the sale of a 50% stake in **Thiess**, its mining services provider unit, to **Elliott Advisors (UK)**. The price for Elliott's 50% equity interest in Thiess implies an enterprise valuation of approximately AUD 4.3bn, subject to certain adjustments. The deal will generate cash proceeds of AUD 1.7 to AUD 1.9bn for CIMIC.

DRILLING FOR DEALS...

- **Galileo Mining**, a Western Australia-focused junior base metals explorer with a market capitalization of AUD 35m, will look to sell some of its projects to capitalise on the upside after de-risking exploration tenements through to feasibility study stages.
- **GWR Group Limited** is continuing to assess its options in order to expedite the realization of value across its strategic no-core assets.
- An increase in M&A activity is anticipated in the Australian Gold Sector following the merger of **Saracen** and **Northern Star Resources**.
- **De Grey Mining** has been listed as a potential interest to **Kirkland Lake Gold** which already has a 5% stake in the business and recently took part in **De Grey Mining's** AUD 100m equity raising.
- **Kirkland Lake Gold** has also been listed as a potential takeover target for the combined **Northern Star/Saracen**.
- **NTM Gold**, which holds a market value of AUD 63m, may be an acquisition target. A **NTM Gold** board member recently increased their stake in the business to close to 10% which caused a 19% lift in the company's share price.
- **Mincor**, the West Perth-based nickel exploration company, will consider inorganic growth once it begins production at its Kambalda Nickel Operations (KNO). **Mincor** has a market capitalization of AUD 370.94m and AUD 100m cash at hand.
- **Downer EDI** has sold its stake in **RTL Mining and Earthworks** to its joint venture partner **Thiess** for about AUD 20m.
- **VM Drilling**, a Western Australian drilling firm valued at AUD 10m, is considering bolt-on acquisitions as it looks to expand its services domestically.
- **Chalice Gold Mines**, is receiving ongoing buyer interest as its share prices surged 1000% in 2020. They have a market capitalization of AUD 870.25m.
- **Medallion Metals**, an Australian producer of rare earth and magnet metals, is targeting to raise AUD 30m in an IPO.
- Indonesia's **MedcoEnergi** is believed to be in the running to bid for **Eni's** Australian oil and gas assets.
- **ExxonMobil** is expected to seek first round offers for its Bass Strait oil and gas assets by the end of October.
- **Native Mineral Resources**, an Australia-based copper and gold mining company, is seeking to raise as much as AUD 6m through an IPO.
- **Mako Gold**, an Australia-based gold explorer will embark on another equity capital raising in 2021, as it targets a maiden resource at its Napié project in Côte d'Ivoire.
- **Duke Exploration**, an Australia-based gold explorer, is seeking to raise AUD 8m through an IPO.

CONTACT DETAILS

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

Name	Position	Phone	Email
Sharon Doyle	Executive Chair	(07) 3218 9122	sdoyle@interfinancial.com.au
Paul Keehan	Non-Executive Director	(07) 3218 9100	pkeehan@interfinancial.com.au
Ted Marchant	Non-Executive Director	(07) 3218 9100	tmarchant@interfinancial.com.au
Mark Steinhardt	Head of M&A	(07) 3218 9105	msteinhardt@interfinancial.com.au
Brad Shaw	Director – M&A	(07) 3218 9100	bshaw@interfinancial.com.au
Brent Wall	Director – M&A	(07) 3218 9102	bwall@interfinancial.com.au
David Hassum	Director	(07) 3218 9108	dhassum@interfinancial.com.au
Andrew Wheeler	Director	(07) 3218 9107	awheeler@interfinancial.com.au
Michael Kakanis	Associate	(07) 3218 9106	mkakanis@interfinancial.com.au
Lachlan O'Rourke	Analyst	(07) 3218 9104	lorourke@interfinancial.com.au

DISCLAIMER

This information has been sourced from the ASX, Mergermarket.com and various other public information sources. Forecasts are consensus forecasts sourced from FactSet Research Systems Inc.

Important Disclaimer – This may affect your legal rights: Because this document has been prepared without consideration of any specific person's financial situation, particular needs and investment objectives, a financial services licensee or investment adviser should be consulted before any investment decision is made. While this document is based on information from sources which are considered reliable, InterFinancial, its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information contained in this document is complete or accurate. Nor does InterFinancial accept any responsibility to inform you of any matter that subsequently comes to notice, which may affect any of the information contained in this document. This document is a private communication to clients and is not intended for public circulation or for the use of any third party, without the prior approval of InterFinancial. This report does not constitute advice to any person.

Disclosure. InterFinancial has no interest in any of the securities mentioned in this publication. However, its directors, executives or consultants may have an interest in some of the securities, directly or indirectly, which are mentioned

InterFinancial is a member of Clairfield International

InterFinancial
Corporate Finance Limited
ABN: 49 138 962 986
AFSL: 341675
Level 2, 201 Charlotte Street
GPO Box 975
Brisbane Queensland 4001
(07) 3218 9100
admin@interfinancial.com.au
www.interfinancial.com.au

