

Announcement Summary

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**Entity name**

EMECO HOLDINGS LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday January 29, 2020

**The Proposed issue is:** An accelerated offer A placement or other type of issue**Total number of +securities proposed to be issued for an accelerated offer**

<b>ASX +Security Code</b>	<b>+Security Description</b>	<b>Maximum Number of +securities to be issued</b>
EHL	ORDINARY FULLY PAID	31,410,344

**Trading resumes on an ex-entitlement basis (ex date)**

Friday January 31, 2020

**+Record date**

Friday January 31, 2020

**Offer closing date for retail +security holders**

Friday February 14, 2020

**Issue date for retail +security holders**

Friday February 21, 2020

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +Security Code</b>	<b>+Security Description</b>	<b>Maximum Number of +securities to be issued</b>
EHL	ORDINARY FULLY PAID	4,830,918

**Proposed +issue date**

Friday February 28, 2020



Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

EMECO HOLDINGS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

89112188815

**1.3 ASX issuer code**

EHL

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Wednesday January 29, 2020

**1.6 The Proposed issue is:**

An accelerated offer

A placement or other type of issue

**1.6b The proposed accelerated offer is**

Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

**3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?**

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

No

Part 3B - Offer details

**Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued**

**ASX +Security Code and Description**

EHL : ORDINARY FULLY PAID

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

**If the entity has quoted company options, do the terms entitle option holders to participate on exercise?**

No

Details of +securities proposed to be issued

**ASX +Security Code and Description**

EHL : ORDINARY FULLY PAID

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

**The quantity of additional +securities to be issued**

100

**For a given quantity of +securities held**

1,029



**What will be done with fractional entitlements?**

Fractions rounded up to the next whole number

**Maximum Number of +securities proposed to be issued**

31,410,344

**Purpose of the issue**

To partly fund the acquisition of Pit N Portal as set out in the investor presentation

**Offer price details for retail security holders**

**Issue Currency**

AUD - Australian Dollar

**Offer Price per +security**

AUD 2.07000

**Estimated or Actual?**

Actual

**Offer price details for institutional security holders**

**Could offer price per +security be determined by bookbuild?**

No

**Oversubscription & Scale back details**

**Are +security holders allowed to oversubscribe?**

No

**May a scale back be applied to this event?**

No

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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Part 3D - Timetable

**3D.1a First day of trading halt**

Wednesday January 29, 2020

**3D.1b Announcement date of accelerated offer**

Wednesday January 29, 2020

**3D.2 Trading resumes on an ex-entitlement basis (ex date)**

Friday January 31, 2020

**3D.5 Date offer will be made to eligible institutional +security holders**

Wednesday January 29, 2020



**3D.6 Application closing date for institutional +security holders**

Thursday January 30, 2020

**3D.8 Announcement of results of institutional offer**

Friday January 31, 2020

**3D.9 +Record date**

Friday January 31, 2020

**3D.10 +Issue date for institutional +security holders**

Monday February 10, 2020

**3D.11 Date on which offer documents will be sent to retail +security holders entitled to participate in the +pro rata issue**

Wednesday February 5, 2020

**3D.12 Offer closing date for retail +security holders**

Friday February 14, 2020

**3D.13 Last day to extend retail offer close date**

Tuesday February 11, 2020

**3D.16 Entity announces results of retail offer, including the number and percentage of +securities taken up by existing retail +security holders.**

Wednesday February 19, 2020

**3D.19 Issue date for retail +security holders**

Friday February 21, 2020

Part 3E - Fees and expenses

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**3E.1 Will there be a lead manager or broker to the proposed offer?**

Yes

**3E.1a Who is the lead manager/broker?**

Goldman Sachs Australia Pty Ltd ACN 006 797 897

**3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

Nil

**3E.2 Is the proposed offer to be underwritten?**

Yes



**3E.2a Who are the underwriter(s)?**

Goldman Sachs Australia Pty Ltd ACN 006 797 897

Black Diamond Capital Management LLC (sub-underwriter of retail offer component only)

**3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?**

Fully underwritten by Goldman Sachs Australia Pty Ltd.

Sub-underwritten by Black Diamond Capital Management LLC for the first \$2,402,785.62 of the retail offer component shortfall up to a limit of that amount.

**3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?**

Goldman Sachs

Institutional offer:

- (a) underwriting fee of 2.4% of the institutional offer proceeds (excluding institutional offer proceeds received from Black Diamond Capital Management LLC); and
- (b) selling fee of 0.6% of the institutional offer proceeds.

Retail offer:

- (a) underwriting fee of 2.4% of the retail offer proceeds; and
- (b) selling fee of 0.6% of the retail offer proceeds.

Black Diamond Capital Management LLC

EHL will not pay any underwriting fee to Black Diamond Capital Management LLC. Goldman Sachs Australia Pty Ltd will pay Black Diamond Capital Management LLC:

- (a) a commitment fee of 0.5% on the number of sub-underwritten securities it agreed to underwrite multiplied by the offer price; and
- (b) a fee of 0.5% on the number of shortfall securities applied for multiplied by the offer price.

**3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated**

Goldman Sachs:

- Acquisition agreement for Pit N Portal is terminated, unenforceable or materially breached
- material statement in offer documents does not comply with law
- cleansing notice is defective
- ASIC commences investigation/hearing against EHL
- material group member is insolvent
- EHL ceases admission to ASX
- ASX wont grant quotation of New Shares
- EHL withdraws/cannot proceed with entitlement offer
- EHL director charged with indictable offence/disqualified from managing a corporation
- adverse change in or change in the management of EHL group
- EHL breaches underwriting agreement
- information supplied relating to the entitlement offer/acquisition is misleading or deceptive
- governmental agency intends to take public action against EHL/its directors
- change of law
- hostilities commence/majorly escalate, significant terrorist act or disruption in relevant financial markets.

Black Diamond sub-underwriting terminates if Goldman Sachs terminates its underwriting

**3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?**

Yes

**3E.2e (i) What is the name of that party?**

Black Diamond Capital Management LLC



**3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?**

Sub-underwritten by Black Diamond Capital Management LLC for the first \$2,402,785.62 of the retail offer component shortfall up to a limit of that amount

**3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?**

EHL will not be paying any underwriting fee to Black Diamond Capital Management LLC. Goldman Sachs Australia Pty Ltd will pay Black Diamond Capital Management LLC:

- (a) a commitment fee of 0.5% on the number of sub-underwritten securities it agreed to underwrite multiplied by the offer price; and
- (b) a fee of 0.5% on the number of shortfall securities applied for multiplied by the offer price.

**3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?**

No

**3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer**

N/A

Part 3F - Further Information

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**3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue**

To partly fund the acquisition of Pit N Portal as set out in the Investor Presentation

**3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?**

No

**3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?**

No

**3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue**

The institutional component of the Entitlement Offer (Institutional Entitlement Offer) will be extended to institutional securityholders and, in respect of any shortfall, other institutional investors in Canada, France, Germany, Hong Kong, New Zealand, Norway, Singapore, Switzerland, United Arab Emirates, the United Kingdom; and the United States.

The retail component of the Entitlement Offer (Retail Entitlement Offer) will only be extended to securityholders in Australia and New Zealand.

EHL will send all other securityholders (i.e. the ineligible securityholders) a notice on 5 February 2020 which will state that those securityholders are not eligible to participate in the Entitlement Offer

**3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities**

Yes





**3F.5a Please provide further details**

The Retail Entitlement Offer will be made available to nominees with a registered address in Australia or New Zealand who were registered as the holder of Emeco Securities at 7.00pm (Sydney time) on the Record Date and who held those Securities on behalf of underlying beneficial holders (wherever they reside), except to the extent that those underlying beneficial holders are not an eligible retail securityholder.

The Retail Entitlement Offer is not available to securityholders that are in the United States or who are, or are acting for the account or benefit of, persons in the United States

**3F.6 URL on the entity's website where investors can download information about the proposed issue**

<http://www.emecogroup.com/category/asx-announcements/#>

**3F.7 Any other information the entity wishes to provide about the proposed issue**

None



Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +Security Code and Description**

EHL : ORDINARY FULLY PAID

**Maximum Number of +securities proposed to be issued**

4,830,918

**Purpose of the issue**

Part consideration for the acquisition of Pit N Portal as set out in the Investor Presentation

**Offer price details for retail security holders**

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 2.07000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes



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**Oversubscription & Scale back details**

**May a scale back be applied to this event?**

No

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Part 7C - Timetable

**7C.1 Proposed +issue date**

Friday February 28, 2020

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Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

4,830,918

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

No

**7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

Yes

**7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow**

4,830,918 fully paid ordinary shares subject to voluntary escrow for 12 months from completion of the acquisition of the Pit N Portal Group

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Part 7E - Fees and expenses



**7E.1 Will there be a lead manager or broker to the proposed issue?**

No

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Part 7F - Further Information

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**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**