

## M&A Rumor and Activity

The Australian market finished the week 0.11% higher with the S&P / ASX 100 ending at 4525 points, following the shock result from the US presidential election (the index initially fell in a knee jerk reaction to President-elect Donald Trump's win, before rallying in optimism). The mining and financials sectors were the best performing sectors, beneficiaries on hopes that commodity prices would benefit from Donald Trump's infrastructure spending plans, and on news that he would likely dismantle the Dodd-Frank Law. The Australian dollar decreased 1.10% for the week to end at US75.35 cents, as investors weighed the impact of stronger commodity prices over the sharp increase in US bond yields that strengthened the US dollar.

*The Australian* reported that **Austin Engineering Ltd (ANG.AX)** could be targeted by potential buyers (speculated suitors include Hitachi Construction Machinery or US-based Esco Corporation).

*The Sunday Telegraph* reported that Cuadrilla Resources, the UK-based fracking company 45% owned by **AJ Lucas Group Ltd (AJL.AX)**, is considering a future IPO or significant fundraising as it seeks to grow.

*The Australian* reported that **Emeco Holdings Limited (EHL.AX)** is understood to be in talks with two potential acquisition targets in Australia (speculated targets include McAleese Ltd (MCS.AX), MacMahon Holdings (MAH.AX), CIMIC Group Ltd (CIM.AX)'s fleet division FleetCo, Coates Hire, and National Plant & Equipment).

## News Headlines and Key Sector Developments

Ticker	News/Event	Ticker	News/Event
ANG	Successfully completed a share placement raising c.\$8.4m through the issue of 52.6 fully paid ordinary shares at an issue price of 16 cents per share. The proceeds of the placement will be used for working capital purposes	DCG	Cut & Fill Pty Ltd, DCG's wholly-owned subsidiary, has been awarded a \$22.1m contract with VicRoads for the construction of the Princes Highway duplication between Minnedale Road Traralgon East and east of Sheepwash Creek Road, Flynn, Victoria
BSA	Awarded a 3 + 3 years contract by Foxtel to provide installation and maintenance services	MYE	Nominated as the proposed contractor by Australian Pacific Coal (AQC.AX) to provide all mining services for life of the underground operations in respect to the development of the Dartbook underground coal mine in NSW
CDD	Announced the appointment of Ms Courtney Marsden as Joint Secretary of the company	OTC	Awarded a contract for communications work to upgrade BHP Billiton village entertainment systems for WAIO Villages, with an initial contract value of \$4.3m
CIM	CPB Contractors, a subsidiary of CIMIC Group, has been awarded a contract by the Australian Department of Defence to deliver the C-17A Maintenance Facility, Aircraft Apron and Associated Infrastructure Project at the RAAF Base Amberley in QLD. The contract will generate revenue of c.\$180m	SND	Awarded a contract valued at c.\$8m for the design and construction of 2 off fuel storage tanks
DCG	Awarded a further extension to the QCG wellsite installation services contract through to 30 June 2017 worth an estimated \$17m	SWK	Announced that it has been selected as the preferred tenderer for an underground diamond-drilling contract by Newmarket Gold (NMI.TSX) for three of their gold mines in Australia

Source: Thomson Reuters, Company Announcements, LCC research

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Ticker	Company Name	Market Cap (A\$ m)	Open Price (A\$)	Close Price (A\$)	Week High (A\$)	Week Low (A\$)	Weekly change (%)	Volume Trend	EV/ EBITDA	EV/ EBIT
AJL.AX	AJ Lucas Group Ltd	137	0.54	0.36	0.38	0.36	▼ (32.1%)	■ --	14.6x	1,245.3x
ASL.AX	Ausdrill Ltd	492	1.55	1.56	1.55	1.54	▲ 1.0%	■ ■■	5.7x	12.7x
AAX.AX	Ausenco Ltd	79	0.40	0.40	0.40	0.40	— 0.0%	—	n.m.	n.m.
ANG.AX	Austin Engineering Ltd	96	0.15	0.18	0.16	0.14	▲ 20.0%	— ■■	n.m.	n.m.
BLY.AX	Boart Longyear Ltd	142	0.14	0.15	0.14	0.13	▲ 15.4%	— ■■	n.m.	n.m.
BKN.AX	Bradken Ltd	570	3.22	3.30	3.22	3.22	▲ 3.1%	■ ■■	3.9x	3.9x
BYL.AX	Brierty Ltd	10	0.08	0.08	0.08	0.08	▼ (1.2%)	■ —	n.m.	n.m.
BOL.AX	Boom Logistics Ltd	62	0.13	0.13	0.13	0.13	— 0.0%	— ■■	10.4x	n.m.
BSA.AX	BSA Ltd	133	0.32	0.32	0.31	0.31	▲ 3.3%	■ --	10.1x	23.4x
CDD.AX	Cardno Ltd	499	0.88	1.04	0.91	0.87	▲ 18.9%	— ■■	21.2x	n.m.
CIM.AX	CIMIC Group Ltd	9,034	27.63	27.86	27.20	27.16	▼ (0.5%)	■ ■■	7.0x	11.0x
DCG.AX	Decmil Group Ltd	189	1.05	1.10	1.07	1.05	▲ 4.3%	— ■■	20.1x	75.5x
DSB.AX	Delta SBD Ltd	11	0.22	0.20	0.20	0.20	▼ (9.1%)	■ —	3.5x	6.1x
DOW.AX	Downer EDI Ltd	2,413	5.65	5.68	5.55	5.46	▲ 2.3%	■ ■■	4.8x	9.0x
EAL.AX	E&A Ltd	12	0.08	0.08	0.08	0.08	▲ 12.0%	■	n.m.	n.m.
EGN.AX	Engenco Ltd	44	0.15	0.14	0.14	0.14	— 0.0%	■	6.0x	13.9x
EHL.AX	Emeco Holdings Ltd	37	0.07	0.06	0.07	0.06	▼ (4.6%)	■ ■■	6.9x	n.m.
FWD.AX	Fleetwood Corp Ltd	131	2.02	2.12	2.10	2.02	▲ 9.6%	■ ■■	12.7x	168.0x
GCS.AX	Global Construction Services Ltd	95	0.45	0.47	0.47	0.45	▲ 2.2%	— ■■	3.9x	6.2x
GNG.AX	GR Engineering Services Ltd	280	1.81	1.83	1.79	1.72	▲ 12.3%	■ ■■	9.0x	9.8x
HDX.AX	Hughes Drilling Ltd	17	0.08	0.08	0.08	0.08	— 0.0%	—	3.1x	7.5x
IMD.AX	Imdex Ltd	164	0.56	0.57	0.56	0.56	▼ (3.4%)	■ ■■	12.5x	37.3x
LCM.AX	LogiCamms Ltd	31	0.44	0.45	0.44	0.41	▲ 4.7%	■ ■■	n.m.	n.m.
LYL.AX	Lycopodium Ltd	106	2.62	2.67	2.66	2.62	▲ 2.3%	■	5.0x	5.5x
MLD.AX	MACA Ltd	443	1.73	1.89	1.80	1.69	▲ 10.2%	— ■■	5.5x	24.8x
MAH.AX	Macmahon Holdings Ltd	144	0.12	0.12	0.12	0.12	— 0.0%	■ ■■	2.3x	16.4x
MYE.AX	Mastermyne Group Ltd	21	0.19	0.23	0.23	0.19	▲ 21.1%	— ■■	9.7x	n.m.
MIN.AX	Mineral Resources Ltd	2,120	10.89	11.23	11.11	10.81	▲ 0.9%	■ ■■	7.0x	13.4x
MCE.AX	Matrix Composites & Engineering Ltd	41	0.44	0.43	0.43	0.43	▼ (2.3%)	— ■■	4.4x	n.m.
MCS.AX	McAleese Ltd	7	0.03	0.03	0.03	0.03	— 0.0%	—	12.9x	n.m.
MND.AX	Monadelphous Group Ltd	938	8.97	9.90	9.28	8.83	▲ 8.6%	■ ■■	6.5x	7.9x
MRM.AX	MMA Offshore Ltd	136	0.36	0.37	0.36	0.35	▲ 4.3%	■ ■■	6.3x	n.m.
MSV.AX	Mitchell Services Ltd	45	0.03	0.03	0.03	0.03	— 0.0%	— ■■	106.3x	n.m.
NWH.AX	NRW Holdings Ltd	185	0.59	0.57	0.57	0.55	▼ (14.9%)	■ ■■	5.1x	10.1x
OTR.AX	Onterran Ltd	24	0.42	0.42	0.42	0.42	▲ 1.2%	— ■■	n.m.	n.m.
OTC.AX	OTOC Ltd	97	0.31	0.30	0.31	0.30	▼ (3.2%)	— ■■	6.3x	10.0x
PRG.AX	Programmed Maintenance Services Ltd	404	1.58	1.57	1.54	1.48	▼ (4.8%)	— ■■	8.0x	11.5x
RCR.AX	RCR Tomlinson Ltd	393	2.65	2.81	2.77	2.61	▲ 1.1%	— ■■	12.8x	32.1x
RDG.AX	Resource Development Group Ltd	18	0.03	0.03	0.03	0.03	▲ 7.7%	■ —	0.3x	0.4x
RUL.AX	Rungepincockminarco Ltd	115	0.52	0.55	0.54	0.52	▲ 10.0%	■ ■■	n.m.	n.m.
SND.AX	Saunders International Ltd	43	0.57	0.55	0.55	0.53	▼ (2.7%)	■	6.8x	8.0x
SSM.AX	Service Stream Ltd	452	1.20	1.23	1.23	1.17	▲ 3.4%	■ ■■	11.6x	14.6x
SWL.AX	Seymour Whyte Ltd	77	0.79	0.87	0.80	0.78	▲ 11.5%	— ■■	7.0x	21.9x
SXE.AX	Southern Cross Electrical Engineering Ltd	96	0.58	0.60	0.60	0.57	▲ 6.2%	— ■■	4.6x	7.7x
STS.AX	SRG Ltd	109	1.71	1.68	1.70	1.67	▼ (2.3%)	— ■■	6.1x	9.5x
SWK.AX	Swick Mining Services Ltd	50	0.26	0.24	0.25	0.24	▼ (13.0%)	— ■■	5.1x	n.m.
TPP.AX	Tempo Australia Ltd	52	0.26	0.26	0.26	0.25	▼ (3.8%)	■ ■■	5.4x	5.5x
UGL.AX	UGL Ltd	531	2.16	3.19	3.19	2.14	▲ 43.7%	— ■■	n.m.	n.m.
VMG.AX	VDM Group Ltd	17	0.00	0.00	0.00	0.00	▲ 50.0%	■ ■■	n.m.	n.m.
WOR.AX	WorleyParsons Ltd	2,262	8.66	9.18	8.81	8.50	▲ 8.6%	— ■■	13.2x	21.4x
WTP.AX	Watpac Ltd	167	0.85	0.89	0.86	0.85	▲ 1.7%	— ■■	(3.5x)	n.m.

Source: Thomson Reuters, LCC research

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