



# ASX Announcement

Friday, 4 October 2019

## **COURT APPROVES CONVENING OF SCHEME MEETING INDEPENDENT EXPERT CONCLUDES THAT THE SCHEME IS FAIR AND REASONABLE AND, THEREFORE, IS IN THE BEST INTERESTS OF ERM POWER SHAREHOLDERS**

ERM Power Limited (**ASX: EPW**) ("ERM Power") refers to the proposed acquisition of ERM Power by Shell Energy Australia Pty Ltd ("Shell Energy Australia") by way of a scheme of arrangement, as announced on 22 August 2019 ("Scheme").

### **Court approval of Scheme Meeting**

ERM Power is pleased to announce that the Supreme Court of New South Wales ("Court") has today made orders approving the convening of a meeting of ERM Power shareholders to consider and vote on the Scheme ("Scheme Meeting").

The Scheme Meeting will be held at 11.00am (Brisbane time) on Friday 8 November 2019 at Brisbane Marriott Hotel, Grand Ballroom, 515 Queen Street, Brisbane Queensland 4000.

### **Scheme Booklet**

An explanatory statement which includes information about the Scheme, the independent expert's report and the notice convening the Scheme Meeting (together, the "Scheme Booklet") will be released in a further announcement following the registration of the Scheme Booklet with the Australian Securities and Investments Commission.

The Scheme Booklet is expected to be sent to ERM Power shareholders on 8 October 2019.

### **Independent expert's report**

The independent expert, Lonergan Edwards and Associates ("Lonergan Edwards"), has concluded that the Scheme is fair and reasonable and, therefore, is in the best interests of ERM Power shareholders in the absence of a superior proposal. Lonergan Edwards has assessed the full underlying value of ERM Power at between \$2.20 and \$2.51 per ERM Power share. The total cash consideration of \$2.42 per ERM Power share payable to ERM Power shareholders pursuant to the Scheme is within this range.

Lonergan Edwards' conclusion should be read in context with the full independent expert's report and the Scheme Booklet, which will be released shortly.

### **Directors' recommendation**

The directors of ERM Power continue to unanimously recommend that ERM Power shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to the independent expert continuing to conclude that the Scheme is in the best interests of ERM Power shareholders.

Subject to those same qualifications, all directors of ERM Power, representing collectively 3.2% of the total ERM Power shares on issue, intend to vote or procure the vote of those shares in favour of the Scheme.

### **Founder and major shareholder**

Mr Trevor St Baker, who currently has a relevant interest in approximately 27.39% of the total ERM Power shares on issue, has confirmed to the ERM Power directors that he intends to vote, or procure the vote of, those shares in favour of the Scheme, in the absence of a superior proposal to acquire all of the ERM Power shares and subject to the independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of ERM Power shareholders.

## Further information

Once received, ERM Power encourages ERM Power shareholders to read the Scheme Booklet in its entirety before deciding whether or not to vote in favour of the Scheme at the Scheme Meeting. ERM Power also encourages ERM Power shareholders to note key events and indicative dates as set out in the Scheme Booklet.

## For further information

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## About ERM Power

ERM Power is an Australian energy business for business. ERM Power provides large businesses with end to end energy management, from electricity retailing to integrated solutions that improve energy productivity. Market-leading customer satisfaction has fuelled ERM Power's growth, and today the Company is the second largest electricity provider to commercial businesses and industrials in Australia by load<sup>1</sup>. ERM Power also operates 662 megawatts of low emission, gas-fired peaking power stations in Western Australia and Queensland, supporting the industry's transition to renewables.

<https://ermpower.com.au/>

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<sup>1</sup> Based on ERM Power analysis of latest published information.