



ASX Release

11 September 2019

Babylon Completes Acquisition of Primepower

Babylon Pump & Power Limited (Babylon) today announced the completion of the acquisition of Primepower Queensland Pty Ltd (Primepower). Babylon announced on 26 July 2019 that it had entered into an agreement to acquire leading diesel engine specialist Primepower. The issue of 29,556,651 Babylon shares (at a deemed issue price of \$0.0203 per share), will occur immediately following Babylon's annual general meeting, where shareholder approval will be sought for the issue of those shares. Additionally, as announced on 26 July 2019, there are a number of deferred payments to be made over two years.

Primepower was founded in Mackay, Queensland in 2004 and has grown into a highly regarded specialist provider of diesel maintenance to the resources sector with a blue-chip client base including Peabody, FMG, BMA, Anglo, Wesfarmers and Minerva.

The compelling acquisition of Primepower offers:

- Geographic and technical expansion;
- Diversification of commodity exposure;
- Purchasing power and contract synergies;
- East coast platform to introduce rental services; and
- Workshop flexibility with no additional corporate overhead.

Post acquisition, Babylon will be one of the largest independent and diversified engine re-builders in Australia, poised for growth in specialist rental nationally, with a focus on Australia's two key mining states (WA and QLD).

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