



# ASX RELEASE

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5 June 2020

## WINDLAB LIMITED – CHAIRMAN’S ADDRESS TO SCHEME MEETING

In accordance with ASX Listing Rule 3.13.3, Windlab Limited (ASX:WND) is pleased to provide the Chairman’s address for the Scheme Meeting being held electronically at 10.30am (Sydney time) on Friday, 5 June 2020.

Ends

### About Windlab Limited:

Windlab Limited (ASX:WND) is a publicly listed international wind energy development company initially established to commercialise world-leading atmospheric modelling and wind mapping technology (WindScape™) developed at Australia’s CSIRO. Windlab uses this proprietary technology to identify and develop high quality wind farm sites reducing the risk and uncertainty associated with wind development. Windlab is headquartered in Canberra, Australia and has offices across Australia, Southern Africa and North America. More than 1,000MW of wind farm capacity, on three continents, developed by Windlab has reached financial close and is today either operating or under construction. It is developing more than 50 renewable energy projects, totalling over 7,500MW of potential capacity around the world.

Authorised by the Board: For further information please contact:

Roger Price  
Executive Chairman  
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Rob Fisher  
Chief Financial and Operating Officer  
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## WINDLAB SCHEME MEETING

### CHAIRMAN'S ADDRESS

Good morning ladies and gentlemen.

My name is Charles Macek, Senior Independent Director of Windlab Limited. Welcome, and thank you for joining me for the Scheme Meeting relating to the Windlab scheme of arrangement.

As it is now past the appointed time of 10.30am and I am advised that a quorum is present, and accordingly I formally declare this Scheme Meeting open.

I regret that the board and I are not able to meet with shareholders personally today. However, I would like to introduce the following fellow Directors and Company Secretary who are present online:

- ☐ Roger Price, Executive Chairman and Chief Executive Officer
- ☐ Pippa Downes, Independent Non-Executive Director
- ☐ Joseph O'Brien, Independent Non-Executive Director
- ☐ Rob Fisher, Company Secretary and Chief Financial & Operating Officer
- ☐ Andrew Cooke, Company Secretary

Also present at this meeting online today are a number of Windlab's financial and legal advisers.

### NOTICE OF MEETING

Notice of today's Scheme Meeting is included as Annexure C of the Scheme Booklet, which was despatched to Windlab shareholders on 5 May 2020. The notice has been given in accordance with the orders made by the Supreme Court of New South Wales on 29 April 2020.

I will take the Notice of the Meeting as being read.

### SCHEME OVERVIEW

On 4 March 2020, Windlab entered into a Scheme Implementation Agreement with, Wind Acquisition 1 Pty Ltd ("**Bidder HoldCo**"). Under the Scheme Implementation Agreement, it is proposed that Wind Acquisition 2 Pty Ltd ("**Bidder**"), a fully owned subsidiary of Bidder HoldCo, will acquire all Windlab Shares that it and its related entities do not already own by way of a scheme of arrangement.

The Bidder is an investment vehicle indirectly owned by funds managed by Federation Asset Management Pty Ltd and Squadron Energy Pty Ltd. In turn Squadron Energy is privately owned and is part of the Andrew Forrest led Minderoo Group of companies.

After the initial approach from Federation in connection with the proposed Scheme, the Windlab Board established an independent board committee to oversee progression of the proposal. The independent board committee comprised myself, Joseph O'Brien, and Geoff Cairns, of Windlab's legal advisors Dentons Australia. I acted as chair of the independent board committee.

The independent board committee was established because of the potential for a real or perceived conflict of interest relating to Roger Price because of his interests in options and performance rights in relation to Windlab shares. Those interests are set out in full in the Scheme Booklet. The independent board committee consulted on all key aspects of the proposed scheme from the time of the initial announcement through to this meeting.

As chair of the independent board committee, I am acting as chairman of this meeting, rather than Roger Price who is the Executive Chairman of Windlab.

If the Scheme is implemented, Windlab Shareholders will receive \$1.00 cash per Windlab Share on the Implementation Date for the Scheme. This is currently proposed to be Friday, 26 June 2020.

## **AGENDA AND PURPOSE OF SCHEME MEETING**

Today, Windlab Shareholders will be asked to consider and vote on a resolution in relation to the Scheme which requires their approval for it to proceed.

Firstly, I will provide an overview of the Directors' recommendation and the Independent Expert's conclusion in respect of the Scheme.

I will then present the Scheme Resolution to be considered and there will be time for questions.

## **SCHEME BOOKLET AND DIRECTORS' RECOMMENDATION**

Windlab Shareholders will have previously received a Scheme Booklet dated 30 April 2020 together with a personalised Proxy Form. The Scheme Booklet, which will be taken as read, includes:

- ☐ a notice convening today's meeting;
- ☐ an overview of the Scheme;
- ☐ the key considerations relevant to each Windlab Shareholder's vote;
- ☐ frequently asked questions; and
- ☐ information about the Bidder.

Windlab appointed KPMG Corporate Finance as the Independent Expert to assess the merits of the Scheme. A copy of the Independent Expert's Report is also included in the Scheme Booklet at Annexure D.

The Windlab Directors unanimously recommend that Windlab 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 Windlab Shareholders. I also note that, subject to those same qualifications, the Windlab Directors intend to vote all of the Windlab Shares held or controlled by them in favour of the Scheme.

The Independent Expert has concluded that, the Scheme is fair and reasonable and in the best interests of Windlab Shareholders. The basis for this conclusion is that the Scheme Consideration of \$1.00 per Windlab Share is at the top end of the valuation range (as concluded by the Independent expert) of \$0.68 to \$1.00 per Windlab Share.

As we stand today, no Superior Proposal has emerged and the Independent Expert continues to maintain its conclusion that the Scheme is in the best interests of Windlab Shareholders.

## **STATUS OF CONDITIONS PRECEDENT**

The Scheme Implementation Agreement contains a number of Conditions, which are outlined in Section 3.2 of the Scheme Booklet. The key conditions which remain outstanding are:

- ☐ approval of the Scheme by Windlab Shareholders, which is why we are holding this meeting today;
- ☐ approval of the Scheme by the Supreme Court of New South Wales (due to take place after 9.15am (AEST) on Friday, 12 June 2020);
- ☐ certain other customary conditions as outlined in the Scheme Booklet and Scheme Implementation Agreement.

All other conditions have now been satisfied. Nothing has occurred to date which your directors' believe would prevent the conditions that remain outstanding from being satisfied.

### **REQUISITE MAJORITIES FOR SCHEME TO BE APPROVED**

The Scheme is conditional on Windlab Shareholder approval. The Scheme Resolution needs to be approved by the requisite majorities of Windlab Shareholders, which are:

- ☐ a majority in number (more than 50%) of the Windlab Shareholders present and voting (either in person, by proxy, attorney or corporate representative) at this Scheme Meeting;

**and**

- ☐ at least 75% of the votes cast on the Scheme Resolution (either in person, by proxy, attorney or corporate representative).

For the purposes of the majority in number test, each shareholder represented by proxy, attorney or corporate representative is counted as a separate shareholder, even if multiple shareholders appoint the same proxyholder or representative.

### **IMPLEMENTATION OF THE SCHEME**

If the Scheme Resolution is passed by the Windlab Shareholders in the Requisite Majorities, the Second Court Hearing will be held at 9.15am (AEST) on Friday, 12 June 2020.

If the Court approves the Scheme, a copy of the Court order approving the Scheme will be lodged with ASIC and the Scheme will become legally Effective. This is expected to occur on Monday, 15 June 2020.

On the Implementation Date, which is currently expected to be Friday, 26 June 2020, the Windlab Shares will be transferred to the Bidder and the Scheme Shareholders will receive their Scheme Consideration of \$1.00 per Windlab Share, as set out in the Scheme Booklet.

### **SCHEME RESOLUTION**

The purpose of this Scheme Meeting is to consider, and if thought fit, to approve the Scheme proposed between Windlab and Windlab Shareholders set out in the Scheme Booklet.

The Scheme Resolution is shown on the screen in front of you, and I will take a moment to read it out aloud in full:

*"That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Windlab Limited and Scheme Shareholders (the terms of which are described in the Scheme Booklet which accompanies this notice of meeting) is approved (with or without modification as approved by the Supreme Court of New South Wales)."*

The Notice of Scheme Meeting was sent to all Windlab Shareholders and will be taken as read.

## PROXIES

Proxy results received for the Scheme Resolution are now set out on the screen in front of you. I intend to vote all available undirected proxies in favour of the Scheme Resolution.

	Number of Votes Cast	% of Votes Cast	Number of Shareholders	% of Shareholders
For	46,691,106	98.95%	294	90.46%
Against	149,398	0.32%	24	7.38%
Open	346,288	0.73%	7	2.15%
Total	47,186,792	100%	325	100%
Abstain	600	N/A	1	N/A

Votes relating to a Windlab Shareholder who abstains from voting are not counted in determining whether the requisite majorities of votes were cast for or against the Scheme Resolution.