



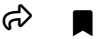
DEALS

ENERGY

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Bioenergy company launches \$14m IPO

By [Jessica Mascione](#)



Delorean is led by managing director [Joe Oliver](#). *Photo: David Henry*

West Perth-based waste-to-energy company [Delorean Corporation](#) plans to list on the ASX in April after raising \$14 million from an initial public offering.

Led by managing director [Joe Oliver](#) and chairman [Hamish Jolly](#), Delorean describes itself as a builder and developer of bioenergy infrastructure and an emerging fast-growth electricity retailer.

The company's board has been bolstered by the addition of [Stephen Gostlow](#), who built Tox Free Solutions into a national success prior to its 2018 takeover by Cleanaway for \$831 million

Delorean, which commissioned a bioenergy plant in Jandakot in 2015, has several other projects including in South Australia, Victoria and Queensland.

Funds raised from its IPO will help bring some of Delorean's additional projects into the market, Mr Jolly said in the company's prospectus.

"With its focus on bioenergy, the company is leveraging off two significant shifts in the Australian waste management and energy sectors," the chairman said.

"Firstly, policies at national, state and local government levels have been focused to divert organic wastes from land fill in favour of recycling and energy recovery through the introduction of landfill levies, providing a base level from which to set gate fees for the delivery of organics into bioenergy facilities.

"Secondly, the increasing displacement of fossil fuels in the electricity and gas sectors by renewable, on-demand generation and gas supply provides a favourable environment for the rollout of bioenergy assets."

He said Delorean had a strong, five-year track record.

Its annual revenue grew rapidly to \$31.2 million in the year to June 2020, with the company posting a net profit of \$2.6 million.

Revenue is expected to dip slightly in the current financial year to \$30.2 million with statutory profit forecast to be \$1.9 million.

The company will issue 70 million shares through the IPO, priced at 20 cents each. It opens on March 12, with the new shares to be issued on March 30.

The two founding directors will have their holdings in the company diluted from 40.5 per cent to 24.2 per cent.

The proceeds of the IPO will mainly be used to fund development of Delorean's Stanhope bioenergy facility (DEVO project) in Victoria, west of Shepparton. Upon completion, Delorean will hold a 90 per cent stake in the project via its shareholding in subsidiary Delorean Energy Victoria One.

The company expects to list on the ASX on April 8.

Its IPO is led and underwritten by RM Corporate Finance and Morgans Financial.