

Ashurst

The M&A Deal Report 2026

An analysis of Australian
public mergers & acquisitions

Outpacing change

An abstract graphic featuring a series of thin, parallel lines that curve and fan out from a central point, creating a shell-like or fan-like structure. The lines are illuminated with a gradient of colors, transitioning from dark blue and purple at the top to bright cyan and green at the bottom. The overall effect is dynamic and futuristic.

1

What can we expect in 2026?



Key takeaways

2026 outlook: strong momentum, known unknowns and regulators at the crossroads

2026 has the potential to be a bumper year for Australian public M&A.

Conditions are good. Momentum is strong. Strategics, sponsors and sovereigns are all actively engaged.

The underlying settings for deal activity are fertile.

The economic backdrop is relatively strong, private capital is abundant and debt funding is available.

There is also a growing divergence between the perceived benefits of public markets and the downsides of being listed caused by, among other factors, governance overload, compliance costs and short-term reporting requirements. In that context, private capital and strategic buyers, who need to make acquisitions to grow, can offer a better way forward for many. We expect this will lead to more public-to-private transactions.

The summer break has already seen some very large potential deals announced: Macquarie's proposed acquisition of Qube, the proposed acquisition of BlueScope by SGH / Steel Dynamics and the proposed acquisition of Qoria by Aura.

These deals could be an indication of what we can expect in 2026. However, they are only potential deals, and to come to fruition, target boards and shareholders need to be satisfied with the terms on offer. As the end of the Rio Tinto and Glencore talks demonstrate, this is not a given. Planets (and valuations) need to align. As always, M&A has many uncertainties.

Last but not least, as we progress into 2026, the regulatory demands on M&A transactions seem to increase every year. Australia seeks to reduce red tape, yet we seem to be imposing increasing regulatory burdens on M&A activity across the board including additional approval requirements, lengthy application processes, wait periods and sizeable filing fees. There have been significant changes in our competition law regime with mandatory ACCC notifications now required. Ongoing changes and developments are occurring at FIRB as it seeks to improve the management of foreign investment approval applications. Weighty regulatory filing fees now attach to ACCC and FIRB applications as well as public M&A transactions generally. How the regulators manage their additional powers in practice will be an important factor, with the potential to impact M&A in 2026.

Why the conditions are right

A number of macroeconomic and structural factors point to an environment conducive for M&A in 2026:

- Positive momentum carried over from late 2025, including a pipeline of announced but not yet completed transactions (including a number of large deals) and renewed bidder confidence.
- Greater interest rate stability overall (despite the recent modest increase) should improve valuation certainty.
- Debt funding is available, with banks and private credit providers increasingly willing to support acquisition financing.
- Private capital is abundant, ready to be deployed at scale, with growing Australian superannuation and foreign pension funds fuelling private equity firepower as well as seeking their own direct long-term, high-quality investments.
- Reduced attractiveness of public markets – especially for many mid-market companies, reinforcing the case for take-privates and strategic exits.
- Public companies themselves are engaged in strategic growth, and inorganic growth through public M&A provides one option to do so.
- AI / technology developments, the energy transition and the geopolitical importance of Australia's resources are providing M&A catalysts.

Taken together, these factors create fertile conditions for deal activity, particularly if regulatory processes allow transactions to progress efficiently.

We discuss some of our key predictions for 2026 on the following pages... we did pretty well with our predictions 12 months ago with a perfect record (see our [2025 M&A Deal Report](#))... so please take note of what follows!



Key predictions for 2026

Private capital: more, more, more

Private capital will continue to be a dominant driver of public M&A in 2026.

Growing Australian superannuation funds, driven by our unique compulsory savings system, as well as foreign pension funds have an abundance of capital. That capital needs to be put to work.

Debt funding is also readily available.

The combination of these factors, including the need or desire to find larger targets to deploy more capital, means we can expect increasing private equity and infrastructure fund focus on public company targets.

The full spectrum of global private capital players including Brookfield, Blackstone, EQT, TPG, KKR, CVC, Bain and PAG, alongside domestic firms such as BGH, PEP, Adamantem, Allegro, Quadrant and Five V, are active in Australian public markets. In addition, Australian superannuation funds and foreign pension funds are increasingly comfortable providing co-investment equity or rolling stakes alongside private equity sponsors. And in some cases, such as Hostplus' collaboration with Charter Hall in taking over Hotel Property Investments in 2024/2025, superannuation funds are open to being the bidder.

The increased activity was evident across both acquisitions and exits in the second half of 2025. Recent and current transactions illustrate the depth of sponsor engagement in our markets more broadly, including Macquarie's proposed acquisition of Qube (where UniSuper is the largest shareholder), Blackstone's proposed Hamilton Island acquisition, Bain's IPO of Virgin Australia, Allegro's sale of Straits Link to Igneo, BGH's CyberCX sale and PAG's part sale of Australian Venue Co to CVC, to name just a few. Anticipated exits such as KKR's proposed sale of Colonial First State and TPG's mooted IPO of Greencross will be closely watched.

There are, however, some tempering factors which will need to be navigated if private capital is to reach its full potential:

Pressure for successful exits is rising. Private capital is not just about buying, of course. There is always the pressure to have exits at strong values. Some will need to demonstrate more wins before they can maximise further funding rounds and feel comfortable with more acquisitions.

Competition for high quality assets remains intense. Many private capital firms prefer to avoid competitive acquisition processes.

Increasing regulation can increase execution risk and costs, as well as add uncertainty to post-acquisition roll-up plays, which in turn can impact appetite at the margin. Under Australia's new mandatory merger notification regime, competing bidders are unable to obtain ACCC clearance ahead of an auction process, as the law now requires that all notifying parties enter into a contract, arrangement or understanding. This is a significant departure from the approach taken under the previous informal system and is less than ideal.

That said, even if there are some drags on activity, private capital is expected to remain highly active in 2026. Indeed we expect private capital will often be key players in large transactions including as co-investor, funder, acquirer and, often, as large shareholders in target companies.

Increased US investment

The 2025 data points to a meaningful increase in US bidder participation, and that trend is expected to continue into 2026.

Examples of large US acquisitions of Australian public companies in 2025 included Caterpillar Inc's successful acquisition of RPMGlobal Holdings for \$1.1 billion, CoStar Group Inc's successful acquisition of Domain Holdings for \$2.8 billion and CC Capital's proposed acquisition of Insignia Financial for \$3.2 billion.

US-based corporates and private equity funds are of course well capitalised, and experienced in M&A and complex transactions. They seem more open to calculated risk taking and growth, which is well supported by US financial markets.

Notwithstanding some recent gains in the A\$, we still have a relatively weak A\$ which can make Australian targets look inexpensive in US\$ terms. While the A\$ may increase a little in 2026 (given our interest rates might be relatively higher than key overseas markets), we do not expect that to have a significant impact on this thematic.

Of course, we live in a world with rising geopolitical tensions and security concerns. In this context, investment from the US and western countries generally encounter a relatively quicker FIRB review.

These dynamics suggest inbound US investment will remain a significant feature of Australian public M&A in 2026 particularly from US private equity firms and also US mining companies including in relation to critical minerals. The announcement of the proposed acquisition of Australian Strategic Minerals by Energy Fuels Inc for \$444 million in January 2026 being a case in point.



The ASX mid-market continues to be hollowed out

The hollowing out of the ASX mid-market is expected to continue and perhaps even accelerate.

Public markets aren't getting any easier. Complying with listing rule obligations and governance standards and expectations, short-term / periodic reporting and dealing with increasingly engaged shareholders (including activists on occasions) takes significant time, money and management focus.

That's manageable for multi-billion dollar ASX 50 companies, but perhaps not so easy for mid-cap listed companies, especially those that have been listed for some time and may not have a tech, digital or other growth story. These companies may have limited institutional shareholder support, limited market analyst interest and low trading liquidity.

By contrast, private markets can provide longer term and committed capital, operational flexibility and strategic alignment, allowing management teams to pursue longer term growth strategies, while avoiding more onerous and short-term periodic reporting cycles and extensive compliance burdens.

The above factors, combined with the volume of private capital available to be invested, can be expected to drive public-to-private transactions and mid-market takeover activity.

Deal structures: schemes still dominant, tactics evolving, more shareholder engagement and activism

Schemes of arrangement will of course continue to be the preferred structure for agreed transactions. That said, bidders are showing greater tactical flexibility to get deals done. Therefore, we expect to see an increased willingness by bidders to deploy alternative approaches where boards do not engage and / or adopt a "just say no" defence.

This is likely to include:

- A greater incidence of off market takeover bids, particularly in contested situations or where boards resist engagement.
- Bear hug approaches, where bidders appeal directly to shareholders even if their preferred endgame is a scheme, including through public statements or engagement with key institutional holders.
- Greater direct engagement with shareholders at an early stage rather than simply seeking to negotiate a deal with the target board on a confidential basis.

Target boards that simply say "no" for extended periods, without articulating a clear and sustained value creation alternative, risk increasing shareholder frustration. While holding out can sometimes result in a higher price, experience suggests that selling at a strong price is often preferable to losing the opportunity of a takeover premium altogether.

Sectors to watch

While deal activity is expected across a broad range of industries, several sectors are likely to be the ones to watch for public M&A in 2026.

Technology is expected to remain highly active. AI, digital and big data have the potential to drive an innovation supercycle. Australia continues to produce attractive software, data and technology-enabled services businesses, many of which exhibit recurring revenue, a strong customer base and scalable platforms. Caterpillar Inc's successful \$1.1 billion acquisition of RPMGlobal Holdings (a leading provider of software solutions and advisory services for the mining industry) and the recently announced proposed acquisition of Qoria by Aura (a global technology company focussed child well being and safety) demonstrate the attractiveness of the IT sector. While larger listed players such as WiseTech and Xero have been active offshore, mid-sized ASX listed technology companies remain compelling, perhaps undervalued, targets for inbound investors and private capital.



Energy transition assets will remain a significant area of focus. Capital continues to flow into renewables, storage, transmission and transition related infrastructure, supported by deep pools of global infrastructure and pension capital. 2025 saw a large number of public M&A deals with targets involved in mining or key minerals required for the energy transition, including copper and lithium. Transactions such as Sembcorp's proposed acquisition of Alinta Energy reflect ongoing appetite for scale and portfolio optimisation in this sector.



Real estate is showing early signs of renewed momentum following cyclical lows. Stabilising valuations and improving funding conditions are expected to support increased transaction activity in 2026. Sub sectors such as logistics, data centres, accommodation, alternative living and operating real estate are expected to attract the greatest interest, as reflected in transactions such as Brookfield / GIC consortium's proposed \$4 billion acquisition of National Storage REIT and Charter Hall and Hostplus' acquisition of Hotel Property Investments (announced in 2024).



Resources and materials was a standout sector in 2025 with high profile deals including Gold Fields' successful \$3.7 billion acquisition of Gold Road Resources and Ramelius Resources' successful \$2.4 billion acquisition of Spartan Resources. We expect continued strength in 2026, with gold, critical minerals and future facing metals such as copper remaining key areas of focus, supported by Australia's strategic role in global supply chains. The recently announced proposed acquisition of Australian Strategic Minerals by Energy Fuels Inc being a case in point. We expect further activity to be driven by the desire for scale, enhanced asset quality and the need for access to critical minerals.



Distressed and special situations will remain part of the picture

While the overall outlook for public M&A is positive, some industries are struggling with increased costs and / or reduced prospects for growth.

Certain parts of the market remain under material strain, giving rise to distressed or opportunistic M&A scenarios. For example, healthcare continues to face structural and funding challenges, highlighted by the sale of Healthscope's private hospital portfolio.

Gaming and leisure companies, including The Star Entertainment Group, remain under pressure from regulatory, compliance, operational and balance sheet issues.

Parts of the retail sector also continue to experience cost pressures and subdued consumer demand.

This is expected to drive increased restructuring activity and, potentially, opportunistic acquisitions and selective consolidation. Private credit and special situations funds are likely to continue to play a prominent role, alongside strategic buyers targeting assets emerging from distress.

Increased shareholder activism

Shareholder activism is now an established, and growing, feature of the Australian public M&A landscape and is expected to continue influencing deal dynamics in 2026.

Activism takes many forms. It includes large institutional investors and superannuation funds, as well as traditional activist funds and highly vocal institutional shareholders, expressing views on valuation, strategy and capital allocation or seeking to initiate or encourage M&A strategies to create activity. In this context, we can expect to see much more engagement between shareholders and potential bidders in 2026 which will drive M&A activity, in particular with underperforming companies.

Superannuation funds including Hostplus, AustralianSuper and UniSuper have also demonstrated an increasing willingness to engage actively in M&A transactions.

Activist campaigns continue to feature prominently in contested situations. Some activist activity in 2025 included Ainsworth Game Technology, which saw a proportional takeover from parties associated with the founder in opposition to Novomatic AG's unsuccessful proposal, as well as the situation at Humm involving potential bids from founders, strategics and calls from unhappy shareholders for change.

Looking ahead, activism is expected to further intersect with M&A strategy.

What are the risks to public M&A in 2026?

While there are many reasons to expect 2026 to be a strong year for public M&A in Australia, geopolitical risk is the known unknown that could negatively impact activity. Anyone who says they can predict what will happen in international relations, geopolitics and the impact of that on world markets (and therefore Australian M&A) is making it up. To date, markets have been tremendously resilient.

Time alone will tell. But for now, while this risk remains, it is only that, and the expectation is for a very busy 2026.

At the cross-roads: over regulation, but signs of adjustment ahead

Increasing regulation is a defining feature of the public M&A environment as we start 2026.

The ACCC's new merger laws, which came into force on 1 January 2026, represent a major overhaul. 2026, and the first half of 2026 in particular, is likely to be a testing period as processes, resourcing and market practice adjust. Hopefully, the process will swiftly become more refined and efficient. In particular, market participants will want to see the regime become adept at quickly approving acquisitions where there are no substantive issues.

In a complex world with geopolitical tensions, it is perhaps not surprising that the FIRB approval processes often continue to take time. That said, FIRB continues to express an intention to make approvals for straight forward transactions more streamlined. How this translates into practice remains a work in progress. Many market participants remain sceptical about the ability of FIRB to deliver a more efficient process for applicants that should raise no foreign investment concerns.

ASIC also continues to take a robust stance and enters 2026 with the Deputy Chair, Ms Sarah Court, taking over as Chair mid year.

2026 might be a challenging and frustrating year dealing with regulators but we believe that, with time, the processes can and will improve.

That said, it may take the full year and 2027 may be the point at which a new satisfactory normal emerges. In particular it will take time for the ACCC and parties to establish a consistent operating rhythm and some of the current regulatory friction with the new laws to ease. Until then, dealmakers will need to be patient and learn to navigate an environment which for now at least, has more barriers and hurdles.



Authors



Eliza Blandford

Eliza has 18 years' experience advising on acquisitions, divestments, corporate governance, strategic investments and contracting.

[View Profile](#)



Anita Choi

Anita advises on significant M&A transactions with a particular focus in the energy, energy transition and infrastructure sectors.

[View Profile](#)



Carl Della-Bosca

Carl advises on public and private M&A, JVs and equity capital raisings with extensive experience in the mining and energy sectors.

[View Profile](#)



Anton Harris

Anton is Head of Private Capital in APAC with significant experience leading large public and private M&A transactions.

[View Profile](#)



Kylie Lane

Kylie is a member of our global board, and corporate practitioner with extensive expertise advising on M&A in the energy, resources and infrastructure sectors.

[View Profile](#)



Susannah Macknay

Susannah specialises in acting for corporate and private equity clients on large M&A transactions.

[View Profile](#)



Amelia Morgan

Amelia specialises in public and private M&A with significant expertise advising corporate and private capital backed investors on their most important and strategic transactions.

[View Profile](#)



Neil Pathak

Neil is Head of Australia and Co-Head of M&A Australia with extensive expertise in listed takeovers, cross-border acquisitions and capital raisings.

[View Profile](#)



John Brewster

John is Head of our Australian Corporate Practice with 20 years' experience leading complex public and private M&A transactions.

[View Profile](#)



Tony Damian

Tony is Co-Head of M&A Australia with 30 years' experience advising on strategic and complex M&A transactions and board advisory matters.

[View Profile](#)



Melissa Fraser

Melissa is head of our APAC antitrust, regulatory and trade practice with particular expertise in complex merger clearance matters.

[View Profile](#)



Andrew Kim

Andrew has 20 years' experience in public M&A and equity capital markets transactions.

[View Profile](#)



Bruce Macdonald

Bruce specialises in M&A and equity capital markets work advising on significant and innovative transactions.

[View Profile](#)



Will Mason

Will specialises in corporate M&A, with a particular focus on private equity transactions.

[View Profile](#)



Ratha Nabanidham

Ratha specialises in M&A and corporate advisory with extensive experience advising on public and private M&A transactions.

[View Profile](#)



Murray Wheeler

Murray advises on M&A transactions with particular expertise in the infrastructure, energy and mining sectors.

[View Profile](#)

Editor



Lisa d'Oliveyra

Senior Corporate Development Counsel

Corporate Transactions

Other authors and contributors



Jonathan Bisset

Senior Associate

Corporate Transactions



Venthan Brabaakaran

Expertise Lawyer

Competition



Bronte Campion

Lawyer

Corporate Transactions



Joshua Chin

Lawyer

Corporate Transactions



Alyssa Croce

Lawyer

Corporate Transactions



Joshua Hanegbi

Lawyer

Corporate Transactions



Brandon Lam

Lawyer

Corporate Transactions



Daniel Lucanus

Lawyer

Corporate Transactions



Rosie Maguire

Senior Associate

(admitted in England & Wales,
not admitted in Australia)

Corporate Transactions



Giselle McLeod

Graduate

Corporate Transactions



John McMeniman

Senior Associate

Corporate Transactions



Joseph Nguyen

Senior Associate

Corporate Transactions



Bonnie Paton

Senior Associate

Corporate Transactions



Shenaye Ralphs

Lawyer

Corporate Transactions



Nikita Reid

Lawyer

Corporate Transactions



Lucas Ryan

Graduate

Corporate Transactions



Jade Stuart

Lawyer

Corporate Transactions



Amanda Tesvic

Expertise Counsel

Competition



Josh Walsh

Senior Associate

Corporate Transactions

Ashurst is a global law firm. The Ashurst Group comprises Ashurst LLP, Ashurst Australia and their respective affiliates (including independent local partnerships, companies or other entities) which are authorised to use the name "Ashurst" or describe themselves as being affiliated with Ashurst. Some members of the Ashurst Group are limited liability entities. Services provided by Ashurst Risk Advisory LLP and Ashurst Risk Advisory Pty Ltd do not constitute legal services or legal advice, and are not provided by qualified legal practitioners acting in that capacity. The laws and regulations which govern the provision of legal services in the relevant jurisdiction do not apply to the provision of risk advisory (non-legal) services.

For information about the Ashurst Group, which Ashurst Group entities operate in a particular country and the services offered, please visit www.ashurst.com.

This material is current as at 15 February 2026 but does not take into account any developments to the law after that date. It is not intended to be a comprehensive review of all developments in the law and in practice, or to cover all aspects of those referred to, and does not constitute legal advice. The information provided is general in nature, and does not take into account and is not intended to apply to any specific issues or circumstances. Readers should take independent legal advice. No part of this publication may be reproduced by any process without prior written permission from Ashurst. While we use reasonable skill and care in the preparation of this material, we accept no liability for use of and reliance upon it by any person.

© Ashurst 2026