

ASX Announcement

15 March, 2017

NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

As announced on 14 March 2017, ReNu Energy Limited (**Company**) is conducting a non-renounceable pro-rata entitlement offer to raise up to \$1.23 million, before offer costs (**Entitlement Offer**).

The Entitlement Offer will be open to shareholders of the Company with a registered address in Australia and New Zealand (**Eligible Shareholders**).

Under the Entitlement Offer, Eligible Shareholders can subscribe for 1 fully paid ordinary share (**New Share**) for every 5 existing shares in the Company held as at 7pm (Sydney time) on Monday, 20 March 2017 (**Record Date**) at an issue price of \$0.0095 per New Share.

The Company advises that it will offer the New Shares for issue to investors under Part 6D.2 of the Corporations Act 2001 (**Act**) and states that this notice is given to ASX under paragraph 708AA(2)(f) of the Act, as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84.

Accordingly the Company advises:

- 1 The Company will offer the New Shares under the Entitlement Offer without disclosure to Eligible Shareholders under Part 6D.2 of the Act.
- 2 As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
- 3 As at the date of this notice, other than as set out below, there is no excluded information as defined in section 708AA(8) and section 708AA(9) of the Act which is required to be disclosed by the Company.

The Company advises that it is in advanced discussions regarding the supply of solar powered electricity to commercial business premises from solar PV (photovoltaic) and embedded network systems to be owned and installed by the Company under a Build Own Operate Maintain (BOOM) model.

Initially, up to four opportunities in the 300kW to 800kW DC size range are being considered. Further opportunities may be presented at a later stage. The capital costs of the initial four systems would be between \$0.8 million and \$1.7 million each and would be initially funded from existing cash reserves or a combination of existing cash reserves and debt.

The discussions are currently confidential and incomplete and the Company's due diligence investigations are ongoing.

Accordingly, the outcome of the discussions and due diligence is speculative. Shareholders are advised that there is no certainty that any agreement will be reached or that any transaction will eventuate from the current or any future discussions or diligence enquiries.

A further announcement will be made if the discussions are completed.

- 4 The potential effect the Entitlement Offer will have on the control of the Company, and the consequences of that effect will depend on the level of participation by Eligible Shareholders. However, given the structure of the Entitlement Offer as a pro-rata issue, the Entitlement Offer is not expected to have any material effect or consequences on the control of the Company.

ENDS