

29 January 2025

Binding commitments received for \$500,000

ReNu Energy Limited (**ASX: RNE**) (**ReNu Energy**) is pleased to announce that it has received binding commitments for the issue of 500,000 loan notes (**Loan Notes**), to be issued at \$1.00 each (**Loan Note Placement**).

The offer of the Loan Notes was made to sophisticated and professional investors in Australia and successfully closed, achieving binding commitments of \$500,000. The Loan Notes have an interest rate of 0% and are a debt instrument.

The Loan Notes will however become convertible into:

- ordinary shares (**Loan Note Shares**); and
- unlisted options (**Loan Note Options**),

solely subject to shareholder approval under Listing Rule 7.1 and Listing Rule 10.11, in which case, the face value of the Loan Notes (being \$500,000 in aggregate) will be converted at a conversion price of \$0.00075 (on a pre-consolidation basis) into:

- 666,666,667 Loan Note Shares; and
- 666,666,667 Loan Note Options at an exercise price of \$0.0015 (on a pre-consolidation basis), expiring 2 years following their date of issue.

In the event Shareholders do not approve the conversion mechanism in the terms of issue of the Loan Notes, the Company will be required to repay the Loan Notes in cash on the Maturity Date, being 1 year following the date of issue of the Loan Notes (unless repaid earlier).

It is proposed that of the 500,000 Loan Notes, 20,000 of these will be issued to Mr Greg Watson, Director. The conversion of these Loan Notes into Loan Note Shares and Loan Note Options will be subject to Shareholder approval for the purposes of Listing Rule 10.11.

A summary of the terms of issue of the Loan Notes is appended to this ASX Announcement at **Schedule 1**.

The proceeds from the Loan Note Placement are planned to be applied to working capital and costs of the offer. The Loan Note Placement is lead managed PAC Partners Securities Pty Ltd ACN 623 653 912 (AFSL 335374).

This announcement was authorised for release to ASX by the Managing Director and Company Secretary.

Greg Watson
Managing Director
ReNu Energy Limited

ReNu Energy Limited

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Schedule 1 – Terms of Loan Notes

Number of Loan Notes subscribed for:	500,000
Face Value of each Note:	\$1.00
Amount raised	\$500,000
Interest rate:	0% per annum
Conversion Price:	\$0.00075
Redemption:	In the event the Loan Notes are not earlier converted, the Loan Notes will be repaid in cash on the earlier of: • In the event of an insolvency event; and • On the date that is 1 year following the issue of the Loan Notes (unless repaid earlier).
Conversion (subject to Shareholder approval):	The Loan Notes are a debt security. At the general meeting of RNE, proposed to convene in or around March 2025, Shareholders will, however, be asked to approve a conversion mechanism (Conversion Mechanism) in the Loan Note terms such that: • Loan Note Shares – ○ The aggregate Face Value (Outstanding Amount) will automatically convert into ordinary shares in RNE (Loan Note Shares) with such number determined by dividing the Outstanding Amount by the Conversion Price of \$0.00075 (on a pre-consolidation basis), resulting in 666,666,667 in aggregate Loan Note Shares; and ○ The Loan Note Shares will be issued on the same date that shares are issued under a material capital raise of ReNu Energy. • Loan Note Options – ○ Options (Loan Note Options) will be issued on a 1:1 basis with the Loan Note Shares, will (on a pre-Consolidation basis) have an exercise price of \$0.0015 and will expire 2 years following their date of issue, resulting in the issue of 666,666,667 Loan Note Options. ○ The Loan Note Options will be issued on the same date that shares are issued under a material capital raise of ReNu Energy. ○ The material terms of the Loan Note Options are detailed below. The Conversion Mechanism will need to be approved under ASX Listing Rule 7.1 and 10.11 (with respect to any Loan Notes issued to Directors). The Loan Note Options and Loan Note Shares (or part thereof) may be subject to ASX imposed escrow following their issue.
Terms of the Loan Note Options	The Loan Note Options are proposed to be issued on the following terms: • Entitlement: Subject to and conditional upon any adjustment in accordance with these conditions, each Option entitles the holder to subscribe for one (1) Share upon payment of the Exercise Price. • Exercise Price: The Exercise Price for the Option is A\$0.0015 per Option (on a pre-Consolidation basis).

	• Expiry Date: The Option will expire at 5:00pm (Sydney time) on the date that is 2 years following their issue date. An Option not exercised before that expiry date will automatically lapse on that Expiry Date. • Exercise period: The Option is exercisable at any time from the date of its issue until 5:00pm on the Expiry Date. • Exercise notice: The Option may be exercised during the exercise period specified in these conditions by forwarding to the Company the Exercise Notice together with payment (in cleared funds) of the Exercise Price for the number of Shares to which the Exercise Notice relates. • Partial exercise: The Option may be exercised in full or in parcels of at least 500,000 Options (or such lesser amount in the event the holding of Options by an Optionholder is less than 500,000 Options). • Timing of issue of Shares on exercise: Within ten (10) Business Days after the Exercise Notice is received, the Company will: ○ allot and issue the number of Shares as specified in the Exercise Notice and for which the Exercise Price has been received by the Company in cleared funds; and ○ apply for official quotation on the ASX for the Shares issued pursuant to the exercise of the Option. • Participation in new issues: The Option does not confer any right on the Optionholder to participate in a new issue of securities without exercising the Option. • Shares issued on exercise: Shares issued as a result of the exercise of the Option will rank pari passu in all respects with all other Shares then on issue. • Dividend: The Option does not confer any rights to dividends. Shares issued upon the exercise of the Option will only carry an entitlement to receive a dividend if they were issued on or before the Record Date for the dividend. • Adjustment for pro rata issue: In the event of a pro rata issue of Shares by the Company (except a bonus issue), the Exercise Price for the Option will not be adjusted in accordance with ASX Listing Rule 6.22.2. • Adjustment for bonus issue: If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the Record Date for the bonus issue. • Adjustment for reorganisation of capital: If the Company reorganises its capital, the rights of the Optionholder (and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital, at the time of the reorganisation. • Not quoted: The Company will not apply for quotation of the Option on the ASX. • Transferability: The Option is only transferable up until it lapses, with the Directors' prior written consent.
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