

ASX Announcement

9 February, 2017

Progress update

Renewable energy company, ReNu Energy (ASX: RNE) is pleased to provide shareholders with a progress update on its activities.

As presented at the Annual General meeting in November last year, ReNu Energy and its Board remain committed to growth as a fully integrated renewable energy company focused on biogas and behind the meter solar opportunities in the agribusiness sector and commercial and industrial space, while also seeking further transformation opportunities.

The Company has engaged with businesses in the agribusiness sector to evaluate the demand for medium scale solar projects located on agricultural business premises. The ongoing discussions confirm that there is significant opportunity for the deployment of renewable energy solutions which will decrease the cost of energy and improve the business sustainability of the customer's businesses.

In response to this demand, ReNu Energy is offering build own operate maintain (BOOM) solar solutions from approximately 100 - 500kW to the agribusiness and food processing sectors. These solar solutions will complement ReNu's existing biogas business.

To further strengthen its presence in this area the Company is in the process of appointing a Business Development Manager with specific industry experience in the solar and agribusiness sectors, who will be tasked with converting a growing pipeline of opportunities.

Mr Chris Murray, CEO of ReNu Energy commented, "The interest we've seen from the agribusiness sector to have ReNu provide behind the meter solar solutions has been very encouraging. We see potential customers across the whole chain from primary producers through to processing – and believe we can leverage our technical and commercial skill set to deliver renewable energy at competitive prices to farmers and producers. The addition of a dedicated business development resource will greatly assist us in securing opportunities and growing this part of our renewable energy business."

R&D Tax Claim

ReNu Energy's R&D Tax Incentive Claim for the 30 June 2016 Financial Year totalling \$3.79 million, has now been received. The Company reported a December Quarter cash in bank balance of \$10.6 million, placing the Company in sound position to develop the biogas projects at hand and consider further complementary transactions.

Biogas Projects

ReNu Energy and the Australian Renewable Energy Agency (ARENA) are finalising arrangements to the funding agreement for the Goulburn Bioenergy Project, as originally announced in November 2016. Preparations for construction continue to progress with the project remaining on schedule to commence construction in Q2 2017 and commercial operation Q1 2018.

The AJ Bush rendering facility hosts the Company's first BOOM project, commissioned in 2011. The project, which has a power purchase agreement in place until 2021, has been undergoing an upgrade to replace one of the two existing generators and improve gas conditioning. The upgrade is progressing well with commissioning of the gas conditioning system completed in late January, and generator commissioning scheduled to be completed in the coming fortnight. The upgrade will ensure increased reliability and performance for the energy supply to the site for the remaining term of the power purchase agreement. The project will continue to create revenue for ReNu Energy through electricity sales and the generation of Large Scale Generation Certificates (LGCs).



AJ Bush engine pre installation and gas conditioning equipment including biological scrubber.

Cooper Basin Remediation

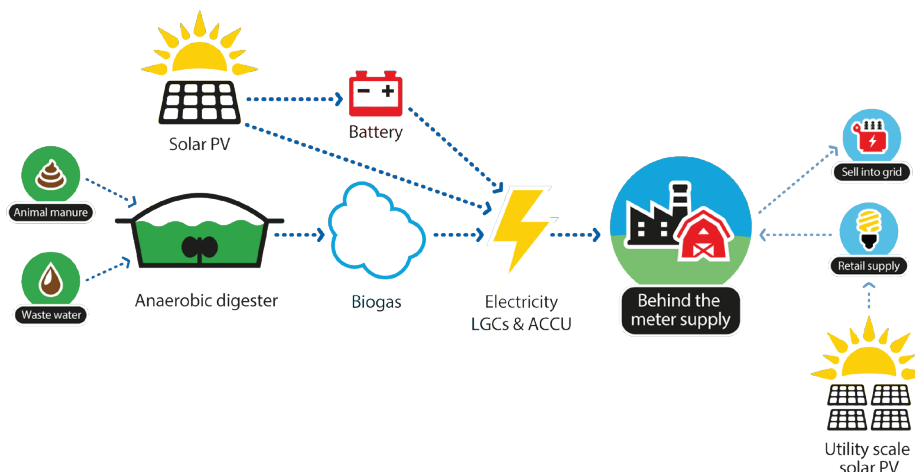
Remediation activities at Habanero remain on schedule. Purchase orders have been placed for long lead items for the final well remediation activities at Habanero 3 and Habanero 4. Conditions permitting, the campaign to set the final plugs and well caps will be conducted in Q3. Surface remediation activities remain on schedule for completion in the first half of this calendar year.

The remaining liability is estimated at \$0.3 million inclusive of Origin Energy's contribution and R&D Tax claim.

Securing transformational opportunities

The FY 17 strategic objective outlined at the AGM, of securing further opportunities which will complement the biogas and solar business, remains a key priority for Board and Management. At present the Company is reviewing and evaluating acquisition opportunities. The opportunities align with our intentions to expand into behind the meter commercial and industrial solar, as well as increasing our presence in the agribusiness sector as a supplier of energy solutions, assisting business in decreasing their energy costs.

ReNu Energy is working towards becoming a fully integrated renewable energy company.



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For more information please contact:

Christopher Murray
Managing Director & CEO
+ 61 7 3721 7500

Friederike Graser
Investor Relations & Communications Manager
+61 7 3721 7588

About ReNu Energy

ReNu Energy is a clean energy products and services company with strong commercial and technical capability in the clean energy and associated utility and infrastructure sectors. ReNu Energy is a supplier of biogas and anaerobic digestion systems, solar PV, battery storage and hybrid energy solutions for the agribusiness, food processing and commercial industrial sectors. The Company is actively engaged in the analysis of a number of transformational opportunities that will deliver shareholder value.

Our Vision is to
Generate change

Our Mission is to
Deliver innovative clean energy products and services to our customers, creating sustainable value for our shareholders