

ASX Announcement

17 July 2018

Alliance to develop \$100m bioenergy portfolio finalised and 1st investment completed

Highlights

- All conditions precedent for the establishment of the Alliance between ReNu Energy and Resonance Industrial Water Infrastructure Fund (**RIWIF**) to develop A\$100m bioenergy portfolio finalised.
- RIWIF completes 1st Alliance investment by acquiring a 70% interest in the Goulburn Bioenergy Project for A\$2.8 million.
- Due diligence for the AJ Bush Bioenergy Project proceeding well, with final investment decision and execution of development agreements by all parties still anticipated in Q3 2018.
- Pipeline of additional Alliance bioenergy project opportunities rapidly developing.

ReNu Energy Limited (**ASX: RNE**) is pleased to announce that all conditions precedent to establish the Alliance with RIWIF, including Foreign Investment Review Board approval for the A\$2.8 million acquisition of a 70% interest in the Goulburn Bioenergy Project by RIWIF, have been satisfied and both agreements have completed.

As previously announced, the purpose of the Alliance between ReNu Energy and RIWIF is to jointly develop a A\$100 million bioenergy portfolio on a 30% ReNu Energy, 70% RIWIF basis.

ReNu Energy CEO Craig Ricato said: "The Alliance with Resonance Industrial Water Infrastructure Fund is strongly aligned with our strategic plan and sets our bioenergy business on a strong path for growth for the coming years.

"The introduction of a 70% equity partner will greatly assist ReNu Energy in more rapidly developing its portfolio of bioenergy projects, enabling us to look at opportunities that would have otherwise been beyond our current financial capabilities. We have some great projects currently under review, which we are looking to present to the Alliance over the coming months and are poised for what we anticipate to be a busy 2018/2019 financial year. With an Alliance target of establishing a portfolio of up to \$100m of bioenergy investments in Australia and New Zealand over the next four years, we are at the start of what will be a transformative period for ReNu Energy."

In addition to the development of its bioenergy portfolio under the Alliance, ReNu Energy is also continuing to progress all other aspects of its business and further develop pipelines of opportunities in its three other key growth areas:

- Solar PV Power Purchase Agreements
- Solar PV Embedded Networks
- Solar PV grid connected operations

ReNu Energy – RIWIF Alliance Agreement

Under the Alliance Agreement, ReNu Energy has agreed to provide RIWIF with a first right of refusal over the next four years to take a 70% interest in the development of its next \$100m of bioenergy projects in Australia and New Zealand. For all projects developed by the Alliance, ReNu Energy will be engaged as head engineering procurement and construction (**EPC**) contractor and to provide ongoing operations, maintenance and management services (**O&M Services**).

Acquisition of a 70% interest in the Goulburn Bioenergy Project by RIWIF

RIWIF has acquired a 70% interest in the existing Goulburn Bioenergy Project for a total consideration of \$2.8 million. The ownership and management of the Project is governed by a shareholders' agreement which will also govern the operation of the Alliance and future Alliance projects. ReNu Energy will provide O&M Services for the Goulburn Bioenergy Project under a long-term O&M Services Agreement with the Alliance.



Proposed 2nd Alliance project – AJ Bush Bioenergy Project, including acquisition by RIWIF of a 70% interest in the exiting operation and the 'G4' Expansion Project

Due diligence for RIWIF's investment in ReNu Energy's other existing bioenergy asset, the AJ Bush Bioenergy Project, together with the Alliance investment in the AJ Bush 'G4' Bioenergy Expansion Project is continuing with all parties anticipating finalisation of an investment decision and execution of development agreements in Q3 2018.



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About ReNu Energy

ReNu Energy Limited (ASX: RNE) is an independent power producer which delivers clean energy products and services generally using a build, own, operate and maintain model. The Company provides its customers with renewable energy, at a lower price, with no upfront cost.

About RIWIF

RIWIF is an investment fund managed by UK based Resonance Asset Management Limited, which is focused on investment in outsourced industrial water treatment, waste to energy and resource recovery infrastructure projects in Europe, Australia, China and South East Asia. RIWIF acts as a financial partner offering equity investments on an industry standard Build-Own-Operate-Transfer model.

Forward-looking Statements: This ASX-announcement contains forward-looking statements. These statements are based on an assessment of present economic, market and operating conditions, and on many assumptions regarding future events and actions that are expected to take place that are subject to risks and uncertainties. Forward-looking statements are not a guarantees of future performance actual results, performance or achievements of ReNu Energy may be materially different from the statements in this announcement. ReNu Energy does not undertake to update or revise forward-looking statements.