



ASX Announcement

26 October 2020

Notice of Annual General Meeting

ReNu Energy Limited (ASX: RNE) (**ReNu Energy**) advises that its Annual General Meeting will be held at 2.00pm (Brisbane time) on Thursday, 26 November 2020.

In accordance with ASX Listing Rule 3.17, ReNu Energy **attaches** copies of the Notice of Annual General Meeting and example Proxy Form which are being sent to shareholders today.

This announcement has been authorised for release to the ASX by the Board.

For more information please contact:

Greg Watson
Chief Executive Officer
+ 61 7 3721 7500



ReNu Energy Limited
ACN 095 006 090

Notice of Annual General Meeting

to be held on

Date: Thursday, 26 November 2020

Time: 2.00pm (Brisbane time)

Place: KPMG
Level 16, Riparian Plaza
71 Eagle Street
Brisbane, Qld 4000

This is an important document and requires your attention

If you are in any doubt about how to deal with this document, please consult your legal, financial or other professional advisor.

Notice of Annual General Meeting

Notice is given that an Annual General Meeting of ReNu Energy Limited ACN 095 006 090 (the **Company**) will be held at **2.00pm (Brisbane time)** on **Thursday, 26 November 2020** at KPMG Level 16, Riparian Plaza 71 Eagle Street Brisbane, Brisbane, Qld 4000.

Agenda

Financial statements and reports

To receive and consider the Financial Report, Director's Report and Independent Audit Report for the Company and its controlled entities for the financial year ended 30 June 2020.

Resolution 1 – Adoption of the Remuneration Report

To consider and if thought fit, to pass the following resolution as a non-binding ordinary resolution under section 250R(2) of the Corporations Act:

'That the Remuneration Report for the year ended 30 June 2020 is hereby adopted.'

Notes

- (1) *This resolution is advisory only and does not bind the Company or the Directors.*
- (2) *If 25% or more of votes that are cast are voted against the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill resolution') that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.*

Voting Exclusion

The Company will disregard and not count any votes cast (in any capacity) on Resolution 1 by or on behalf of either or both the following persons:

- (a) a member of the Company's Key Management Personnel; or
 - (b) a Closely Related Party of a member of the Company's Key Management Personnel,
- unless:
- (c) the person:
 - (i) does so in relation to a resolution where they hold a Directed Proxy Form; or
 - (ii) is the Chairman of the meeting and is expressly authorised to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
 - (d) the vote is not cast on behalf of a person described in paragraphs (a) and (b) above.

Resolution 2 – Election of Mr Boyd White as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

'That, Mr Boyd White, who was appointed to the Board to fill a casual vacancy on 20 December 2019 and retires in accordance with clause 14.8 of the Company's Constitution, and being eligible, be elected as a Director of the Company.'

Resolution 3 – Election of Mr Tim Scholefield as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

'That, Mr Tim Scholefield, who was appointed to the Board to fill a casual vacancy on 6 December 2019 and retires in accordance with clause 14.8 of the Company's Constitution, and being eligible, be elected as a Director of the Company.'

Resolution 4 – Re-election of Mr Tony Louka as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

'That, Mr Tony Louka, who will retire at the close of the Annual General Meeting in accordance with clause 14.4 of the Company's Constitution, and being eligible for re-election, be re-elected as a Director of the Company.'

Resolution 5 – Employee Share Scheme share buy-back

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

'That, for the purposes of section 257C of the Corporations Act and for all other purposes, the Company be and is hereby authorised to conduct an employee share scheme buy-back of 14,424,000 fully paid ordinary shares issued under the Company's Loan Share Plan in accordance with the terms set out in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person whose shares are proposed to be bought back and any associate of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairman to vote on this Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 - Approval of Enhanced Placement Capacity

To consider and, if thought fit, to pass the following resolution as a special resolution:

'That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of such a number of shares equal to up to 10% of the issued capital of the Company, at the time of the issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and any associate of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairman to vote on this Resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 26 October 2020

By order of the Board

A handwritten signature in black ink, appearing to read 'Greg Watson', with a long horizontal line extending to the right.

Greg Watson
CEO and Company Secretary

Notes

- 1 The Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the share register at 7pm (Sydney time) Tuesday, 24 November 2020. Accordingly, those persons are entitled to attend and vote at the Annual General Meeting.
- 2 If you are eligible, you may vote by attending the Annual General Meeting in person or by proxy or attorney. A member who is a body corporate may appoint a representative to attend and vote on its behalf.
- 3 To vote by proxy, please complete, sign and return the enclosed proxy form in accordance with the following instructions. If you require an additional proxy form, the Company will supply it on request.
- 4 A member who is entitled to vote at the Annual General Meeting may appoint one proxy if the member is only entitled to one vote or one or two proxies if the member is entitled to more than one vote. A proxy need not be a member of the Company.
- 5 Where the member appoints 2 proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes, in which case any fraction of votes will be disregarded.
- 6 The proxy form must be signed by the member or the member's attorney. Proxies given by a corporation must be executed in accordance with the Corporations Act and the constitution of that corporation.
- 7 To be effective, the proxy form and the power of attorney or other authority (if any) under which it is signed or a certified copy, must be received by the Company at least 48 hours before the time for holding of the Annual General Meeting or any adjourned meeting (or such lesser period as the Directors may permit):
 - (a) By mail c/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235
 - (b) Online by logging into www.linkmarketservices.com.au and using the holding details as shown on the front of your proxy form.
 - (c) By facsimile to (02) 9287 0309 (within Australia) or +61 2 9287 0309 (outside Australia).
 - (d) By hand delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes, NSW 2138 or Level 12, 680 George Street, Sydney, New South Wales 2000.
- 8 Any proxy form received after this deadline will be treated as invalid.
- 9 A member of the Company's Key Management Personnel or their Closely Related Party must not, whether in person or by proxy, in their own right vote on the adoption of the Remuneration Report in Resolution 1.
- 10 A person appointed as proxy may vote or abstain from voting as he or she thinks fit except where the proxy holds a Directed Proxy Form or is required by law or the Company's constitution to vote in a certain manner or abstain from voting.
- 11 Clause 10 does not apply if the Chairman of the meeting is appointed as proxy and his appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- 12 The Chairman intends to vote all Undirected Proxy Forms **in favour** of all Resolutions (including if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel). If you appoint the Chairman as your proxy and have not directed him how to vote, you are expressly authorising the Chairman to cast your Undirected Proxy Form in accordance with this intention.
- 13 The following definitions apply in this document:

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rule means the official listing rules of ASX as amended from time to time.

Closely Related Party means the closely related parties of Key Management Personnel as defined in the Corporations Act, and includes certain members of their family, dependants and companies they control.

Corporations Act means the *Corporations Act 2001* (Cth).

Directed Proxy Form means a proxy form which specifies how the proxy is to vote.

Key Management Personnel of the Company are the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year to 30 June 2020.

Loan Share Plan or **LSP** means the Company's Loan Share Plan approved by shareholders on 9 November 2017.

LSP Shares means fully paid ordinary shares issued under the Loan Share Plan.

Undirected Proxy Form means a proxy form which does not specify how the proxy is to vote.

Explanatory Memorandum

This explanatory memorandum has been prepared to assist shareholders with their consideration of the resolutions to be put to the Annual General Meeting to be held on Thursday, 26 November 2020. These explanatory notes should be read with, and form part of, the accompanying Notice of Annual General Meeting.

1 Financial statements and reports

The ReNu Energy Limited Annual Report 2020 (which includes the Financial Report, the Directors' Report and the Auditor's Report) will be presented to the meeting.

There is no requirement for shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

2 Resolution 1 – Adoption of the Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2020 is set out in the Company's 2020 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for Directors and the Company's Key Management Personnel. The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its Directors. Although the vote is advisory, the Directors recognise this vote as an indication of shareholder sentiment and have careful regard to the outcome of the vote and any discussion when setting the Company's remuneration policies. The Directors believe that the Company's remuneration policies and structures are appropriate relative to the size of the Company and its business.

Under the Corporations Act, if 25% or more of the votes that are cast are voted against the Remuneration Report at two consecutive Annual General Meetings, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a 'spill resolution') that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must stand for re-election.

A voting exclusion applies to Key Management Personnel and their Closely Related Parties in certain circumstances – please see the voting exclusion in the notes to Resolution 1.

The Chairman of the Meeting intends to vote all Undirected Proxy Forms **in favour** of this Resolution.

As the Directors have a personal interest in Resolution 1, they make no recommendation as to how shareholders should vote on the Resolution.

3 Resolution 2 – Election of Mr Boyd White as a Director

3.1 Background

Clause 14.8 of the Company's Constitution provides that the Directors may at any time appoint any person to fill a casual vacancy or as an addition to the existing Directors. A Director appointed under this clause (and for the purposes of ASX Listing Rule 14.4) holds office until the next general meeting of the Company when the Director may be re-elected but will not be taken into account in determining the number of Directors who must retire by rotation.

3.2 Election of Mr Boyd White

Boyd White was appointed to the Board in addition to the existing Directors on 20 December 2019. Accordingly, he retires from office at the forthcoming Annual General Meeting in accordance with clause 14.8 of the Company's Constitution and, being eligible for election, offers himself for election.

Mr White has an accomplished record in the power (renewable and thermal), transmission, oil, gas and mining sectors. He has over 30 years of business experience and brings strong strategic, commercial, development and entrepreneurial skills to the Company's Board.

Mr White holds a Bachelor of Business (Accounting) from Queensland University of Technology and a MBA from the University of Queensland.

Mr White has held executive roles internationally with US multinationals Halliburton Company and KBR Inc, and domestically with Tarong Energy Ltd, and Territory Generation. He is also the principal of New Energy Capital, developing an integrated bioenergy business in Europe and providing development services for gold exploration projects in Argentina and Finland.

Mr White is Chair of the Company's Audit and Risk Management Committee and a member of the Remuneration and Nominations Committee.

Mr White is considered by the Board to be an independent director.

The Directors (with Mr White abstaining) recommend that shareholders vote in favour of this resolution

4 Resolution 3 – Election of Mr Tim Scholefield as a Director

4.1 Background

Clause 14.8 of the Company's Constitution provides that the Directors may at any time appoint any person to fill a casual vacancy or as an addition to the existing Directors. A Director appointed under this clause (and for the purposes of ASX Listing Rule 14.4) holds office until the next general meeting of the Company when the Director may be re-elected but will not be taken into account in determining the number of Directors who must retire by rotation.

4.2 Election of Mr Tim Scholefield

Tim Scholefield was appointed to the Board in addition to the existing Directors on 6 December 2019. Accordingly, he retires from office at the forthcoming Annual General Meeting in accordance with clause 14.8 of the Company's Constitution and, being eligible for election, offers himself for election.

Mr Scholefield is a senior executive with global experience in project delivery, operations, governance and risk management. He has more than 30 years of experience across the resources and energy value chain, including exploration, production and operations, conventional and renewable fuel sources, gas storage and off take, power generation and the link to customers. He is a member of the Company's Audit and Risk Management Committee.

Mr Scholefield holds a Bachelor of Applied Science from the University of South Australia, a MBA from Deakin University, a Certificate in Governance and Risk Management from the Governance Institute of Australia and is a Graduate of the Australian Institute of Company Directors.

Mr Scholefield has experience as a director and as chair and participant on board committees evaluating and developing energy projects. As General Manager – Geothermal Developments for Origin Energy, he was responsible for managing Origin's geothermal interests in Chile, Indonesia, Australia and New Zealand.

Mr Scholefield has executive responsibility to coordinate, implement and oversee the permanent abandonment of the Company's geothermal wells in the Cooper Basin. Accordingly, he is not considered by the Board to be an independent director.

The Directors (with Mr Scholefield abstaining) recommend that shareholders vote in favour of this resolution

5 Resolution 4 – Re-election of Mr Tony Louka as a Director

5.1 Background

Clause 14.4 of the Company's Constitution requires one third of the Directors (excluding the Managing Director and any casual Director), or, if their number is not three or a multiple of three, then the number nearest but not exceeding one-third, to retire from office by rotation. The Directors to retire in each year shall be those who have been longest in office since their last election.

5.2 Re-election of Mr Tony Louka

Tony Louka retires from office by rotation in accordance with clause 14.4 of the Company's Constitution and, being eligible for re-election, offers himself for re-election.

Mr Louka was appointed as Non-Executive Director of the Board on 5 October 2018 and was elected by shareholders at the Company's Annual General Meeting on 28 November 2018. He is a member of the Company's Audit and Risk Management Committee and Chair of the Remuneration and Nominations Committee.

Mr Louka has more than 20 years of industry experience in board, executive and management roles in the energy and retail sectors. He was Head of Energy and Services at Woolworths Group Limited for 10 years and has previously held management roles at Ergon Energy and Emerson Network Power. He has also recently served as a Board Member of the Energy Users Association of Australia and the Transgrid Advisory Council.

Mr Louka holds an MBA (Supply Chain) from Macquarie University and is a Member of the Australian Institute of Company Directors.

Mr Louka is considered by the Board to be an independent director.

The Directors (with Mr Louka abstaining) recommend that shareholders vote in favour of this resolution

6 Resolution 5 – Employee Share Scheme buy-back

6.1 Background

The Company's shareholders approved the terms of the Company's Loan Share Plan on 9 November 2017. The notice of meeting and explanatory memorandum dated 9 October 2017 (sections 8.1 to 8.4 of the explanatory memorandum in particular) summarised the terms of the Loan Share Plan.

On 14 December 2018, the Company issued a total of 14,424,000 LSP Shares, comprising 8,655,000 LSP Shares to the former Managing Director, Mr Craig Ricato and 5,769,000 LSP Shares to the former Chief Operating Officer, Mr Warren Leitao (together the **Executives**), each at a deemed acquisition price of \$0.104 per LSP Share. The acquisition amounts for the LSP Shares were funded by way of a loan from the Company to the Executives' nominated entities, for the purposes of enabling them to acquire and hold LSP Shares (**LSP Loans**).

Under the terms of the Loan Share Plan and loan agreements for the relevant LSP Shares, if either Executive ceases to be an employee of the Group all unvested LSP Shares must be compulsorily divested by the Executives and the Company may buy-back the LSP Shares issued under the Loan Share Plan. Messrs Ricato and Leitao resigned from the Company on 30 September 2019 and 15 October 2019 respectively.

At the Company's 2019 Annual General Meeting held on 28 November 2019, shareholders approved a resolution to buy-back the 14,424,000 LSP Shares issued to the Executives (**Leaver Shares**). However, the requisite ASIC filings were not made within the prescribed timeframe and the buy-back did not proceed. Accordingly, the Company is again seeking approval to buy-back the Leaver shares in consideration for the Company extinguishing the LSP Loans.

6.2 Corporations Act requirements

Subject to and in accordance with provisions of Part 2J.1 Division 2 of the Corporations Act, the Company may purchase its own shares on such terms and at such times as may be determined by the Directors from time to time.

The Corporations Act rules relating to share buy-backs are designed to protect the interests of shareholders and creditors by:

- addressing the risk of the transaction leading to the company's insolvency;
- seeking to ensure fairness between the shareholders of the company; and
- requiring the company to disclose all material information.

In particular, section 257A of the Corporations Act requires that a company may only buy-back its own shares if the buy-back does not materially prejudice the company's ability to pay its creditors and the company follows the procedure in Division 2 of Part 2J.1 of the Corporations Act.

Under section 9 of the Corporations Act, an 'employee share scheme buy-back' means a buy-back under a scheme that:

- has, as its purpose, the acquisition of shares in a company by, or on behalf of employees of the company or a related body corporate or directors of the company or a related body corporate who hold a salaried employment or office in the company or a related body corporate; and
- has been approved by members of the company.

A buy-back by the Company of the LSP Shares is an employee share scheme buy-back for the purposes of section 9 of the Corporations Act.

Under section 257B(4) of the Corporations Act, unless shareholder approval is obtained, the Company is limited to buying back LSP Shares under the Loan Share Plan up to 10% of the smallest number of shares on issue at any time during the last 12 month period (**10/12 Limit**).

Based on the smallest number of Shares on issue during the last 12 months, being 120,634,341, the Company is restricted under the 10/12 Limit to buying a maximum of 12,063,434 LSP Shares.

Resolution 5 therefore seeks Shareholder approval to buy-back the Leaver Shares in accordance with the terms of the Loan Share Plan in the 2 month period following the Annual General Meeting as an employee share scheme buy-back over the 10/12 Limit (**Buy-Back**).

6.3 Terms of the Buy-Back

The Buy-Back is conditional on shareholder approval.

If Resolution 5 is approved by shareholders, the Company will, within 2 months of the date of the Annual General Meeting, buy-back the Leaver Shares from the Executives in consideration for the Company extinguishing the Executives' outstanding LSP Loans.

After completion of the Buy-Back, the Executives' LSP Loans for the Leaver Shares will be fully discharged and the Executives will not have any liability to the Company in respect of the Leaver Shares or the LSP Loan.

No cash is payable by the Company to the Executives under the Buy-Back.

Immediately after the Leaver Shares are transferred to the Company, the Leaver Shares will be cancelled in accordance with the buy-back procedure in section 257H of the Corporations Act.

The Company will announce to the ASX when the Leaver Shares are cancelled and the Company has completed the Buy-Back.

6.4 **Financial effect of the Buy-Back**

The proposed Buy-Back will have no effect on the Company's cash reserves as there is no cash consideration payable by the Company.

The Leaver Shares were recorded in the Company's financial report as options which vest over time. During the vesting period, the fair value of the options at grant date is amortised through the Company's profit and loss based on the number of years in the vesting period.

The Company recorded a write back of the previously amortised option value related to the Loan Share Plan in its FY20 Financial Report. Accordingly, if the Company buys-back all of the Leaver Shares and cancels those shares with effect from the date following the Annual General Meeting, there will be no impact on the Company's profit and loss in FY21.

The Directors believe that the Buy-Back will not materially prejudice the Company's ability to pay its creditors as there is no cash consideration payable by the Company.

On completion of the Buy-Back, the contributed equity of the Company will remain unchanged as no amount was received from the Executives at the time of grant of the Leaver Shares.

6.5 **Effect of buy-back on capital structure**

As at the date of this notice of meeting, the Company has 120,634,341 shares on issue, if the Buy-Back is approved and implemented (and assuming that the Company does not issue any new shares prior to the Buy-Back), the Buy-Back will:

- (a) reduce and cancel 14,424,000 shares on issue held by the Executives' or their nominees (which equates to 11.9% of the current issued capital of the Company);
- (b) reduce the Company's total issued shares to 106,210,341 shares;
- (c) have no effect on the number of shares held by shareholders (other than the Executives and their nominees); and
- (d) except as specified above, not result in any material change in the control of the Company.

Other than the Executives and their nominees, there will be no dilutionary effect on other shareholders as a result of the Buy-Back. The ownership interest of shareholders in the Company will increase as a result of the Buy-Back.

6.6 **Advantages of the Buy-Back**

Advantages of the Buy-Back include the following:

- (a) there is no cash outlay required by the Company under the Buy-Back, accordingly, there will be no reduction of its cash reserves and will not materially prejudice the Company's ability to pay its creditors;
- (b) the reduction and cancellation of the Leaver Shares will reduce the total number of ordinary shares on issue in the Company and therefore increase the ownership interest of the Company's shareholders; and
- (c) by enabling the Company to buy-back the Leaver Shares, the Company is not required to sell those Leaver Shares or to nominate a third party as transferee of the Leaver Shares.

6.7 **Disadvantages of the Buy-Back**

The Directors are not aware of any material disadvantages of the Buy-Back.

The reduction and cancellation of the Leaver Shares will reduce the total number of ordinary shares on issue in the Company and therefore may reduce the Company's market capitalisation, however, the Directors do not believe that this would impair the Company's ability to conduct its business.

6.8 **If Resolution 5 is not approved**

If Resolution 5 is not approved by the Company's Shareholders, the Company will be restricted to buying back a maximum of 12,063,434 Leaver Shares within the 10/12 Limit.

The additional 2,360,566 Leaver Shares held by the Executives (**Excess Shares**), would either need to be sold by the Company or transferred to a person nominated by the Company in consideration of the Company extinguishing the LSP Loan. Where the Excess Shares are sold or transferred, rather than bought-back by the Company, the Excess Shares will not be cancelled by the Company and the Company's share capital in respect of those Excess Shares will not reduce.

6.9 **Interests of Directors**

None of the Directors hold any LSP Shares.

6.10 **Current market price**

The closing price of the Company's shares on 13 October 2020 was \$0.03. The highest and lowest market sales prices for the Company's shares on the ASX during the previous 3 months were as follows:

Month	Low	High
September 2020	\$0.021	\$0.044
August 2020	\$0.016	\$0.026
July 2020	\$0.016	\$0.026

6.11 **No other material information**

Except as set out above, in the opinion of the Directors there is no other information material to the making of a decision on how to vote on Resolution 5, being information that is within the knowledge of any Director which has not been previously disclosed to Shareholders.

The Directors recommend that Shareholders vote in favour of this resolution.

7 Resolution 6 – Approval of Enhanced Placement Capacity

7.1 **Listing Rule 7.1A**

Listing Rule 7.1A enables eligible entities to issue shares up to 10% of their issued share capital through placements over a 12 month period after the Annual General Meeting (**Enhanced Placement Capacity**). This Enhanced Placement Capacity is in addition to the Company's ordinary 15% placement capacity under Listing Rule 7.1.

The Company is an eligible entity for the purposes of Listing Rule 7.1A as it has a market capitalisation of less than \$300 million and is not included in the S&P/ASX 300 Index.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a case of a corporate shareholder, by a corporate representative).

If approved, the effect of Resolution 6 will be to allow the Company to issue shares under Listing Rule 7.1A during the Enhanced Placement Period (defined below) without shareholder approval in addition to the Company's ordinary 15% placement capacity under Listing Rule 7.1.

The Directors consider the Enhanced Placement Capacity appropriate as it would enable the Company to raise additional funding to support its activities, including (if required) for ongoing working capital purposes as the Company actively seeks acquisition and corporate combination opportunities.

If Resolution 6 is not passed, the Company will not be able to issue shares under the Enhanced Placement Capacity pursuant to Listing Rule 7.1A and will remain subject to the Company's ordinary 15% placement capacity limit on issuing shares without shareholder approval set out in Listing Rule 7.1.

7.2 Calculation of the Enhanced Placement Capacity

The actual number of shares that the Company will have capacity to issue under the Enhanced Placement Capacity will be calculated at the date of issue of the shares in accordance with the formula prescribed in Listing Rule 7.1A.2.

7.3 Minimum Issue Price

The shares issued under the Enhanced Placement Capacity must be issued for cash consideration per share which is not less than 75% of the volume weighted average price of shares in the same class calculated over the 15 trading days immediately before:

- (a) the date on which the price at which the shares are to be issued is agreed by the Company and the recipient of the shares; or
- (b) if the shares are not issued within 10 trading days of the date in paragraph 7.3(a) above, the date on which the shares are issued.

7.4 Enhanced Placement Period

Shareholder approval of the Enhanced Placement Capacity is valid, and shares will only be issued, from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained (which is expected to be 26 November 2020);
- (b) the time and date of the Company's next Annual General Meeting; or
- (c) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(Enhanced Placement Period).

7.5 Dilution of existing shareholders

Dilution risks

If Resolution 6 is approved by shareholders and the Company issues shares under the Enhanced Placement Capacity, the existing shareholders' voting power in the Company will be diluted as shown in the below table.

Economic risks

There is a risk that the market price for the Company's shares may be significantly lower on the date of the issue of the shares than on the date of this meeting. The shares may be issued at a price that is at a discount to the market price for the Company's shares on the issue date. If shares are issued at a discount to the net tangible asset value per share (**NTA**) there may be a negative impact on NTA.

Potential dilution of existing ordinary shareholders

The below table shows the dilution of existing shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary

securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval or future specific placements under Listing Rule 7.1 that are approved at a future shareholders' meeting; and

- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.015 50% decrease in issue price	\$0.03 issue price	\$0.06 100% increase in issue price
Current Variable A 120,634,341	10% voting dilution	12,063,434	12,063,434	12,063,434
	Funds raised	\$180,951.51	\$361,903.02	\$723,806.05
50% increase in Variable A 180,951,512	10% voting dilution	18,095,151	18,095,151	18,095,151
	Funds raised	\$271,427.27	\$542,854.53	\$1,085,709.07
100% increase in Variable A 241,268,682	10% voting dilution	24,126,868	24,126,868	24,126,868
	Funds raised	\$361,903.02	\$723,806.05	\$1,447,612.09

The table has been prepared based on the following assumptions:

- The Company issues the maximum number of shares available under the Enhanced Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the Enhanced Placement Capacity.
- The table shows only the effect of issues of shares under Listing Rule 7.1A, not under the Company's ordinary 15% placement capacity under Listing Rule 7.1.
- The issue price is \$0.03, being the closing price of the shares on ASX on 19 October 2020.

7.6 Other specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the Enhanced Placement Capacity:

- (a) The Company may issue shares under the Enhanced Placement Capacity in order to provide additional funding to support the Company's activities, for example, funds raised may be applied towards the Company's working capital as it actively seeks acquisition and corporate combination opportunities.
- (b) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Enhanced Placement Capacity. The identity of the allottees of shares will be determined on a case-by-case basis having regard to factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including rights issues or other issues in which existing security holders can participate;
 - (ii) the effect of the issue of the shares on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and

- (iv) advice from corporate, financial and broking advisers (if applicable).
- (c) The allottees under the Enhanced Placement Capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/ or new shareholders who are not related parties or associates of a related party of the Company.
- (d) The Company previously obtained shareholder approval under Listing Rule 7.1A at the Company's Annual General Meeting held on 28 November 2018.
- (e) The Company has not issued any shares in the 12 months preceding the date of the Annual General Meeting.
- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the shares. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Directors recommend that Shareholders vote in favour of this resolution.



ACN 095 006 090

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
ReNu Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of ReNu Energy Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (Brisbane time) on Thursday, 26 November 2020 at KPMG, Level 16 Riparian Plaza, 71 Eagle Street, Brisbane, Qld 4000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's KMP.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Employee Share Scheme share buy-back	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Boyd White as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of Enhanced Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Tim Scholefield as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Re-election of Mr Tony Louka as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

STEP 3

RNE PRX2001C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Brisbane Time) on Tuesday, 24 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

ReNu Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**