

ASX Announcement

28 July 2021

ReNu Energy Alongside Investee Uniflow to Engage Consultant to Model Carbon Credit Potential for The Cobber

Highlights

- Following ReNu Energy's injection of a \$250,000 working capital loan to Uniflow, an independent consultant is being engaged to calculate **an energy and greenhouse emissions balance** for Uniflow's technology – The Cobber.
- The value of the **global carbon market increased by 20% in 2020 to Eur229 billion, increasing five-fold since 2017¹**.
- The consultant will establish end-use scenarios and calculate the capacity of the Cobber to **displace fossil fuel emissions** in various markets and applications in Australia and overseas.
- Subject to feasibility, the consultant will assist Uniflow to **develop an emissions reduction methodology for the Cobber for use in multiple jurisdictions**.

ReNu Energy Limited (**ReNu Energy**) (**ASX: RNE**) is pleased to provide an update on the operations of its investee company Uniflow Power Limited (**Uniflow**). Following the injection of a \$250,000 interest free working capital loan to Uniflow (by way of convertible note maturing on 30 June 2022), ReNu Energy and Uniflow are collectively intending to engage an independent consultant to investigate the potential for generation of carbon credits as a result of greenhouse emissions offset by Uniflow's technology – The Cobber. Depending on the market and jurisdiction, any carbon credits generated may be traded leading to potential revenue streams for the holder.

The Cobber is an externally fired steam driven mechanical microgenerator designed to deliver approximately 4.5kW of electrical power and 20kW thermal energy from a broad range of widely available solid biomass fuels such as common firewood and pellets, forestry waste, agricultural waste such as nut shells and olive pips, and broken pallets. Much of this waste is often freely available, burned in open fires or left to rot in fields.



Using biomass to create energy has the potential to displace fossil fuels (including diesel, petroleum, coal and kerosene), in both off-grid and grid connected situations, and reduce methane and carbon dioxide emissions to the atmosphere.

As part of the investigation, the consultant will establish end-use scenarios and calculate the capacity of the Cobber to displace fossil fuel emissions in various applications and markets.

ReNu Energy Chief Executive Officer, Greg Watson, stated “Given the Cobber uses biomass to create energy and the potential for it to displace greenhouse gas emissions from fossil fuels, the consultant will advise ReNu Energy and Uniflow on the development of an emissions reduction methodology that can be incorporated into the commercialisation process and help us understand the potential to generate carbon credits from aggregated projects across multiple markets and jurisdictions”.

The value of the compliance based (or regulatory mandated) global carbon market based on assessment of traded volume and carbon prices, increased by 20% in 2020 to Eur229 billion, up five-fold since 2017¹. Additionally, it is estimated that demand for voluntary carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050, to help companies meet their climate change goals.²

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

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¹ <https://www.spglobal.com/platts/en/market-insights/latest-news/coal/012721-global-carbon-market-grows-20-to-272-billion-in-2020-refinitiv>
<https://www.reuters.com/article/us-europe-carbon-idUSKBN29W1HR>

² <https://www.mckinsey.com/business-functions/sustainability/our-insights/a-blueprint-for-scaling-voluntary-carbon-markets-to-meet-the-climate-challenge#>