

■ ALT X

## Reenergen rights offer seeks R218m debt facility

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ALTERNATIVE exchange (AltX) listed energy company Reenergen yesterday offered more details of its previously announced R125 million rights offer as it moves towards a dual listing.

The company will offer the placement of 16 666 667 million ordinary shares to its shareholders at a subscription price equal to R7.50 a share in the ratio of 19.96747 rights shares for every 100 ordinary shares held on the record date of the rights offer, November 16.

"The rights shares will, upon allotment and issue, rank *pari passu* with all other existing Reenergen shares," the group said.

The group said the rights offer would open on November 19 and end on November 30.

Reenergen shares gained 12.39 percent on the JSE yesterday to close at R8.80.

The group in late October informed its shareholders about its intention to list on the Australian Stock Exchange (ASX), in a move it described as to unlock value for its shareholders and present the group with more opportunities.

Chief executive Stefano Marani said the listing was expected to take place during the first quarter of 2019.

He said should the listing on the ASX be successful, it would give Reenergen the international exposure it required and act as a global showcase for foreign investors on the good prospects for natural gas in South Africa.

However, the group said the dual listing would happen after the completion of an underwritten R125m rights issue to shareholders.

The group said this funding, once available, would allow the company to draw down on the debt facility of R218m being provided by the Industrial Development Corporation, which would be applied to the expansion of its Virginia Gas Project to produce helium and liquefied natural gas.

The group has been active during 2018, and in May it updated about its natural gas project in Virginia in the Free State that it is on course to start production by the fourth quarter of 2019.



Reenergen at its listing in this file picture. The company is seeking a R218m debt facility. | SUPPLIED