

RENERGEN LIMITED

Incorporated in the Republic of South Africa

(Registration number: 2014/195093/06)

JSE Share code: REN

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ASX Share code: RLT

(**"Renergen"** or **"the Company"**)



U.S. GOVERNMENT PROVIDES US\$40 MILLION IN CAPITAL FOR GAS PROJECT IN SOUTH AFRICA

- **\$US40 million loan secured with US Government Agency, OPIC**
- **Important Prospectus milestone & strong endorsement of Virginia Gas Project**
- **Provides greater certainty of project revenue commencement in first half 2021**
- **Highlights increasing strategic global importance of helium**

Emerging Liquefied Natural Gas ("LNG") and helium producer, Renergen, is pleased to announce a loan agreement with the Overseas Private Investment Corporation ("OPIC") was signed on Wednesday, the 21st of August 2019. The agreement with OPIC marks a significant milestone for Renergen as it provides access to the capital required to construct the first phase of the Virginia Gas Project ("The Project") in South Africa. Importantly, the loan is also a major endorsement of the Virginia Gas Project by the US Government, and the increasing importance of securing helium, with significant supply shortages forecasted.

Commenting on the agreement, Renergen CEO, Stefano Marani said. "Today's announcement is special on multiple fronts, not only does the agreement provide access to an efficient source of capital to progress the Virginia Gas Project towards production, but it is also a huge endorsement by the US Government through the OPIC of both the Project and the significant importance of securing helium supply."

"We are extremely proud to be working with the OPIC as our financial partners and we look forward to developing the Project together as we ascertain the full extent of the amount of helium that could be produced during a time of severe supply constraint."

"As our track record has demonstrated over the last two years, we remain focused on our philosophy of setting achievable milestones and delivering on our commitments, as the Company develops the Virginia Gas Project."

The Company first announced the OPIC's intention to finance the Virginia Gas Project in February 2019, prior to the Company's listing on the Australian Stock Exchange. The commitment was subject to execution of a final binding agreement between the parties by no later than the end of September 2019. Having executed the final binding agreement, the Company will receive the first disbursement from the loan in the coming days.

The loan has a 12-year term, with a grace period before principle is due of just less than 3 years, thus taking into consideration the construction and commissioning time. The loan is denominated in USD and was fixed against the US Treasury curve, providing the Company

with very favourable terms for long-term borrowing given in the current low interest rate environment.

“OPIC is pleased to partner with Renergen and provide financing to support private sector-led economic development in South Africa, expand trade and commercial ties between the U.S. and Africa, and ultimately increase the global supply of helium,” said OPIC Vice President for Structured Finance Tracey Webb.

The signing of the loan agreement follows the announcement of the appointment of EPCM Holdings subsidiary EPCM Bonisana (Pty) Ltd as the Engineering, Procurement and Construction (“EPC”) contractor to commence construction of the Virginia Gas Project. The collective completion of these agreements provides a greater degree of certainty on the commencement of revenue from the Project, which is now anticipated in the first half of 2021.

The Company will now focus on commencement of construction activities, whilst finalising parameters around the drilling targets. Updates will follow in due course.

Johannesburg
August 21, 2019

For more on the announcement, see the interview with FNN:
<http://www.finnewsnetwork.com.au/MediaCenter/MediaCenterMobile.aspx?Site=FNN1597>

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