



# ASX Announcement

28 February 2020

## Company update

### Highlights

- Appointment of WellSafe Pty Ltd (WellSafe) as well abandonment technical consultants for the Cooper Basin remediation.
- ReNu Energy Board completes strategic review, further decreasing cost base.
- Mr Greg Watson appointed as Chief Executive Officer (CEO) effective 28 February 2020.
- Mr Boyd White appointed as Chairman effective 28 February 2020.

Coinciding with the release of its half year report, the Board of ReNu Energy Limited (**ASX: RNE**) is pleased to provide an update on its Cooper Basin remediation activities and strategic review of operations.

### Cooper Basin remediation

In line with the Company's increased focus on finalising the abandonment of its two remaining geothermal wells, and surrendering its sole remaining tenement by the end of calendar year 2020, ReNu Energy has engaged the services of WellSafe. In the first phase of the remediation WellSafe will provide technical, engineering and other support to assess the options and select the preferred method of abandonment. This will enable the programs to be developed for approval by the South Australian Department for Energy and Mining (Regulator) prior to execution. Mr Tim Scholefield as Executive Director responsible for coordinating the geothermal remediation will be liaising with WellSafe, the Regulator and the other licensee (Origin Energy) on these activities and will oversee the program.

### Strategic review

The strategic review which commenced in September 2019 upon completion of the sale of the solar business, has now been completed, with the Board finalising management changes. These changes will further decrease the Company's cost base while also ensuring the Company retains the experience and skills necessary to finalise the abandonment of the Habanero 3 and 4 wells in the Cooper Basin and assess and negotiate strategic corporate combination and renewable energy development opportunities.

## CEO appointment

Mr Greg Watson, former Chief Financial Officer (CFO), has been appointed CEO effective 28 February 2020. Mr Tony Louka who was serving as interim Managing Director and CEO since September 2019 will return to his previous position as a Non Executive Director of the Company.

Mr Watson joined ReNu Energy in September 2019 in the position of CFO and Company Secretary. He worked closely with Mr Louka on the completion of the sale of the solar business, the restructure of the Group's cost base, the appointment of Mr Scholefield as Executive Director responsible for overseeing the geothermal remediation and the transfer of the bioenergy services agreements to Hydroflux Utilities Pty Ltd.

Commenting on the appointment ReNu Energy Chairman, Mr Steve McLean said: "We are delighted that Greg has accepted the appointment of CEO. Greg's experience and background in professional services and corporate transactions means he is well credentialed to lead the Company forward. I would also like to thank Tony Louka for his support in stepping in as interim CEO over the past 6 months."

In accordance with ASX Listing Rule 3.16.4, the material terms of the engagement with Mr Watson are as follows:

- **Remuneration** – remuneration calculated on a prorated basis by reference to an annual salary of \$320,000 plus compulsory superannuation.
- **Termination** – the engagement can be terminated by either the Company or Mr Watson by giving 3 months' notice.

As ReNu Energy works to finalise its remediation obligations in the Cooper Basin and progress corporate combination and renewable development opportunities, it is prudent for the Company to maintain corporate expertise and skills while also focussing on managing its cost base. The Board considers that the Company has sufficient financial expertise to oversee its current operations and will not be seeking to appoint a new CFO at this point in time with those functions being carried out by the CEO.

## Board changes

Due to increased international commitments, the Company's Chairman, Mr Steve McLean has advised his intention to retire from the ReNu Energy Board prior to 30 June 2020. Mr McLean will be re-locating to the United Kingdom and has decided that it will not be feasible for him to maintain his non-executive board role while living abroad.

In anticipation of his departure Mr McLean will step down from his position of Chairman, with the Board resolving to appoint Mr Boyd White as Chairman effective 28 February 2020.

At this point in time the Board will not be filling the vacancy left by Mr McLean's departure. However, as the Company continues to evaluate corporate combination and renewable energy development opportunities, the Board composition will be reviewed as appropriate.

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

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