

## **RENERGEN LIMITED**

Incorporated in the Republic of South Africa  
(Registration number: 2014/195093/06)

JSE Share code: REN

A2X Share code: REN

ISIN: ZAE000202610

LEI: 378900B1512179F35A69

Australian Business Number (ABN): 93 998 352 675

ASX Share code: RLT

(“**Renergen**” or “**the Company**”)



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## **INCLINED WELL DRILLING UPDATE**

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Emerging domestic natural gas and helium producer Renergen wishes to update shareholders on the current inclined drilling programme. The first well in the programme, using a percussion rig, was unable to reach the casing point at the base of the Karoo sedimentary section after the bottom hole assembly was irretrievably lost following a drill string rupture. As the drilling was on a turnkey basis, and at no drilling cost to the company until the base Karoo was successfully penetrated, it was decided to abandon this well rather than attempt to retrieve the lost assembly. Following the abandonment of this well, the Company has revised its drilling programme so that the future wells will entail drilling sub-vertically to the base of Karoo casing point, and then drilling out of casing to intersect the target gas bearing fault structures at increased inclination using a newly available rotary rig with directional drilling capabilities.

The Company has been fortunate to source this fit-for purpose rotary drilling rig which is now being mobilized to site.

In a further positive development, the Company has gained access to an early vertical exploration well from several years back which is already cased to the base of Karoo and is in close proximity to the anticipated gas-bearing fault structure; this well will be the first location for deployment of the directional drilling rig. Going forward, it is anticipated that the programme can be accelerated by using a separate rig to drill and case to the base of Karoo, and using the directional rig to drill through to the target faults. The next series of locations have already been identified by the Company, which will accelerate the exploration drilling from the original programme.

“It is unfortunate that the drilling rod broke, but unfortunately accidents happen beyond anyone’s control. The silver lining is that it resulted in us gaining access to a fit-for-purpose directional drilling rig, which means we will be able to drill with far greater confidence and speed. Where we were drilling one before, now we have multiple targets being drilled concurrently, and in some highly prospective areas where indications of gas are strong, and no exploration drilling has been undertaken to date. This is a very exciting time for us on the exploration front, with fortune allowing us to turn a negative situation into one that could leapfrog our progress,” said Stefano Marani, CEO. A further statement was made by Stefano and can be seen on the following link: <https://youtu.be/ggInWcxnO-c>

Johannesburg  
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Authorised by: Stefano Marani  
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Designated Advisor  
PSG Capital



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