

Renergen Ltd

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Renergen raises \$6.72 million to progress South African gas discovery

Renergen Ltd (ASX:RLT) has raised \$6.72 million in a placement of 5.6 million chess depositary interests (CDI) with proceeds to be used to further a gas discovery made at the Virginia project in South Africa last month.

The placement price of \$1.20 per security represented a 4.7% discount to the 30-day VWAP and was well supported by Australian and New Zealand offshore investors.

The funds raised will be used to further explore the discovery made in December 2019 while drilling in the sandstone and this included 12% helium levels.

"Well placed" for production

Chief executive officer Stefano Marani said, "With the construction of Phase I well underway and on schedule, we are well placed to commence production of 2,700 GJ of LNG and 350 kilograms of helium per day by mid-2021.

"We have maintained for a while now that the sandstone deposit had potential and last month's discovery certainly enhances this view with the level of gas flow and helium concentrations achieved.

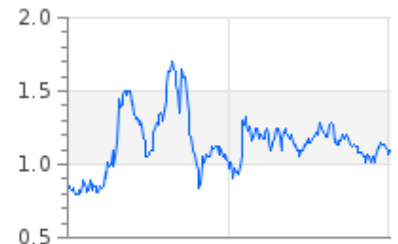
"Given the findings have been better than expected, we are now reviewing the data and planning how to maximise the flow potential of this area of the production right, as this will inform the magnitude and timing of Phase II.

"It remains the company's ambition to become a globally significant producer of liquid helium, and the successful capital raise today allows us the extra flexibility to ensure that we consider all possible angles."

Price: 1.09

Market Cap: \$128 m

1 Year Share Price Graph



October 2019 April 2020 October 2020

Share Information

Code: RLT

Listing: ASX

52 week	High	Low
	1.72	0.8

Sector: Energy

Website: www.renergen.co.za

Company Synopsis:

Renergen Ltd (ASX:RLT) is an emerging liquefied natural gas and helium producer, with existing production and sales of compressed natural gas. Renergen was listed on Johannesburg's AltX securities exchange in June 2015 as South Africa's first listed alternative and renewable energy company.

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