

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")

COMMENCEMENT OF DRILLING

Emerging domestic natural gas and helium producer Renergen is pleased to announce that a contract with Bohrmeister Technik Proprietary Limited ("Bohrmeister") has been signed, to commence drilling of the first inclined well for the delivery of gas to Phase I of the Virginia Gas Project.

All necessary safety precautions required to ensure the health of all members of the drilling team, will be given the highest level of priority and in full compliance with regulations during the COVID-19 crisis and Renergen anticipates that mobilisation will take approximately 6 weeks. Once mobilised, the Company envisages a further 8 weeks for drilling to be completed.

The Company will provide an update on the progress of the drilling, as it advances.

Stefano Marani, CEO, said "This is a very important well for Renergen, and the first drilled at an incline. Drilling will take place in an area of very high prospectivity, where helium concentrations are known to be around 2%. The subsurface of the targeted area is highly fractured.

These fractures carry the helium-bearing gas from much deeper depths and are mostly subvertical. The well will be drilled at roughly a 45-degree angle from the horizontal, thus reducing the risk of drilling and not striking these gas-bearing fractures.

A successful inclined well will prove the efficacy of these types of wells and will optimise the drilling plan moving forward. Importantly, it will also increase the potential to hit more than a single fracture per well which therefore would see more gas flow with less drilling."

"We are very pleased, following the success of the first well, to have been awarded the contract for the next well. We are excited to drill this incline well using a conventional method" said Heinz von Fintel, Operations Director, Bohrmeister Technik.

Johannesburg
13 May 2020

Designated Advisor
PSG Capital



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