REENOVA INVESTMENT HOLDING LIMITED
(UNDER JUDICIAL MANAGEMENT)
(Company Registration No. 200104762G)
(Incorporated in Singapore)

IMPLEMENTATION AGREEMENT FOR THE ENFORCEMENT OF SECURITY INTEREST OVER AND THE SALE OF SHARES IN REENOVA GLOBAL PTE. LTD.

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1. INTRODUCTION

1.1 The Judicial Managers (the "**JMs**") of Reenova Investment Holding Limited (Under Judicial Management) (the "**Company**") and together with its subsidiaries, refer to the following Company's announcements:

(a) dated 27 October 2022 setting out the Company's quarterly update pursuant to Rule 1313(2) of the Listing Manual regarding, *inter alia*, the memorandum of understanding entered into between the Company, Harena Resources Pty Ltd ("**HRPL**") and JW Venture Capital Pte. Ltd. ("**JWC**") on 18 October 2022 (the "**MOU**"), and the Enforcement and the Sale (the "**October Update Announcement**");

(b) dated 25 November 2022 in relation to the resolutions passed at the Company's first creditors' meeting approving, *inter alia*, that the JMs be at liberty to enter into an implementation agreement and any documents in connection therewith and/or ancillary thereto (the "**SOP Resolutions**");

(c) dated 9 January 2023 setting out the Company's quarterly update pursuant to Rule 1313(2) of the Listing Manual regarding, *inter alia,* the resolutions passed at the Company's first creditors' meeting; and

(d) dated 16 January 2023 in relation to the resolutions passed at the Company's second creditors' meeting approving the cash payment (the "**RIHL Cash Payment**") to be utilized by the Company for payment to its preferential and unsecured creditors (where applicable) in accordance with the provisions of the Insolvency, Restructuring and Dissolution Act 2018 and its subsidiary legislation ("**IRDA**") (the "**RCP Resolutions**").

1.2 Unless otherwise defined, the capitalised terms in this announcement shall bear the same meanings as set out in the October Update Announcement, unless otherwise expressly stated or the context otherwise requires.

1.3 The JMs are pleased to announce that the Company has, in furtherance of the transactions contemplated under the MOU, entered into the following agreements:

(a) an implementation agreement dated 22 February 2023 with the JMs and HRPL (the "**Implementation Agreement**"); and

(b) an escrow agreement dated 22 February 2023 with HRPL and with Aquinas Law Alliance LLP ("**AQLA**") as the escrow agent (the "**Escrow Agreement**").

1.4 Section 96(4)(e) of the IRDA provides that no step may be taken to enforce any security over any property of the company, or to repossess any goods under any hire-purchase agreement, chattels leasing agreement or retention of title agreement, except with the consent of the judicial manager, or with the leave of the Court and subject to such terms as the Court may impose. In this regard, the Implementation Agreement sets out the terms and conditions for the Company and the JMs to provide their consent to the Enforcement and the Sale (the "**Consents**").

2. SALIENT TERMS OF THE IMPLEMENTATION AGREEMENT

2.1 **CONSIDERATION**

2.1.1 In consideration of the Company and the JMs providing the Consents, HRPL has agreed to:

(a) pay the RIHL Cash Payment to the Company, in which the RIHL Cash Payment is to be paid into an escrow account in accordance with the terms of the Implementation Agreement, and subject always to the terms and conditions of the Escrow Agreement, HRPL shall procure the release of the RIHL Cash Payment in accordance with the terms of the Implementation Agreement;

(b) pay the sum of S$200,000, being the professional fee payment for the remuneration and expenses of the JMs, to the respective accounts nominated by the JMs in the following manner:

(i) a non-refundable amount of S$50,000, fourteen (14) calendar days from the date on which the SOP Resolutions are duly approved by the Company's creditors and a copy of the SOP Resolutions having been provided to HRPL;

(ii) the remaining S$150,000 (the "**Remaining Professional Fee Payment**") into an escrow account in accordance with the terms of the Implementation Agreement, and to procure the release of the Remaining Professional Fee Payment to an account nominated by the Company in accordance with the terms of the Implementation Agreement; and

(c) HRPL shall waive, discharge and release all claims that HRPL had or may have under the Letter Agreement.

2.1.2 The RIHL Cash Payment is to be held by the Company for the benefit of its preferential and unsecured creditors, solely for the purpose of making payments to the Company's preferential and unsecured creditors, as determined by the JMs in their full and absolute discretion, subject always to and in accordance with the provisions of the IRDA. HRPL further agrees and acknowledges that the RIHL Cash Payment is paid to the Company for the benefit of the Company's preferential and unsecured creditors as part of the consideration for the delivery of the Consents, and that the Company shall not be liable to HRPL for the RIHL Cash Payment.

2.2 **SALIENT CONDITIONS PRECEDENT**

2.2.1 The obligation of the Company to, and to procure the JMs, to jointly deliver the Consents to HRPL and JWC in accordance with the terms and conditions of the Implementation Agreement shall be conditional upon the fulfillment of various conditions including:

(a) the order placing the Company under judicial management (the "**JM Order**") remaining in full force and effect;

(b) all necessary approvals, waivers and consents being obtained or procured (as the case may be) by the Company and the JMs for all applicable transactions contemplated in connection with the provision of the Consents, including but not limited to the SOP Resolutions and the RCP Resolutions being duly approved by the Company's creditors, or if applicable, the approvals of the Committee of Creditors of the Company and/or unsecured creditors of the Company, and such approvals, waivers and consents not having been withdrawn on the date of delivery of the Consents;

(c) all necessary approvals, waivers and consents being obtained or procured (as the case may be) by HRPL for all applicable transactions contemplated under the Implementation Agreement, and such approvals, waivers and consents not having been withdrawn on the date of delivery of the Consents;

(d) AQLA having been jointly appointed by the Company and HRPL, and the RIHL Cash Payment and the Remaining Professional Fee Payment having been paid by HRPL into the escrow account, in accordance with the terms of the Escrow Agreement;

(e) HRPL having entered into a sale and purchase agreement with JWC in respect of the sale and purchase of the RGPL Shares (the "**SPA**"), and the SPA not having been terminated;

(f) the Company and the JMs providing a complete set of all records and books relating to the Company that they have in their possession, custody or control, including audited financial accounts and all technical reports and records relating to the Rare Earth Project; and

(g) the Implementation Agreement not having been terminated,

(the "**EWC Condition Precedents**").

2.3 The obligations of HRPL to pay and procure the release of the RIHL Cash Payment and the Remaining Professional Fee Payment, and to waive, discharge and release all claims that HRPL had or may have under the Letter Agreement (the "**P&W Obligations**"), shall be conditional upon fulfilment of various conditions, including:

(a) the JM Order remaining in full force and effect;

(b) all necessary approvals, waivers and consents being obtained or procured (as the case may be) by the Company and HRPL for all transactions contemplated in connection with the P&W Obligations, and where any approval, waiver, or consent is granted subject to any condition, such condition shall be reasonably acceptable to HRPL, the Company and the JMs, and such approvals, waivers and consents not having been withdrawn prior to completion of the P&W Obligations;

(c) the Implementation Agreement not having been terminated,

(the "**P&W Condition Precedents**").

2.4 **REVOCATION AND WITHDRAWAL OF THE CONSENTS**

2.4.1 Upon the occurrence of any of the following events, whichever earlier, the Company or the JMs shall be entitled (but not obliged to) by way of a written notice to JWC and HRPL revoke or withdraw the Consents:

(a) the revocation, withdrawal or otherwise amendment of any one of the approvals, waivers and consents previously obtained or procured for all applicable transactions contemplated in the Implementation Agreement;

(b) the JMs are of the view that the JM Order will not be in full force and effect at any time prior to the completion of the transactions contemplated under the Implementation Agreement ("**Completion**");

(c) any of the representations, undertakings, and warranties of HRPL, the Company or the JMs not being complied with, is not true, complete, accurate, and correct in all material respects or misleading in any material respect as at the date of Completion, as if repeated as at Completion and at all times between the date of the Implementation Agreement and as at Completion;

(d) any relevant authority taking, instituting, implementing, or threatening to take, institute or implement any action, proceeding, suit, investigation, inquiry or reference, or having made, proposed or enacted any statute, regulation, decision, ruling, statement or order or taken any steps, and there continuing to be in effect or outstanding any statute,

regulation, decision, ruling, statement or order which would or might make the transactions contemplated in the Implementation Agreement and all other transactions in connection therewith and incidental thereto, void, illegal and/or unenforceable or otherwise restrict, restrain, prohibit or otherwise frustrate or be adverse to the same;

(e) the failure of neglect to fulfil any one of the conditions precedents contained in the SPA prior to 28 February 2023 or such other extended date as HRPL or JWC may agree in writing. For the avoidance of doubt, the subsequent waiver, amendment or variation of any one of the conditions precedent contained in the SPA, whether in whole or in part, conditionally or unconditionally, shall not in any manner whatsoever affect the entitlement of the Company or the JMs to revoke or withdrawn the Consents under this paragraph 2.4.1;

(f) if the ability of AQLA to effect the release of the RIHL Cash Payment or the Remaining Professional Fee Payment to the Company and/or the JMs is adversely and materially prejudiced in any manner whatsoever, including without limitation, in the event that any action, proceeding or suit is instituted that will prevent or otherwise restrain the release of the RIHL Cash Payment and the Remaining Professional Fee Payment on Completion;

(g) if steps have been taken by or against HRPL, or if there are any legal proceedings that have been started or threatened for winding-up or for the appointment of a receiver, administrator, provisional liquidator, trustee, judicial manager or similar officer of HRPL or any of HRPL's assets or revenues;

(h) if HRPL becomes insolvent;

(i) the SPA having been terminated; or

(j) the Implementation Agreement having been terminated.

2.5 **TERMINATION OF THE IMPLEMENTATION AGREEMENT**

2.5.1 The Implementation Agreement may be terminated at any time prior to completion under the Implementation Agreement, or the Long-Stop Date (as defined herein), whichever is earlier:

(a) by either party to the Implementation Agreement, if any court of competent jurisdiction or any government bodies, and other regulatory authority having jurisdiction over the transactions contemplated in the Implementation Agreement, has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated in the Implementation Agreement, or has refused to do anything necessary to permit the transactions contemplated in the Implementation Agreement, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;

(b) by either:

(i) HRPL, if the Company is in material breach of any provision of the Implementation Agreement or has failed to perform and comply in any material respect with any of the representations, warranties and undertakings of the Company under the Implementation Agreement; or

(ii) the Company, if HRPL is in material breach of any provision of the Implementation Agreement or has failed to perform and comply in any material respect with any of the representations, warranties and undertakings of HRPL under the Implementation Agreement,

provided that either HRPL or the Company (as the case may be) has given notice to the other parties to the Implementation Agreement setting out the relevant

circumstances and stating an intention to terminate and, if the relevant circumstances continue to exist fourteen (14) business days (or any shorter period ending at 12 noon on the day before completion under the Implementation Agreement) from the time such notice is given, the terminating party may, in its absolute discretion, terminate the Implementation Agreement by a further notice in writing to the other parties to the Implementation Agreement; or

(c) by HRPL, upon the occurrence of any one of the following events (whichever is earlier):

(i) if the JM Order is no longer in force; or

(ii) the Consents are revoked or withdrawn;

(d) by the Company:

(i) if the Consents are revoked or withdrawn;

(ii) if HRPL becomes insolvent; or

(iii) if steps have been taken by or against HRPL, or if there are any legal proceedings that have been started or threatened for winding-up or for the appointment of a receiver, administrator, provisional liquidator, trustee, judicial manager or similar officer of HRPL or any of HRPL's assets or revenues.

2.5.2 In the event that the court application seeking approval of the Enforcement and the Sale (the "**Court Application**") is dismissed by the Courts of the Republic of Singapore, the Implementation Agreement shall automatically terminate from the date of the court order dismissing the Court Application.

2.5.3 If any of the EWC Condition Precedents and the P&W Condition Precedents have not been fulfilled by 28 February 2023, or such other extended date as the parties to the Implementation Agreement may agree in writing (the "**Long-Stop Date**"), the Implementation Agreement shall *ipso facto* cease and determine and no party of the Implementation Agreement shall have any claim against the other parties of the Implementation Agreement for costs, damages, compensation or otherwise, save as expressly stated in the Implementation Agreement.

3. SALIENT TERMS OF ESCROW AGREEMENT

3.1 The Company and the HRPL have unconditionally and irrevocably jointly appointed AQLA to be the escrow agent (the "**Escrow Agent**") and to hold the RIHL Cash Payment and the Remaining Professional Fee Payment in a bank account to be designated by the Escrow Agent (the "**Escrow Account**") in accordance with the terms of the Escrow Agreement.

3.2 HRPL shall remit the RIHL Cash Payment, the Remaining Professional Fee Payment and the escrow fee (collectively, the "**Escrow Monies**") to the Escrow Account in accordance with its obligations under the Implementation Agreement, it being acknowledged that the payment of the Escrow Monies and signing of the Escrow Agreement is a condition precedent in the Implementation Agreement.

3.3 Subject to the Consents not being revoked or withdrawn by the Company or the JMs prior to Completion, HRPL and the Company shall jointly issue to the Escrow Agent a joint release notice requesting the release of the RIHL Cash Payment to the Company and the Remaining Professional Fee Payment to the JMs on the date in which the transactions under the Implementation Agreement are completed.

4. UPDATE ON THE PROGRESS OF THE IMPLEMENTATION AGREEMENT

4.1 The Company, the JMs and HRPL have made concerted efforts to fulfill the EWC Condition Precedents and the P&W Condition Precedents. As of the date of this announcement, the following condition precedents have been fulfilled:

(a) the SOP Resolutions and the RCP Resolutions have been duly approved by the Company's creditors on 25 November 2022 and 16 January 2023 respectively;

(b) pursuant to the terms of the Escrow Agreement, the Escrow Agent has been jointly appointed by the Company and HRPL; and

(c) HRPL has entered into the SPA with JWC on 16 January 2023.

4.2 The Company will provide further updates on the progress of the Implementation Agreement when there are material developments.

5. CAUTIONARY STATEMENT

Notwithstanding that the trading of the Company's shares is suspended, shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. In the event of any doubt as to the action they should take, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, or other professional advisers.

Luke Furler and Ellyn Tan
Joint and Several Judicial Managers

22 February 2023