**REENOVA INVESTMENT HOLDING LIMITED**

(Incorporated in the Republic of Singapore | Company Reg. No.: 200104762G)

Website: **www.reenovagroup.com**

SGX Stock Code: **5EC**

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## PLACEMENT OF UP TO 979,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF REENOVA INVESTMENT HOLDING LIMITED – USE OF PROCEEDS

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The Board of Directors (the "**Board**") of Reenova Investment Holding Limited (the "**Company**") refers to the Company's announcements dated 26 August 2020, 21 October 2020, 25 October 2020, 3 November 2020 and 5 November 2020 (the "**Previous Announcements**") in relation to the Placement. Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as in the Previous Announcements.

Further to the Previous Announcements, the Board wishes to announce that out of the net proceeds of approximately S$2,513,000 from the Placement (the "**Net Proceeds**"), approximately S$842,000 (representing approximately 33.5% of the Net Proceeds) has been used in the following manner:

| Intended Use of Proceeds | Amount Allocated (S$) | Amount Utilised per Current Announcement (S$) | Aggregate Amount Utilised to Date (S$) |
|---|---|---|---|
| Repay existing creditors | 700,000 | 616,000 | 616,000 |
| Commence the next phase of works for the Company's rare earth project, such as trial leaching and pilot production, environmental impact assessment, feasibility and engineering studies and application for the full mining licence | 998,000 to 1,158,000 | 43,000 | 43,000 |
| General working capital purposes | 640,000 to 800,000 | 183,000 | 183,000 |

The use of the Net Proceeds set out above is in accordance with the stated use and percentage allocated in the Company's announcement dated 21 October 2020 in relation to the Placement.

To date, approximately S$842,000 of the Net Proceeds has been materially disbursed.

The Company will make further announcements on the utilisation of the balance of the Net Proceeds via SGXNET as and when such funds are materially disbursed.

On Behalf of the Board
**REENOVA INVESTMENT HOLDING LIMITED**

Chen Tong
Executive Chairman

31 December 2020