

RENU TEK INC.

Delivering Sustainable Energy Solutions

PRIVATE OFFERING MEMORANDUM

**2,000,000 Shares of
Class B Preferred Stock
\$4.00 per Share**

April __, 2024

SUMMARY

The Company is a renewable energy company dedicated to developing and deploying utility-scale solar projects (50-200 megawatts) in developing nations, with a current focus on sub-Saharan Africa. These projects provide vital clean energy solutions, addressing the pressing need for sustainable energy development in these regions. In addition to project development, RenuTek is pioneering an innovative online subscription platform. This platform empowers both consumers and small and medium-sized businesses (SMBs) to actively participate in environmental responsibility by purchasing Impact Renewable Energy Certificates (Impact RECs) and carbon offsets. By doing so, they can offset their carbon footprint and contribute to a more sustainable future.

By means of this Private Offering Memorandum, the Company is offering up to 2,000,000 shares of its Class B Preferred Stock at a price of \$4.00 per share.

There is no minimum amount required to be raised in this offering. All amounts received from investors will be delivered to the Company. There is no commitment by any person to purchase any of the securities offered by the Company and there can be no assurance that any securities offered will be sold.

The Class B Preferred Shares have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States or to U.S. persons (other than distributors) unless the securities are registered under the Securities Act of 1933, or an exemption from the registration requirements of the Securities Act of 1933 is available. In addition, hedging transactions involving

the Company's Class B Preferred Stock may not be conducted unless in compliance with the Securities Act of 1933.

The Class B Preferred Stock to be sold in this offering will be "restricted securities" as that term is defined in Rule 144 of the Securities and Exchange Commission.

The purchase of the securities offered by this Private Offering Memorandum involves a high degree of risk. Risk factors include the lack of operating history with respect to the Company's business, the need for capital, and the fact that as of the date of this Private Offering Memorandum there was no market for the Company's Class B Preferred Stock. See the "Risk Factors" section of this Private Offering Memorandum for additional risk factors.

Even if all securities offered are sold, the Company's future operations will be dependent upon its ability to obtain additional capital. Accordingly, following the completion of this offering, the Company may sell additional shares of common stock and/or other preferred stock to raise capital for its operations. As of the date of this Private Offering Memorandum, the Company did not have any commitment from any person to provide it with any additional capital and there can be no assurance that additional funds may be obtained in the future.

| | Offering Price | Sales Commissions ⁽¹⁾ | Proceeds to Company ⁽²⁾ |
|--------------------------|----------------|----------------------------------|------------------------------------|
| Class B Preferred Shares | \$4.00 | | \$4.00 |
| Maximum Offering | \$8,000,000 | | \$8,000,000 |

The Class B Preferred Shares are being offered and sold on a "best efforts" basis. There is no firm commitment by any person to purchase or sell any of the Class B Preferred Shares and there is no assurance that any Class B Preferred Shares offered will be sold. There is no minimum number of Class B Preferred Shares which are required to be sold in this offering. The Company may terminate this offering at any time:

1. The Company will not pay any sales commissions or other form of compensation to any officer, director or employee in connection with this offering. The Company may pay selected sales agents a commission equal to 8% of the amount sold by the sales agents.
2. Before deducting the expenses of the offering payable by the Company which will vary depending upon the amount raised in this Offering. See "Use of Proceeds".

See "Plan of Distribution" section for information regarding the compensation the Company will pay Manhattan Street Capital in connection with this offering.

THIS OFFERING IS INTENDED AS A NON-PUBLIC OFFERING, EXEMPT FROM REGISTRATION PURSUANT TO REGULATION S OF THE SECURITIES AND EXCHANGE COMMISSION. FOR PURPOSES OF REGULATION S, OFFERS AND SALES OF SECURITIES THAT OCCUR OUTSIDE THE UNITED STATES ARE EXEMPT FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT OF 1933.

THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH, NOR APPROVED OR DISAPPROVED BY, THE UNITED STATES SECURITIES AND

EXCHANGE COMMISSION BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, AND NO COMMISSION OR AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM, NOR IS IT INTENDED THAT THEY WILL. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (THE "MEMORANDUM") AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE DELIVERY OF THIS MEMORANDUM AT ANY TIME DOES NOT IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR, AND SHOULD BE USED ONLY IN CONNECTION WITH, A PROSPECTIVE INVESTOR'S CONSIDERATION OF AN INVESTMENT IN THE SECURITIES OF THE COMPANY DESCRIBED HEREIN.

THIS OFFER MAY BE WITHDRAWN AT ANY TIME AND IS SPECIFICALLY MADE SUBJECT TO THE TERMS DESCRIBED IN THIS MEMORANDUM. THE COMPANY RESERVES THE RIGHT TO REJECT ANY SUBSCRIPTION, IN WHOLE OR IN PART, OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF UNITS SUBSCRIBED FOR BY SUCH PROSPECTIVE INVESTOR. ANY REPRESENTATION TO THE CONTRARY IS UNAUTHORIZED AND MUST NOT BE RELIED UPON.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM, THE OTHER DOCUMENTS DELIVERED HERewith, IF ANY, OR ANY OTHER COMMUNICATION FROM THE COMPANY AS INVESTMENT OR LEGAL ADVICE. THIS MEMORANDUM, THE OTHER DOCUMENTS DELIVERED HERewith, AND ANY SUCH OTHER MATERIALS, AS WELL AS THE NATURE OF AN INVESTMENT IN THE SECURITIES OFFERED HEREBY, SHOULD BE REVIEWED BY EACH PROSPECTIVE INVESTOR AND SUCH INVESTOR'S INVESTMENT, TAX, LEGAL, ACCOUNTING AND OTHER ADVISORS.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS MEMORANDUM OR IN THE DOCUMENTS SUMMARIZED HEREIN OR ENCLOSED HERewith AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

FORWARD LOOKING STATEMENTS

This Private Offering Memorandum contains various forward-looking statements that are based on the Company's beliefs as well as assumptions made by and information currently available to the

Company. When used in this Private Offering Memorandum, the words "believe", "expect", "anticipate", "estimate" and similar expressions are intended to identify forward-looking statements. Such statements may include statements regarding and are subject to certain risks, uncertainties and assumptions which could cause actual results to differ materially from projections or estimates. Factors which could cause actual results to differ materially are discussed at length under the heading "Risk Factors." Should one or more of the enumerated risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Investors should not place undue reliance on forward-looking statements, all of which speak only as of the date made.

RISK FACTORS

Investors should be aware that this offering involves certain risks, including those described below, which could adversely affect the value of the Company's Class B Preferred Stock. The Company does not make, nor has it authorized any other person to make, any representation about the future market value of the Company's Class B Preferred Stock. In addition to the other information contained in this Private Offering Memorandum, the following factors should be considered carefully in evaluating an investment in the Company's securities.

The Company has no operating history with respect to its new business and may never be profitable.

Since the Company only recently began its new business, it is difficult for potential investors to evaluate the Company's future prospectus. The Company will need to raise enough capital through this offering (or by other means) to be able to fund its operations. There can be no assurance that the Company will be profitable or that the securities which may be sold in this offering will have any value.

Any forecasts the Company makes concerning its operations may prove to be inaccurate. The Company's prospects must be considered in light of the risks, expenses, and difficulties frequently encountered by companies in the early stage of development. As a result of these risks, challenges, and uncertainties, the value of your investment could be significantly reduced or completely lost. As of the date of this Private Offering Memorandum, the Company has not sold any utility-scale solar projects, Impact RECs, or carbon offsets, and there can be no assurance that the Company will be successful in selling any of its utility-scale solar projects, Impact RECs or carbon offsets.

We have generated only limited revenue since our inception.

As of December 31, 2023, we had a positive shareholders' equity of \$289,619, and during the year ended December 31, 2023 we had a net profit of \$49,880. Since our inception (October 9, 2023) through December 31, 2023, we generated \$72,013 in revenue. There can be no assurance that we will be profitable in 2024, or afterwards.

The Company's offering is being conducted on a "best efforts" basis.

There is no minimum amount which is required to be raised in this offering and all proceeds from the sale of the securities offered will be delivered to the Company as they are received. If only a small number of securities offered are sold, the amount received from this offering may provide little benefit to the Company. Even if all securities offered are sold, the Company may need additional capital.

The Company does not know what the terms of any future capital raising may be, but any future sale of the Company's equity securities will dilute the ownership of existing stockholders and could be at prices substantially below the price of the shares of common stock sold in this offering. The failure of the Company to obtain the capital which it requires may result in the slower implementation of the Company's business plan.

Political Instability in Niger May Have an Adverse Effect on Our Planned Operations

We plan to develop and sell “shovel ready” utility-scale solar projects in Africa, the first four of which are projected to be in Niger. However, in July 2023 a military coup ousted Niger President Bazoum, who is currently under house arrest. General Abdourahmane “Omar” Tchiani, commander of the presidential guards, is the head of Niger’s new military government.

Following the coup:

- The European Union cut off all financial support to Niger.
- France suspended all development aid and budget support with immediate effect, demanding a prompt return to constitutional order with Bazoum returning to his office.
- All direct support payments by Germany to the central government of Niger were suspended until further notice.
- A planned 30 billion CFA franc (\$50m) bond issuance by Niger in the West African regional debt market was canceled by the Central Bank of West African States.

Niger was one of the few democracies left in the Sahel belt, which stretches across the continent, but had been battling with jihadist insurgency and rural banditry. But now that the army has seized power, there are concerns over what this means for the troubled region and who is in charge.

Although the political situation in Niger appears to be stabilizing, the development and sale of our utility-scale solar projects may be hindered, delayed or prevented as a result of political instability in Niger.

Potential competitors could duplicate the Company’s business model.

Although the company plans to trademark its Impact RECs once launched, there is no aspect of the Company’s business that is protected by patents, copyrights, trademarks, or trade names at this time. As a result, potential competitors could duplicate the Company’s business model with little effort.

The Company may not be able to effectively manage its growth, which would impair results of operations.

The Company intends to expand the scope of its operating activities significantly. If the Company is successful in executing its business plan, it will experience business growth that could place a significant strain on operations, finances, management, and other resources.

The ability to effectively manage growth may require the Company to substantially expand the capabilities of administrative and operational resources and to attract, train, manage, and retain qualified management and other personnel. There can be no assurance that the Company will be successful in recruiting and retaining new employees or retaining existing employees.

The Company cannot provide assurances that management will be able to manage this growth effectively. The failure to successfully manage growth could materially adversely affect its business, financial condition or results of operations.

The Company is dependent on its management and the loss of any of its officers could harm the Company's business.

The Company's future success depends largely upon the experience, skill, and contacts of the Company's officers. The loss of the services of these officers may have a material adverse effect upon the Company's business.

As of the date of this Private Offering Memorandum, there was no public market for the Company's Class B Preferred Stock.

As a result, purchasers of the securities offered by this Private Offering Memorandum may be unable to sell these securities or recover any amounts which they paid for the Class B Preferred Stock.

The securities sold in this Offering will be "restricted securities" as that term is defined in Rule 144 of the Securities Act of 1933 (the "Act").

As such, the securities sold in this Offering may be sold only in compliance with Rule 144 or some other exemption from registration under the Act, unless the securities are covered by an effective registration statement under the Act.

We may become subject to litigation, which could materially and adversely affect us.

In the future, we may become subject to litigation or enforcement actions, including claims relating to our operations, securities offerings and otherwise in the ordinary course of business. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which are not, or cannot be, insured against. We cannot be certain of the ultimate outcomes of any claims that may arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments and settlements exceed insured levels, could adversely impact our earnings and cash flows. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, expose us to increased risks that would be uninsured, and materially and adversely impact our ability to attract directors and officers.

USE OF PROCEEDS

The proceeds from this offering are projected to be used as follows, based upon the number of Class B Preferred Shares that are sold in this offering:

| | <u>Number of Shares Sold</u> | | | |
|---|------------------------------|------------------|------------------|------------------|
| | <u>500,000</u> | <u>1,000,000</u> | <u>1,500,000</u> | <u>2,000,000</u> |
| Utility Scale Project Predevelopment | \$ 830,000 | \$1,800,000 | \$3,100,000 | |
| | \$3,830,000 | | | |
| Subscription Platform Development | 180,000 | 270,000 | 350,000 | 350,000 |
| Subscription Platform Marketing and Sales | 270,000 | 550,000 | 750,000 | 1,660,000 |
| General Corporate Overhead and Administrative Expenses | 200,000 | 620,000 | 800,000 | 920,000 |

| | | | | |
|---|---------|---------|---------|---------|
| Fees payable to Manhattan Street Capital ⁽¹⁾ | 250,000 | 250,000 | 250,000 | 250,000 |
| Legal fees | 30,000 | 30,000 | 30,000 | 30,000 |

| | | | | |
|---|--------------------|--------------------|--------------------|----------------|
| Marketing and advertising expenses in connection with this offering | <u>240,000</u> | <u>480,000</u> | <u>720,000</u> | <u>960,000</u> |
| | <u>\$2,000,000</u> | <u>\$4,000,000</u> | <u>\$6,000,000</u> | |
| | <u>\$8,000,000</u> | | | |

(1) See “Plan of Distribution” for more information.

See the “Business” section of this Private Offering Memorandum for information regarding the Company’s proposed business.

The projected expenditures shown above are only estimates or approximations and do not represent a firm commitment by the Company. To the extent that the proposed expenditures are insufficient for the purposes indicated, supplemental amounts required may be drawn from other categories of estimated expenditures, if available. Conversely, any amounts not expended as proposed will be used for general working capital. It is anticipated that some of the capital assigned to general and administrative expenses will be paid to consultants and others.

BUSINESS

We are a renewable energy company dedicated to developing and deploying utility-scale solar projects (50-200 megawatts) in developing nations, with a current focus on sub-Saharan Africa. These projects provide vital clean energy solutions, addressing the pressing need for sustainable energy development in these regions.

In addition to solar project development, we are pioneering an innovative online subscription platform. This platform enables both consumers and small and medium-sized businesses (SMBs) to actively participate in environmental responsibility by purchasing Impact Renewable Energy Certificates (Impact RECs) and carbon offsets. By doing so, they can offset their carbon footprint and contribute to a more sustainable future.

We address the following high-value and related unmet needs:

Combating global warming and improving economic conditions by developing utility-scale solar projects in the developing nations of the world; and

Providing people and businesses a way to directly participate in offsetting their carbon footprint by purchasing Impact Renewable Energy Certificates (Impact RECs) and carbon offsets through our online subscription platform.

We plan to generate revenue:

- from the sale of “shovel ready” utility-scale solar projects;
- for select utility-scale solar projects in which we elect to take an equity position, by sharing in revenue from the sale of the electricity produced from the project, or selling our equity position in the completed and operating project; and
- from the sale of Impact RECs and carbon offsets.

Utility-Scale Solar Projects

Utility-scale solar projects are generally considered to be 10 megawatts and larger, with the purchaser of the electricity being either the national government or the local electric utility company.

In January of 2024, we acquired Renewable Access LLC, including its four projects in process in Niger. These projects include two utility-scale solar farms, totaling 150 megawatts, for which 85% of the pre-development milestones are complete. Pre-development milestones include site identification and control, the preparation of an Environmental and Social Impact Analysis, obtaining an Environmental Certificate from the Niger Ministry of Energy, and submission of a Technical Feasibility Report to the Niger Ministry of Energy. Once the pre-development process is concluded and a Power Purchase Agreement (PPA) is executed, we will sell these projects as “shovel-ready” to developers who will complete construction and take them through to operating solar farms.

Two additional projects, representing an additional 100 megawatts, were also acquired from Renewable Access. These projects have the commitment of the Niger government in their Memorandum of Understanding but have yet to commence. Both projects are scheduled to begin the pre-development process, as outlined in the milestones described above, in a second phase to begin after the sale of the Bangoula and Zabori projects.

All four projects are being undertaken in cooperation with the government of Niger and the Niger National Electricity Utility, Nigelec. Prior to its acquisition, Renewable Access executed an extended Memorandum of Understanding (MOU) with the Niger government, which authorizes the development of the four projects (listed below), as well as the allocation of government land for these projects. When completed, these projects can be sold for approximately \$0.10 to 0.15 per watt of generating capacity, representing \$25M to \$37.5M in potential revenue.

Niger Projects:

- Bangoula, Niger: 50 megawatts (currently in pre-development)
- Zabori, Niger: 100 megawatts (currently in pre-development)
- Zinder, Niger: 50 megawatts (committed, 2nd phase)
- Agadez, Niger: 50 megawatts (committed, 2nd phase)

“Committed” means these projects are in a Memorandum of Understanding with the Niger government but no studies/reports have been conducted. The “2nd phase” means these projects will begin after the sale of the Bangoula and Zabori projects.

In addition to the Niger projects, we are currently in the evaluation stage for utility-scale projects of various sizes in Sri Lanka, Liberia, Chad, Burkina Faso, Mali, Ghana and Tanzania.

For select projects, we may contribute the value that we have created in the pre-development stage and trade it for an equity position in the operational solar farm. These will likely take the form of joint ventures with a financing group and a local engineering, procurement and construction company. Once the solar farm is operational, a local partner will oversee day-to-day operations.

We will generate revenue from either sharing in revenue from the sale of electricity produced by the project or selling our equity position once the project is in operation.

Developing nations in sub-Saharan Africa, in particular, are confronted with the pressing problem of ramping up reliable electricity generation for over one billion individuals who currently have little or no access to a consistent source of electricity. This is impeding overall economic progress and development.

In fact, population growth on the continent is outpacing net new electricity generation capacity. At the same time, the African continent has the most sun exposure per square meter of any region on earth.

While offering immense potential for clean energy generation, pre-developing utility-scale solar projects in sub-Saharan Africa presents several unique challenges:

- **Financing:** Securing sufficient funding can be complex due to perceived risks by investors, including political instability, currency fluctuations, and limited access to domestic capital markets in some countries.
- **Infrastructure Limitations:** Lack of adequate grid infrastructure in certain regions can hinder project feasibility, requiring additional investments in transmission lines and substations to integrate the generated electricity into the national grid.
- **Regulatory Uncertainties:** Evolving regulatory frameworks and lengthy permitting processes can create delays and increase project development costs.
- **Logistical Complexities:** Navigating complex logistics in remote areas, including transportation of materials and equipment, can pose significant challenges and inflate project costs.
- **Community Engagement:** Building trust and securing the support of local communities requires clear communication, addressing concerns about potential environmental and social impacts, and ensuring projects contribute to local development goals.

Successfully navigating these challenges requires careful planning, collaboration with local stakeholders, and a deep understanding of the specific socio-economic and political contexts of each target country. By addressing these challenges effectively, we can contribute to the sustainable development of sub-Saharan Africa and unlock the vast potential of solar energy in the region.

We analyze the market conditions of a country looking for economic stability, debt rating, rate of electrification, urban vs. rural electrification ratio, retail price of electricity and political stability. We also meet with various governmental officials to determine their level of interest, the complexity of their bureaucratic process and their willingness to assist us in the process. This evaluation process usually takes up to three months and requires a number of in-country visits.

Once a potential project has been identified, it takes approximately 12 months from the initial site visit to obtain site leases, conduct further onsite visits, secure contracts for the required environmental, social impact and relocation studies, conduct system feasibility studies, obtain site leases, develop preliminary engineering plans, and acquire permits and interconnection approvals.

The costs for the entire process range from \$400K on the low end to \$750K.

The process of securing agreements with government officials to supply energy to a national grid is facilitated by meetings with a host country's Minister of Energy or the Minister of State and negotiating a Memorandum of Understanding that broadly addresses the scope of the project(s), and typically includes:

- the size of the project in megawatts and land area
- site location
- land grant or land purchase
- sequence of reports and approvals
- the planned type of power acquisition: either an agreement that outlines the commercial terms under which the power produced for an agreed term is sold (Power Purchase Agreement) or an outright asset sale of the finished project.

Upon completion of an Environmental and Social Impact Analysis, the issuance of an Environmental Certification and completion of a Technical Feasibility report, a Power Purchase Agreement (PPA) is negotiated and signed.

Currently we are in the final process of securing PPAs with the Niger government to sell the energy generated from the first two of our Niger projects in Bangoula and Zabori, which together equal 150 megawatts.

Key terms of a PPA include the length of the agreement, the kWh rate to be paid by the government/electric utility company, the escalator (annual rate increase of the kWh rate), the estimated amount of electricity to be produced and the technical specifications from the technical feasibility study.

There are a number of specialized investment funds that are active in the emerging market/renewable energy space. These companies often work with sovereign government funds that are specifically targeted for renewable energy projects in sub-Saharan Africa. Depending on size, the project financing can be a mix of debt and equity and can be a consortium of lenders. The projected pricing will vary depending on size, country and PPA rate, and our target price is \$0.10 - \$0.15/watt USD. A 50 megawatt project would be valued at \$5,000,000 - \$7,500,000 USD.

We have had an economic partnership with the Mandela family since 2022. Our partnership with the Mandela family provides unprecedented access to their network of relationships throughout Africa, which facilitates connections with governmental officials to negotiate and secure contracts to supply energy to their national grids. We have a Letter of Understanding with OSR Holdings, the Mandela family's investment company. It details the commercial terms of their obligations and compensation in exchange for providing consulting and resources, from initial introductions to ongoing support to facilitate the development of our solar projects.

Renewable Energy Certificates and Carbon Offsets

Renewable Energy Certificates (RECs) were created by the EPA as a commodity to represent the environmental attributes of the power produced from renewable energy projects and are sold

separately from grid power. RECs are issued when one megawatt-hour of electricity is delivered to the grid from a renewable energy resource.

According to S&P Global Commodity Insights, the U.S. renewable energy certificate market was valued at \$11.45 billion as of 2021 and is forecast to swell to \$26.5 billion by 2030.

We are expanding on the concept of the traditional REC by introducing our branded RECs under the trade name: Impact RECs. These represent the same certified one megawatt-hour of renewably generated electricity as traditional RECs, however they are sourced from developing nations and will be sold into the US offset market. The offset market is the multi-billion dollar-a-year voluntary REC and carbon offset market that enables consumers and businesses to offset their carbon footprint by purchasing RECs and carbon offsets.

We are developing an online subscription-based platform for retail consumers and small and medium-sized businesses (SMBs) to offset their carbon footprint. The first to launch will be the site targeted at the SMB market, with a planned beta launch in Q2 2024. We plan to follow this with the launch of a site dedicated to selling our branded Impact RECs and carbon offsets directly to retail consumers in late Q2 or early Q3 2024.

We will begin selling Impact RECs and carbon offsets to retail consumers and the SMB Market as soon as the first phase of our online platform launches, planned for Q2 2024.

As a broker (Participant) in the I-REC system, we can purchase RECs from several sources. We can purchase them on a number of platforms or from the owner of the project directly. We hold the RECs in an escrow account and retire them under the end user's name upon sale.

Initially, the Impact RECs that we will sell will be sourced from certified third-party renewable energy projects in Africa. As our own projects come on line, we will also sell Impact RECs from our own projects.

Currently RECs are sold on an open market as a commodity and are priced in a range of \$4 to \$5 per REC when purchased in bulk by large businesses and organizations, and in the range of \$12 to \$15 when purchased in small quantities by individual consumers.

More and more companies are pledging to help stop climate change by reducing their own greenhouse gas emissions as much as they can. Yet many businesses find they cannot fully eliminate their emissions, or even lessen them as quickly as they might like. The challenge is especially tough for organizations that aim to achieve net-zero emissions, which means removing as much greenhouse gas from the air as they put into it. For many, it will be necessary to use carbon credits to offset emissions they cannot eliminate by other means. The Taskforce on Scaling Voluntary Carbon Markets, sponsored by the Institute of International Finance with knowledge support from McKinsey, estimates that demand for carbon credits could increase by a factor of 15 or more by 2030 and by a factor of up to 100 by 2050. Overall, the market for carbon credits could be worth upward of \$50 billion in 2030.

In comparison to RECs, carbon offsetting is a trading mechanism that allows entities such as governments, individuals, or businesses to compensate for their greenhouse gas emissions by supporting projects that reduce, avoid, or remove emissions elsewhere. In other words, carbon

offsets focus on offsetting greenhouse gas emissions generally through investments in emission reduction projects, while RECs are specifically related to offsetting dirty power generation with sustainable electricity generation. A company looking to compensate for its total carbon footprint will often purchase both RECs and carbon offsets to meet its sustainability goals.

One carbon offset or credit represents the certified reduction, avoidance or removal of one [tonne](#) of [carbon dioxide](#) (CO₂) or its [carbon dioxide-equivalent](#) (CO₂e). They are generated by projects that verifiably reduce, avoid or remove greenhouse gases. A carbon credit or offset credit can be bought or sold after certification by a government or independent certification body. Carbon offsets are typically sold through ACX, a global exchange marketplace that connects project developers with individuals or businesses looking to offset their carbon footprint. We can select and purchase offsets from a variety of verified projects. Like RECs, carbon offsets are retired when the final purchaser uses them to compensate for their own carbon footprint.

The price range for carbon offsets can vary significantly, but typically falls within the following range:

- **Low-end:** Around \$1 per tonne of CO₂ equivalent (tCO₂e) for some forestry projects.
- **Mid-range:** \$3-\$10 per tCO₂e for many renewable energy and methane capture projects.
- **High-end:** Above \$10 per tCO₂e for premium offsets with additional social or environmental benefits beyond just carbon reduction.

Our proprietary Impact REC and carbon offset monthly subscription program allows small and medium-sized companies to easily calculate, and then affordably offset, their company's carbon footprint. This contrasts with large corporations that have a dedicated staff to manage the complex process of evaluating their corporate carbon footprint and the purchasing of RECs and carbon offsets to meet their stated environmental, social and governance goals. To our knowledge, our competitors who sell RECs and carbon offsets are exclusively targeting the large corporate enterprises. We see a vast opportunity here to service the portion of the 33 million small and medium-sized businesses that want to reap the benefits of being seen as good corporate citizens but lack the resources to implement a dedicated environmental sustainability plan on their own.

REC and carbon offsets have no monetary value to the purchaser.

Employees

We currently have five full-time employees, and an additional 12 freelance employees working either on a contract basis, or on a project-by-project basis. As we continue to ramp up, we will likely bring the web sales and development team in-house, along with adding support and additional executive level staff for our solar development efforts.

Over the next twelve months, we anticipate adding:

- An office manager/human resource coordinator
- A controller/bookkeeper

Online Sales and Marketing Team

- Marketing and advertising team for subscription sites
- Senior VP of marketing
- Online advertising media buyer/manager
- Partnerships and influencer manager
- Online advertising content manager
- Two online advertising coordinators
- Social media manager
- Social media content designer/creator

Sales team for small and medium-sized business

- Sales manager
- Lead generation manager
- Four contract sales representatives
- Customer service manager for both consumer and SMB online subscription platform

Solar Project Development

- VP of business development
- Two senior project managers
- Two project coordinators
- Administrative assistant
- Eight local contracted project engineers

Monthly Expenses

We will manage our monthly expenses by closely monitoring and adjusting two key expense areas:

1. Pre-development of solar projects: managing the number of projects taken on for pre-development allows for the controlled allocation of resources. This provides flexibility in adjusting the burn rate as needed.
2. Subscriber acquisition costs: regulating the frequency and cost of the online direct response advertising necessary to acquire new subscribers for the online platform provides us with the ability to modulate this expense depending on available funds.

Based upon the amount raised in this and other private offerings, we believe we can regulate our monthly expenses between \$75,000 and \$225,000.

Competition

The renewable energy market in Africa is an emerging one that is vastly underserved and nowhere near saturation. The opportunity is virtually unlimited. Installed solar generation capacity is projected to grow from 6 gigawatts in 2018 to over 500 gigawatts by 2050. McKinsey projects that by 2050, annual investment in renewable energy in Africa will be \$60 billion. At present, the population growth exceeds the rate of net new electrification. Utility-scale solar is the lowest cost source of electricity in Africa.

While not exhaustive, the following are companies with significant operations on the continent that may be our competition.

Engie: French multinational utility company with a strong presence in renewable energy development, including solar projects in South Africa, Senegal, and Mali.

Enel Green Power: Italian renewable energy subsidiary of Enel, with a growing portfolio of solar projects across Africa, including Morocco, Senegal, and Zambia.

EDF Renewables: French renewable energy company with significant experience in solar development globally, including projects in South Africa and Morocco.

Akuo Energy: French independent power producer with growing investments in renewable energy across Africa, including solar projects in Senegal and Burkina Faso.

Scatec Solar: A Norwegian multinational solar energy company with a strong track record in developing utility-scale projects worldwide, including projects in South Africa and Rwanda.

Although these companies have significant resources, our partnership with the Mandela family gives us a unique and considerable market advantage. The Mandela reputation provides instant credibility and access to governmental entities throughout Africa that is difficult to replicate. Furthermore, our small relative footprint enables us to be nimble and take on smaller utility-scale solar projects that would not be cost effective for larger corporate players.

Stronger Climate Impact Is a Competitive Advantage

Consumers and businesses are increasingly seeking ways to demonstrate their commitment to sustainability and contribute to combatting climate change. For businesses, demonstrating they are committed to sustainable practices has been shown to significantly increase sales. Our innovative Impact RECs and carbon offsets provide a more impactful alternative compared to traditional RECs and carbon offsets sold by our competitors. They deliver tangible benefits beyond simple carbon reduction.

Impact RECs and carbon offsets:

- **Support Existing Projects:** Initially our RECs and carbon offsets will be sourced from established renewable energy initiatives in developing nations that are already making a positive difference.

- **Driving New Development:** A portion of the revenue we earn from each Impact REC and carbon offset sold goes towards our work creating new solar projects in developing nations.
- **Maximize Impact:** Electrifying these regions displaces reliance on fossil fuels like diesel generators and replaces dirty energy with clean energy, multiplying the environmental impact. Importantly, supporting renewable energy generation can also prevent dirty power plants from being created in the first place.

Similar to the solar market in Africa, the market for RECs and carbon offsets is experiencing significant growth and there are several companies in the marketplace. Companies which sell RECs and carbon offsets include:

- South Pole Group
- 3Degrees
- Terrapass
- Plan Vivo
- Offset.earth
- Choose

Most competitors that sell RECs and carbon offsets sell their RECs and carbon offsets to large corporate buyers and ignore consumers and the small and medium-sized business market. We plan to compete in the sale of RECs and carbon offsets by focusing on the consumer and small and medium-sized business segments where the competition is limited

Government Regulations

Regulations pertaining to Utility-Scale solar development projects vary from country to country. By way of example, regulations in Niger, where four of our projects are in pre-development or are in the second phase, are overseen by the Ministry of Energy which is responsible for energy policy in Niger. The electric utility company, Nigelec, is owned by the government and is responsible for power generation and distribution. Independent Power Producers (IPP) are allowed to function but need to sell their power production to Nigelec under contract. The regulations underwent significant reforms in 2003-2004 to facilitate the promotion of renewable energy for their energy supply. Niger has followed the World Bank requirements for environmental regulations and social impact. An Environmental and Social Impact Analysis (ESIA) study is required and needs approval for an Environmental Certificate to be issued. A Technical Feasibility study is required for final approval. Further, as with all companies operating internationally, we are subject to the Foreign Corrupt Practices Act of 1977 which prohibits US entities from bribing foreign government officials to benefit their business interests.

In the US, there are no specific regulations that apply to our business. Our Impact RECs and carbon offsets are sold into the voluntary market and have no current government oversight or regulation.

General

The Company was incorporated in Delaware on October 9, 2023. The Company's address is 440 West End Ave., Suite 9F, New York, NY 10024 and its telephone number is (212) 627-2700. As of the date of this Private Offering Memorandum, the Company was in the development stage.

MANAGEMENT

| <u>Name</u> | <u>Age</u> | <u>Position</u> |
|-----------------|------------|--|
| David Anthony | 56 | Chief Executive Officer and a Director |
| Craig MacIntyre | 69 | President, Chief Operating Officer and a Director |
| Kate Davis | 32 | Vice President of Digital Marketing and a Director |

David Anthony is our Co-Founder and has been our Chief Executive Officer and a director since 2023. Mr. Anthony is an experienced tech entrepreneur with expertise in leading teams to develop innovative solutions to complex problems. Mr. Anthony is responsible for establishing business partnerships and setting the overall strategic direction of the Company. Between 2022 and 2023, Mr. Anthony served as a consultant for several early-stage startups. Between 2006 and 2022, Mr. Anthony was the President of Bondi Digital Publishing, LLC, a Software as a Service (SaaS) company that developed an enterprise-level online magazine publishing and subscription platform, which it licensed to magazine publishers including Vogue, Vanity Fair, Architectural Digest, Esquire, Hearst, Condé Nast, and Bonnier. Between 2005 and 2021, Mr. Anthony was the Managing Partner of Giant Interactive, a film and television digital distributor that provides professional services (such as video encoding, XML preparation and quality control) to 118 streaming companies such as Apple TV, Netflix, Roku, HBO Max, and Amazon Prime.

Craig MacIntyre is our Co-Founder and has been our Chief Operating Officer, President, and a director since January 2024. Before joining RenuTek, Mr. MacIntyre was the President of Renewable Access LLC from 2018 until January of 2024, when RenuTek completed the acquisition of Renewable Access LLC, including its four utility-scale solar projects in process in Niger, Africa. Mr. MacIntyre was responsible for overseeing the negotiations with the government of Niger to secure these projects, as well as the day-to-day management of the planning and pre-development for the projects. Prior to Renewable Access, Mr. MacIntyre had several decades of experience as a member of the senior management teams overseeing large-scale community solar and commercial solar projects domestically. RenuTek's commitment to bringing clean energy to sub-Saharan Africa is significantly enhanced by our unique partnership with the Nelson Mandela family's OSR Holdings, a partnership Mr. MacIntyre forged. He has a deep understanding of local cultural imperatives and is leading the company's initiatives for utility-scale solar projects in Africa.

Kate Davis has been our Vice President of Digital Marketing since 2023 and a director since 2024. Ms. Davis is responsible for crafting corporate communications messaging, brand identity and overseeing the Company's marketing, both digital and offline. Since 2010, Ms. Davis has also been

the Chief Executive Officer at shopknockout.co, an online retailer that designs and sells women’s fashion accessories. Between 2018 and 2022, Ms. Davis was the Digital Marketing Manager for Bondi Digital Publishing, LLC, a Software as a Service (SaaS) company that developed an enterprise-level online magazine subscription platform, which it licensed to magazine publishers including Vogue, Vanity Fair, Architectural Digest, Esquire, Hearst, Condé Nast, and Bonnier. Ms. Davis has nine years of experience in digital marketing, working in a variety of settings, including nonprofits, digital media companies, and startups.

We have not adopted a Code of Ethics which is applicable to our principal executive, financial, and accounting officers and persons performing similar functions since we only have three executive officers.

Executive Compensation

The following shows the amount we expect to pay to our executive officers and the amount of time our executive officers expect to devote to our business during the twelve months ending March 31, 2025.

| <u>Name</u> | <u>Projected Monthly Compensation</u> | <u>Percent of Time to Be Devoted to our Business</u> |
|-----------------|---------------------------------------|--|
| David Anthony | \$21,667 | 100% |
| Craig MacIntyre | \$21,667 | 100% |
| Kate Davis | \$12,083 | 100% |

To date we have not compensated anyone for serving as a director.

PRINCIPAL SHAREHOLDERS

The following table shows the ownership, as of the date of this Private Offering Memorandum, of those persons owning beneficially 5% or more of our Class A common stock and Class B common stock and the number and percentage of outstanding shares owned by each of our directors and officers and by all officers and directors as a group. Each owner has sole voting and investment power over their shares of common stock.

| <u>Name</u> | <u>Class A Shares Owned</u> | <u>Percent of Outstanding Class A Shares</u> | <u>Class B Shares Owned</u> | <u>Percent of Outstanding Class B Shares</u> |
|---------------|-----------------------------|--|-----------------------------|--|
| David Anthony | -- | -- | 1,436,000 ⁽¹⁾ | 33.9% |

| | | | | |
|--|-----------|-------|-----------|-------|
| Craig MacIntyre | -- | -- | 1,366,000 | 32.2% |
| Kate Davis | -- | -- | 350,000 | 8.2% |
| Robin Sandhoff | -- | -- | 300,000 | 7.1% |
| Leonardo Anthony | -- | -- | 350,000 | 8.2% |
| MAD13, LLC | 195,007 | 5.2% | | |
| Charles Tsai | 1,040,000 | 27.6% | | |
| Michael Taranovich | 400,000 | 10.6% | | |
| Moah Trust | 1,520,000 | 40.4% | | |
| All Officers and Directors as a group (3 persons) | -- | -- | 3,152,000 | 74.3% |

- (1) Shares are owned of record by M1 Digital Media, LLC, a company controlled by Mr. Anthony. Each Class A share is entitled to cast one vote on all matters presented to the Company's shareholders.

Each Class B share is entitled to cast ten votes on all matters presented to the Company's shareholders.

PLAN OF DISTRIBUTION

This Offering is intended as a non-public offering, exempt from registration pursuant to Regulation S of the Securities and Exchange Commission. For purposes of Regulation S, offers and sales of securities that occur outside the United States are exempt from the registration provisions of the Securities Act of 1933. As such, the shares of the Company's Class B Preferred Stock which are the subject of this Offering have not been registered under the Securities Act of 1933. Availability of the exemptions from the securities laws for the sale of the shares of the Company's Class B Preferred Stock is dependent upon the investment intent of the investors. Accordingly, each investor will be required to acknowledge, among other things, that the purchase of our Class B Preferred Stock is for investment, for his own sole account, and without any view to resale or other distribution thereof. The Class B Preferred Shares have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States or to U.S. persons (other than distributors) unless the securities are registered under the Securities Act of 1933, or an exemption from the registration requirements of the Securities Act of 1933 is available. In addition, hedging transactions involving the Company's Class B Preferred Stock may not be conducted unless in compliance with the Securities Act of 1933.

There is no firm commitment by any person to purchase or sell any of our shares of Class B Preferred Stock and there is no assurance that any Class B Preferred shares will be sold. There is no minimum number of shares which are required to be sold in this offering. We may terminate this offering at any time.

Manhattan Street Capital ("MSC") has agreed to provide the Company with the following services in connection with this Offering:

- the use of MSC's proprietary technology platform;
- advice, technology, administrative services and assistance with and introductions to resources needed to conduct a Reg S offering;

- required compliance services, including anti-money laundering, know your customer, and accredited investor verification as required by the Banking Secrecy Act, the Office of Foreign Assets Control, and the Securities and Exchange Commission;

In consideration for these services, the Company has agreed to pay MSC:

- For listing on MSC’s proprietary platform; \$10,000, plus warrants to purchase 5,000 shares of the Company’s common stock, each month until this Offering is terminated.
- For advisory services; \$10,000, plus warrants to purchase 5,000 shares of the Company’s common stock, each month for nine months beginning November 8, 2023
- \$25.00 for each person purchasing shares in this Offering (other than a non-US entity);
- \$5,000, plus warrants to purchase 2,500 shares of the Company’s common stock, for each non-US entity purchasing shares in this Offering;
- warrants, which will allow MSC to purchase that number of shares of the Company’s common stock determined by:

$$\frac{25 \times I}{2} = S$$

Where:

I = The number of persons purchasing shares of this Offering.

S = Number of shares issuable upon exercise of warrants.

Any warrants issued to MSC may be exercised on a cashless basis, will have an exercise price of \$2.00, and will expire in 2034.

INVESTOR SUITABILITY STANDARDS

The Company will offer and sell the Securities to a limited number of persons (the “Investor”) who meet certain standards of suitability.

Sales will be made only to persons who the Company, upon making reasonable inquiry, believes, and has reasonable grounds to believe, immediately prior to such sale (a) are able to bear the economic risk of the investment; and (b) either personally or together with their advisors possess the requisite knowledge and experience in business and financial matters necessary to evaluate the merits and risks of the prospective investment.

Prior to the purchase of the Securities, each prospective investor will be required to represent in the Subscription Agreement that:

1. Such investor's overall commitment to investments which are not readily marketable is not disproportionate to his or her net worth and such investor's investment in the Securities will not cause his or her overall commitment to become excessive;

2. Such investor has adequate means of providing for current needs and personal contingencies, has no need for liquidity in his or her investment in the Securities and has no reason to anticipate any change in personal circumstances, financial or otherwise, which might cause or require any sale or distribution of the Securities;
3. Such investor has evaluated the risks of investing in the Securities;
4. Such investor can bear the economic risks of the investment and has the capacity to protect his or her own interests in connection with the transaction;
5. Such investor has substantial experience in making investment decisions of this type or is relying on his or her own advisor or qualified purchaser representative in making this investment decision;
6. Such investor is aware that the Securities have not been registered under the Securities Act of 1933, as amended, but rather are being offered in reliance upon an exemption from the registration requirements of that Act, and that the subsequent sale or other disposition of such Securities will require, in the absence of such registration, the satisfaction of such conditions as the Company may require;
7. Such investor is aware that there is no public market for the Company's Class B Preferred Stock and it is not likely that a public market for the Company's Class B Preferred Stock will ever develop. The Securities being offered will not be transferable unless such Securities are registered or except with the prior written consent of the Company, which consent may be withheld under certain circumstances;
8. Such investor is aware that any person to whom the investor may subsequently wish to sell the Securities (if the Securities are not registered) may have to satisfy standards of suitability at least as stringent as those set forth herein and that, in addition, the prior written approval of any such sale by certain state securities regulatory authorities may be required; and
9. Such investor is purchasing the Securities for his or her own account, for investment, and not with a view to resale or distribution.
10. The Buyer is not a U.S. Person (as defined in Regulation S) or if the Buyer is not a natural person, is not organized under the laws of any jurisdiction within the United States, was not formed by a U.S. Person for the purpose of investing in Regulation S securities and is not otherwise a U.S. Person. The Buyer is not, and on the date of acceptance of this Agreement by the Seller, will not be, an affiliate of the Company;
11. At the time the buy order was originated, the Buyer was outside the United States and is outside of the United States as of the date of the execution and delivery of this Agreement;
12. No offer to purchase the Securities was made by the Buyer in the United States;

The Class B Preferred shares will be offered only to individuals who are able to make the representations and warranties in the Subscription Agreement. Prospective investors which are not natural persons (e.g., corporations, trusts, or partnerships) will be required to meet the foregoing standards or such other more stringent standards, and to make such representations in connection therewith, as the Company may deem appropriate. If a purchaser representative is required, he must also execute a disclosure and acknowledgment form.

RESALE RESTRICTIONS

The Securities issued in this Offering will be "restricted securities" as that term is defined in Rule 144 of the Securities and Exchange Commission, and may, in the future, be sold only in compliance with Rule 144 or some other exemption from registration under the Securities Act of 1933, the availability of which must be established by the holder to the satisfaction of the Company, unless the securities are covered by an effective registration statement under the Securities Act of 1933. Rule 144 provides, in essence, that a person who is not affiliated with the Company may, after one year from the date of acquisition, sell restricted securities without restriction. There can be no assurance that Rule 144 or any other exemption will be available for the resale of the Securities purchased by investors in this Offering.

In order to facilitate compliance with the limitations on the resale of the securities purchased by investors in this Offering: (i) a legend will be placed on the certificates stating that the securities have not been registered under the Act and setting forth the restrictions on transferability and sale; (ii) a stop transfer notation will be made with respect to the securities in the appropriate records of the Company; and, (iii) stop transfer instructions will be issued to the Company's transfer agent.

DESCRIPTION OF SECURITIES

The Company is authorized to issue 7,760,000 shares of Class A Common Stock and 4,240,000 shares of Class B Common Stock.

Each Class A share is entitled to cast one vote on all matters presented to the Company's shareholders.

Each Class B share is entitled to cast ten votes on all matters presented to the Company's shareholders.

Cumulative voting is not allowed; hence, the holders of a majority of the outstanding Class A and Class B common stock can elect all directors.

Holders of the Company's Class A and Class B common stock are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available therefore and, in the event of liquidation, to share pro rata in any distribution of the Company's assets after payment of liabilities. The board is not obligated to declare a dividend. It is not anticipated that dividends will be paid in the foreseeable future.

Holders of the Company's Class A and Class B common stock do not have preemptive rights to subscribe to additional shares if issued by the Company. There is no conversion, redemption, sinking fund or similar provisions regarding the Company's Class A and Class B common stock.

All outstanding shares of the Company's Class A and Class B common stock are fully paid and non-assessable.

The Company is authorized to issue 4,000,000 shares of preferred stock. The powers, preferences, rights, qualifications, limitations and restrictions pertaining to the Preferred Stock, or any series thereof, shall be such as may be fixed, from time to time, by the Board in its sole discretion. Authority to do so being hereby expressly vested in the Board. The authority of the Board with respect to each such series of Preferred Stock will include, without limiting the generality of the foregoing, the determination of any or all of the following:

(1) the number of shares of any series and the designation to distinguish the shares of such series from the shares of all other series: (2) the voting powers, if any, of the shares of such series and whether such voting powers are full or limited: (3) the redemption provisions, if any, applicable to such series, including the redemption price or prices to be paid; (4) whether dividends, if any, will be cumulative or noncumulative, the dividend rate or rates of such series and the dates and preferences of dividends on such series: (5) the rights of such series upon the voluntary or involuntary dissolution of, or upon any distribution of the assets of, the Corporation: (6) the provisions, if any, pursuant to which the shares of such series are convertible into, or exchangeable for, shares of any other class or classes of any other series of the same or any other class or classes of stock or any other security, of the Company or any other corporation or entity, and the rates or other determinants of conversion or exchange applicable thereto; (7) the right, if any, to subscribe for or to purchase any securities of the Corporation or any other corporation or other entity; (8) the provisions, if any, of a sinking fund applicable to such series: and (9) any other relative, participating, optional or other powers, preferences or rights, and any qualifications, limitations or restrictions thereof of such series.

The Company's Board of Directors have established Class A Preferred Shares and Class B Preferred Shares.

Class A Preferred Shares

Each Class A Preferred share is:

- entitled to receive out of any assets of the Company legally available therefor, a dividend of \$0.40 per year (the "Series A Preferred Dividend"). The Series A Preferred Dividend shall not be cumulative. For each share of Series A Preferred Stock, the right of the holder to receive the Series A Preferred Dividend shall commence on the last day of the first complete Calendar Quarter (as defined below) (the "Series A Preferred Dividend Commencement Date") commencing after the Calendar Quarter in which such share of Series A Preferred Stock was initially issued by the Company and shall terminate on the second anniversary of the Series A Preferred Dividend Commencement Date. A "Calendar Quarter" means each three calendar month period ending on March 31st, June 30th, September 30th and December 31st of each year.
- after two years, entitled to dividends if, as and when declared by the Company's Board of Directors
- entitled to one vote per share on all matters submitted to the Company's shareholders;
- convertible, at the holder's option, into one share of the Company's Class A common stock; and
- entitled to a payment of \$5.00 per share, upon any liquidation or dissolution of the Company.

The Company plans to offer 2,000,000 shares of its Class A Preferred stock at a price of \$5.00 per share to U.S. investors.

As the date of this Private Offering Memorandum no Class A Preferred Shares are outstanding.

Class B Preferred Shares

Each Class B Preferred share is:

- entitled to dividends if, as and when declared by the Company's Board of Directors;
- entitled to one vote per share on all matters submitted to the Company's shareholders;
- convertible, at the holder's option, into one share of the Company's Class A common stock; and

- entitled to a payment of \$4.00 per share, upon any liquidation or dissolution of the Company, provided that \$5.00 per share is first paid to the holders of the Company's Series A Preferred Stock upon any liquidation or dissolution of the Company.

The sale of up to 2,000,000 Class B Preferred Shares are offered for sale by means of this Private Offering Memorandum.

As the date of this Private Offering Memorandum no Class B Preferred Shares are outstanding.

The holders of Class A and Class B Preferred shares will be subject to "drag-along" provisions, which are as follows:

Drag-Along Right.

(a) Participation. If a Stockholder or group of Stockholders acting together (such Stockholder or Stockholders, the "**Dragging Stockholder**") proposes to Transfer, in a single transaction or a series of related transactions, Company Shares constituting a majority of the then-outstanding Company Shares (a "**Drag-along Sale**"), the Dragging Stockholder shall have the right to require all other Stockholders without regard to class (each, a "**Drag-along Stockholder**") to sell a corresponding percentage of the Drag-along Stockholder's Company Shares in the Drag-along Sale, subject to and in accordance with the provisions of this section. The percentage of Company Shares each Drag-along Stockholder may be required to sell in a Drag-along Sale shall equal the percentage of the total Company Shares held by the Dragging Stockholder that the Dragging Stockholder will sell in the Drag-along Sale. Each Stockholder agrees that such Stockholder shall sell his, her or its Company Shares in connection with a Drag-along Sale if required by the Dragging Stockholder pursuant to, and in all cases subject to compliance with, this section.

(b) Sale Notice. The Dragging Stockholder shall exercise its rights pursuant to this section by delivering a written notice (the "**Drag-along Notice**") to the Company and each other Stockholder no more than 10 days after (and subject to) Board approval of the Drag-along Sale and, in any event, no later than 20 days prior to the proposed closing date of the Drag-along Sale. The Drag-along Notice shall make reference to the Dragging Stockholders' rights and obligations hereunder and shall describe in reasonable detail:

- (i) The name of the person or entity to whom such Company Shares are proposed to be sold;
- (ii) The proposed date, time and location of the closing of the Drag-along Sale;
- (iii) The proposed purchase price per Company Shares proposed to be paid in the Drag-along Sale and the other material terms and conditions of the Drag-along Sale, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof; and
- (iv) A copy of any form of agreement proposed to be executed in connection therewith.

(c) Conditions of Sale. The obligations of any Drag-along Stockholder in respect of a Drag-along Sale are subject to the following conditions:

(i) the form and amount of consideration per Company Share to be received by each Drag-along Stockholder shall be the same to be received by the Dragging Stockholder and the terms and conditions of such sale shall be the same as those upon which the Dragging Stockholder sells its Company Shares; provided, that if the Dragging Stockholder or any Drag-along Stockholder is given an option as to the form and amount of consideration to be received, the same option shall be given to all Drag-along Stockholders; and

(ii) each Drag-along Stockholder shall execute the applicable purchase agreement and make or provide the same representations, warranties, covenants, indemnities and agreements as the Dragging Stockholder makes or provides in connection with the Drag-along Sale (except that in the case of representations, warranties, covenants, indemnities and agreements pertaining specifically to the Dragging Stockholder, the Drag-along Stockholder shall make the comparable representations, warranties, covenants, indemnities and agreements pertaining specifically to itself); provided, that all representations, warranties, covenants and indemnities shall be made by the Dragging Stockholder and each Drag-along Stockholder severally and not jointly and any indemnification obligation shall be pro rata based on the consideration received by the Dragging Stockholder and each Drag-along Stockholder (other than any indemnification obligation pertaining specifically to the Dragging Stockholder or a Drag-along Stockholder, which obligation shall be the sole obligation of such Dragging Stockholder or Drag-along Stockholder), in each case in an amount not to exceed the aggregate proceeds received by the Dragging Stockholder and each such Drag-along Stockholder in connection with the Drag-along Sale.

(d) Cooperation. Each Drag-along Stockholder shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Dragging Stockholder, but subject to section (c)(ii).

(e) Expenses. The fees and expenses of the Dragging Stockholder incurred in connection with a Drag-along Sale and for the benefit of all Drag-along Stockholders (it being understood that costs incurred by or on behalf of a Dragging Stockholder for its sole benefit will not be considered to be for the benefit of all Drag-along Stockholders), to the extent not paid or reimbursed by the Company or the acquiror in the Drag-along Sale, shall be shared by the Dragging Stockholder and all the Drag-along Stockholders on a pro rata basis, based on the consideration received by each such Stockholder; provided, that no Drag-along Stockholder shall be obligated to make any out-of-pocket expenditure prior to the consummation of the Drag-along Sale.

(f) Consummation of Sale. The Dragging Stockholder shall have 90 days following the date of the Drag-along Notice in which to consummate the Drag-along Sale, on the terms set forth in the Drag-along Notice (which period may be extended for a reasonable time not to exceed 60 days to the extent reasonably necessary to obtain any required governmental approvals). If at the end of such period the Dragging Stockholder has not completed the Drag-along Sale, the Dragging Stockholder may not then exercise its rights under this section without again fully complying with the provisions of this section.

Dividend Policy

We have never declared or paid cash dividends on our capital stock. Except with respect to dividends which we will pay on our Class A Preferred Stock, we currently intend to retain any future earnings for use in the operation of our business and do not intend to declare or pay any cash dividends in the foreseeable future. Any further determination to pay dividends on our capital stock will be at the discretion of our Board of Directors, subject to applicable laws, and will depend on our financial condition, results of operations, capital requirements, general business conditions, and other factors that our Board of Directors considers relevant.

Transfer Agent

Colonial Stock Transfer Co., 7840 S. 700E, Sandy, UT 84070, (801) 355-5740.

INDEMNIFICATION

The Company's Bylaws authorize indemnification of a director, officer, employee or agent of the Company against expenses incurred by him in connection with any action, suit, or proceeding to which he is named a party by reason of his having acted or served in such capacity, except for liabilities arising from his own misconduct or negligence in performance of his duty. In addition, even a director, officer, employee, or agent of the Company' who was found liable for misconduct or negligence in the performance of his duty may obtain such indemnification if, in view of all the circumstances in the case, a court of competent jurisdiction determines such person is fairly and reasonably entitled to indemnification.

RenuTek Inc
Balance Sheet
As of December 31, 2023

| | Total |
|--|------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | \$38,361 |
| Accounts Receivable | \$33,363 |
| Other Current Assets | |
| Escrow Deposit | \$9,331 |
| Prepaid Legal & Professional Expenses | \$300,000 |
| Undeposited Funds | \$0 |
| Total Other Current Assets | \$309,331 |
| Total Current Assets | \$381,055 |
| Fixed Assets | |
| Niger Projects 150 MW | \$347,330 |
| Total Fixed Assets | \$347,330 |
| TOTAL ASSETS | \$728,385 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable (A/P) | \$0 |
| Total Accounts Payable | \$0 |
| Other Current Liabilities | |
| Michael Taranovich | \$300,000 |
| Total Other Current Liabilities | \$300,000 |
| Total Current Liabilities | \$300,000 |
| Long-Term Liabilities | |
| L Peng Loan | \$19,692 |
| SBA Loan | \$106,200 |
| Upgrade Loan | \$12,875 |
| Total Long-Term Liabilities | \$138,767 |
| Total Liabilities | \$438,767 |
| Equity | |
| Dream Express Contributions | \$95,450 |
| M1 Digital Contribution | \$50,000 |
| Opening Balance Equity | \$0 |
| Owner's Pay & Personal Expenses | -\$5,741 |
| Retained Earnings | \$100,029 |
| Net Income | \$49,880 |
| Total Equity | \$289,618 |
| TOTAL LIABILITIES AND EQUITY | \$728,385 |

Renutek, Inc
Profit and Loss
January - December 2023

| | Total |
|------------------------------|---------------------|
| Income | |
| Community Solar | 71,013.57 |
| Uncategorized Income | 1,000.00 |
| Total Income | \$ 72,013.57 |
| Gross Profit | \$ 72,013.57 |
| Expenses | |
| Bank Charges & Fees | 384.00 |
| Car & Truck | 3,887.71 |
| Compensation | 4,500.00 |
| Credit Card Expenses | 4,750.00 |
| Dues & Subscription | 16.04 |
| Financing Costs | 7,960.02 |
| Insurance | 1,117.35 |
| Legal & Professional Fees | 12,000.00 |
| Office Supplies & Software | 3,441.71 |
| Purchases | 1,449.50 |
| Rent & Lease | 374.04 |
| Shipping, Freight & Delivery | 59.60 |
| Taxes & Licenses | 60.00 |
| Travel & Accommodation | 388.87 |
| Website Expenses | 1,090.51 |
| Total Expenses | \$ 41,479.35 |
| Net Operating Income | \$ 30,534.22 |
| Other Income | |
| Other Income | 19,347.00 |
| Total Other Income | \$ 19,347.00 |
| Net Other Income | \$ 19,347.00 |
| Net Income | \$ 49,881.22 |

Friday, Mar 22, 2024 10:35:58 AM GMT-7 - Accrual Basis