



29 May 2020
Via E-Lodgment
Manager of Company Announcements ASX
Limited Level 6, 20 Bridge Street
Sydney, NSW 2000

ANNUAL REPORT 2020

Renergen Limited (ASX: RLT) ("Renergen / Company") encloses a copy of its Integrated Annual Report (IAR) for the period ending 29 February 2020. Pursuant to the Deed of Undertaking entered into between the Company and ASX, in addition to the information disclosed in its IAR the Company provides to ASX and its shareholders, the following information:

1. The Company is not subject to chapters 6, 6A, 68 and 6C of the Corporations Act dealing with the acquisition of its shares (including substantial holdings and takeovers).
2. South African laws impose limitations on the acquisition of securities, as may be out in the following:
 - 2.1. The Company's memorandum of incorporation;
 - 2.2. The Companies Act 71 of 2008; and
 - 2.3. The JSE Listing Requirements.

The Company ensures compliance with all applicable legislation and regulations.

Renergen Limited

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

INTEGRATED
ANNUAL
REPORT



R E N E R G E N
A N N U A L
F I N A N C I A L
S T A T E M E N T S
FOR THE YEAR ENDED
29 FEBRUARY 2020

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ABOUT THIS REPORT

**OUR INTEGRATED ANNUAL REPORT
OFFERS A COMPREHENSIVE OVERVIEW
OF RENERGEN'S BUSINESS, INCLUDING
OPERATIONAL INFORMATION IN ADDITION
TO OUR CURRENT FINANCIAL STANDING.**

Our report is Renergen's primary communication with stakeholders and the public. This is our fifth report since our primary listing on the Johannesburg Stock Exchange's AltX exchange (JSE's AltX) in June 2015. In June 2019 Renergen listed on the Australian Stock Exchange (ASX), followed by a listing on South Africa's A2X Markets exchange in November 2019.

South African company registration number: 2014/195093/06

JSE Share code: REN

ISIN: ZAE 000 202610

Listing date: 9 June 2015

Renergen Limited LEI:
378900B1512179F35A69

A2X Share code: REN

Listing date: 27 November 2019

Australian Business Number: (ABN):
93 998 352 675

ASX Share code: RLT

Listing date: 6 June 2019

NAVIGATING THIS REPORT

Our 2020 Integrated Annual Report covers the performance of Renergen Ltd (Renergen or the Company or the Group) for the year from 1 March 2019 to 29 February 2020 and includes the operations of Renergen's primary asset, Tetra4 (Pty) Ltd (Tetra4).

Renergen Ltd owns 100% of Tetra4. Therefore, all Tetra4's activities are included in the Renergen Integrated Annual Report. Tetra4 is the holder of the first and currently the only onshore petroleum production right in South Africa. Tetra4's entire operation falls under the Renergen brand and is reported as such.

Our Integrated Annual Report offers a transparent and balanced appraisal of the material issues that impacted the Group's ability to create value during the 2020 financial year. The report is broken down into several sections: Our Business, Leadership Review, Corporate Governance, Annual Financial Statements, Shareholder Information and General Information.

It is our aim, through this report, to provide our stakeholders and the public with relevant information that is of material interest to them and their investments, allowing readers to make an informed assessment of Renergen's ability to create value over the short, medium and long term.

REPORTING FRAMEWORK

The Group does not publish a separate sustainability report, as such, this Integrated Annual Report includes Renergen's commitment to complete transparency with respect to all aspects of our business and reporting processes.

Our approach to reporting is guided by the principles and/or requirements of:

- The International Financial Reporting Standards (IFRS).
- International <IR> Framework of the International Integrated Reporting Council (IIRC).
- Global Reporting Initiative (Standards 2016) guidelines.
- King Code on Corporate Governance 2016 (King IV).
- ASX Corporate Governance Principles and Recommendations (Fourth Edition).
- JSE Listings Requirements.
- ASX Listings Requirements.
- South African Companies Act 71 of 2008 (Companies Act).

In terms of human rights, labour, the environment and our anti-corruption efforts, we apply the principles of the United Nations Global Compact (UNGC).

LOOKING TO THE FUTURE

As part of this Integrated Annual Report we have also included forecasts relating to the Group's future financial position. We believe this forward-looking information to be realistic at the time of issue. These statements include uncertainties, assumptions and risks about future events and circumstances, which may result in actual results differing from those anticipated. Our forward-looking information has not been independently reviewed by the external auditors, and Renergen undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances which may occur after the date of publication of this report or to reflect the occurrence of unanticipated events.

CORPORATE INFORMATION

The Group's Executive Directors are:

Chief Executive Officer - Stefano Marani
Chief Operations Officer - Nick Mitchell
Chief Financial Officer - Fulu Ravele

The executive team can be contacted at Renergen's registered office on +27 10 045 6000 or via email on info@renergen.co.za

Biographies of the executive team, as well as digital copies of Renergen's Integrated Annual Reports 2016 to 2020 are available on the Group's website:

www.renergen.co.za

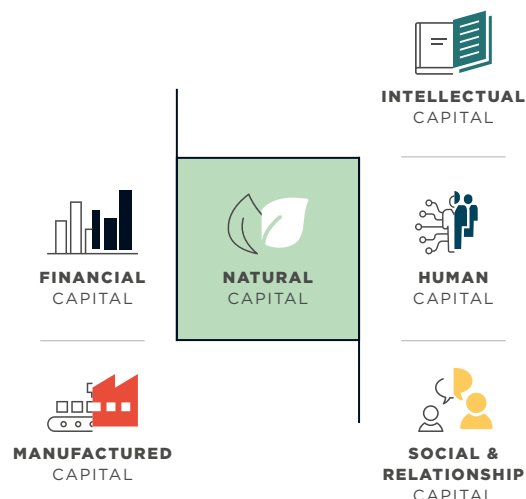
AUDITOR ASSURANCES

The Group's external auditor, Mazars, will provide assurance on the consolidated Annual Financial Statements. The financial statements have been prepared under the supervision of Fulu Ravele, Group CFO. Renergen does not have an internal audit function, but the Board, through its Committees, monitors and reviews financial compliance, risk management, regulatory compliance, governance of information technology and operational management.

VALUE THROUGH THE SIX CAPITALS

The IIRC has identified six 'capitals' or stocks of value upon which all organisations rely to some extent for their operations and activities. Each capital is represented by a stylised icon in this Integrated Annual Report, to assist you in navigating the report.

The six capitals are:



This diagram is one way to depict the capitals. Financial and manufactured capitals are the organisations most commonly report on. <IR> takes a broader view by also considering intellectual, social and relationship, and human capitals (all of which are linked the the activities of humans) and natural capital (which provides the environment in which the other capitals sit).

See page 33 for descriptions of each capital and how they relate to Renergen.

BOARD APPROVAL

As outlined on page 87 of this Integrated Annual Report, the Board has applied its collective mind to the preparation and presentation of the information in this report, which has been guided by the IIRC's International <IR> Framework. The Board believes that this report addresses all material issues and presents a balanced and fair account of the Group's performance for the reporting period, as well as an accurate reflection of our core strategic commitments for the short, medium and long term. The Board approved the Integrated Annual Report on 28 May 2020 and approved the Annual Financial Statements for 2020 on the recommendation of The Audit, Risk and IT Committee on 28 May 2020.

Brett Kimber
Chairman

28 May 2020

Stefano Marani
Chief Executive Officer

28 May 2020

FY2020 AT A GLANCE



12.2 %

METHANE
INCREASE

Helium and Methane reserves updated
from independent review by MHA
Petroleum Consultants LLC



16.1 %

HELIUM
INCREASE

APRIL

20
19

JUNE

10M AU\$
RAISED

Listed on Australia's Securities Exchange (ASX)



\$40M

LOAN AGREEMENT

from the US government's Development Finance
Corporation (DFC) agency (formerly the
Overseas Private Corporation (OPIC))

Appointment of EPCM Bonisana (Pty) Ltd as
the engineering, procurement and construction
contractor for the Virginia Gas Project

AUGUST

SEPTEMBER



Appointment of Bohrmeister Technik
Proprietary Limited (Bohrmeister)
as the well credentialed drilling
contractor to undertake the drilling
of a horizontal well in the prospective
sandstone contained within the
Virginia Gas Project production area

OCTOBER

Renergen commissions its second
CNG filling station in Johannesburg,
South Africa



Appointment of equipment supplier, Western
Shell Cryogenic Equipment Inc of China, for the
Virginia Gas Project's LNG and liquid helium plant
in Free State, South Africa

NOVEMBER

2ND LISTING on A2X Markets stock
exchange in South Africa

Remaining 10% of the Virginia Gas Project
acquired for AU\$2.8 million

Ground broken on Renergen's
flagship gas project



DECEMBER

Milestone achieved:

Execution of the Balance of Plant construction
contract with EPCM Bonisana (Pty) Ltd

Site established for the construction
of the pipeline by EPCM Bonisana

DECEMBER

12 % HELIUM
RECORDED

Gas strike with up to 12% helium recorded
following successful sandstone drilling

20
20

JANUARY

5.75M AUD
RAISED

Successful placement of 4.7 million CREST
Depository Interest shares at AU\$ 1.20 a share

FEBRUARY

Milestone achieved:

Appraisal programme for Virginia Gas
Project concluded ahead of schedule



2 WHO WE ARE

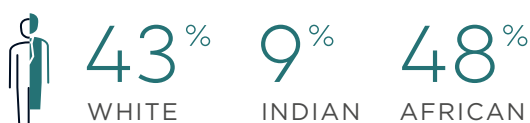
RENERGEN IS AN EMERGING HELIUM AND LNG PRODUCER WITH PRODUCTION RIGHTS TO A UNIQUE RENEWABLE GAS RESOURCE AT ITS VIRGINIA GAS PROJECT.

HUMAN RESOURCES TRANSFORMATION

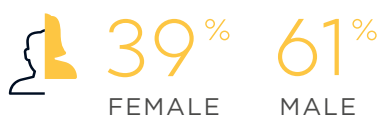
PERCENTAGE OF FEMALES



PERCENTAGE OF MALES



TOTAL GENDER PERCENTAGE



RACE PERCENTAGE



TOTAL RACE PERCENTAGE



The Virginia Gas Project is home to living microbial organisms that produce a constant, renewable source of gas, which also contains exceptionally high helium concentrations as a result of significant uranium and thorium deposits deep underground. This renders the site a potential major global helium resource.

The Group listed on the Johannesburg Stock Exchange's (JSE's) Alternative Exchange (AltX) in 2015, the Australian Securities Exchange (ASX) on 6 June 2019 and then on South Africa's A2X Markets on 27 November 2019. The Group is South Africa's only holder of an onshore petroleum production right and is the first helium developer with proven reserves to list on the ASX.

Currently the Group's business focus is on the commercialisation of the Virginia Gas Project with rich renewable natural gas and helium reserves. The Group's wholly owned subsidiary, Tetra4 holds the onshore production rights, valid until 2042.

In order to fund the development of the Virginia Gas Project, the Renergen Board has approved capital and operating expenditure of R750 million for the Group. The investment will be used to develop the Virginia Gas Project, which will include a new plant, to produce liquid helium and LNG. The project will be undertaken in phases, which are further detailed under the Our Strategic Focus section of this Integrated Annual Report.



Renergen has also attracted the financial support of the US government, through the US International Development Finance Corporation (DFC). DFC contributed US\$40 million in loan funds for the construction of the first phase of the Virginia Gas Project, which will allow Renergen to commence with the production of up to 2700 gigajoules (GJ) or 50 tons of LNG, and 350kg of helium, daily. This commitment has been seen as a clear endorsement of the quality of the resource and the viability of the Virginia Gas Project.

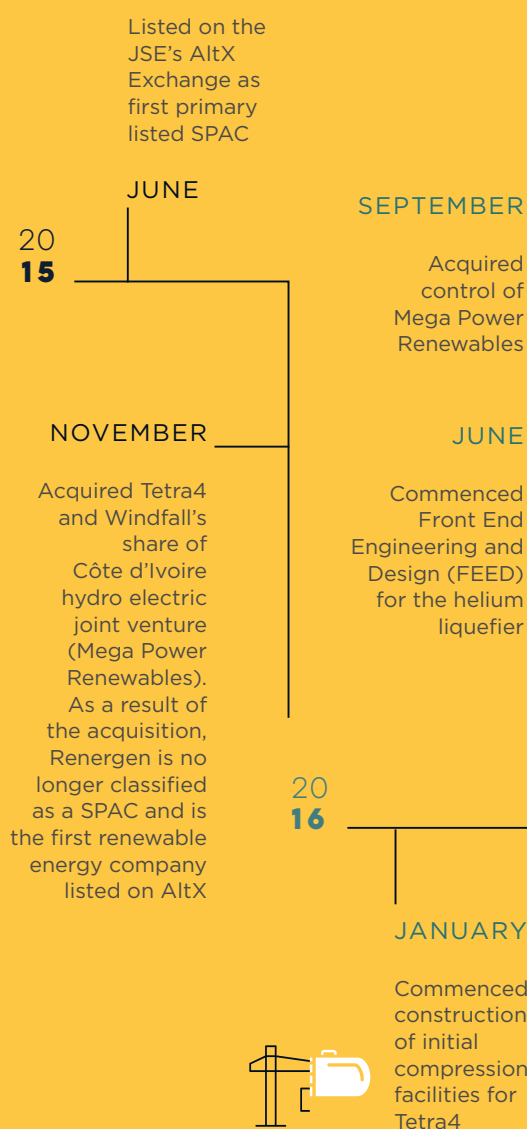
Renergen's production approach is to unlock value across its entire value chain for investors. Its 'Wellhead to Tank' strategy will see Renergen beneficiate gas and supply the refined LNG directly to the customer, making it one of the only vertically integrated natural gas producers in the region.

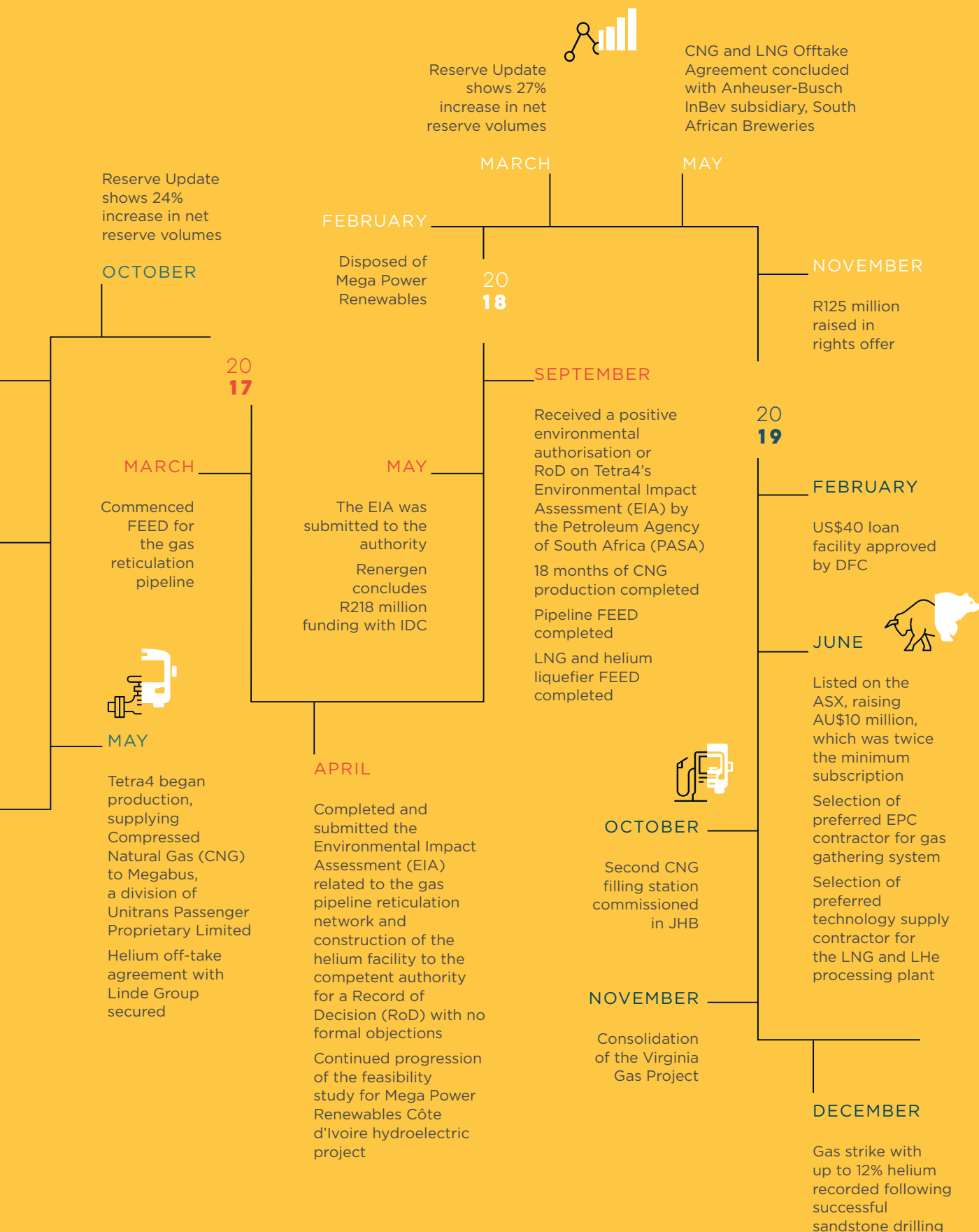
Renergen has met all regulatory deliverables and contractual awards for the development of its new plant. Completion and commissioning of the plant are expected during the financial year ending February 2022. Once the new plant is operational, Renergen will phase out its current production of CNG as its helium and LNG production comes online.

In addition to the Virginia Gas Project, Renergen holds additional exploration rights near the town of Evander in Mpumalanga, South Africa. These rights will be more fully explored once the Virginia Gas Project is up and running.

TIME LINE

THE FOLLOWING MAJOR
MILESTONES HAVE BEEN
ACHIEVED THROUGHOUT THE
LIFECYCLE OF RENERGEN AND
THE VIRGINIA GAS PROJECT:







OUR STORY

THE RENERGEN STORY BEGINS, LIKE THE SPARK WHICH GAVE BIRTH TO THE 1886 WITWATERSRAND GOLD RUSH, WITH AN UNEXPECTED FIND WITH FAR-REACHING CONSEQUENCES.

The frenzy which gave birth to Johannesburg over 130 years ago began with an unexpected discovery two years earlier on a farm called Vogelstruisfontein by farmer Jan Gerrit Bantjes. In 1886, the main gold reef was discovered by George Harrison on the farm Langlaagte.

In 1998, in the former gold mining town of Virginia in the Free State province of South Africa, another farmer made an unusual discovery on his property when he found gas (predominantly methane). He approached a local gas company to see if he could take advantage of this find but was turned away since this was an upstream find and they were a midstream player. Instead they put him in touch with an American businessman and mining engineer who had prior experience in the oil and gas sector.

The investor liked what he saw and undertook a desktop study and started the process of piecing together a geological map outlining the extent of the resource. From 1998 to 2004 the potential of this gas find was explored, culminating in the establishment of Highlands Exploration (Pty) Ltd and the lodging of exploration applications for further gas exploration. Once the rights were secured, it became necessary to onboard a financial partner to assist with the further exploration of the asset. Enter Australian firm Molopo Energy.

Molopo was not interested in a joint development, so they bought the entire asset lock stock and barrel and got to work with the first round of geological

understanding and obtaining the all-important production rights. Highlands Exploration was renamed Molopo South Africa Exploration & Production, and was granted exploration rights to the area in 2007, with a full petroleum production right later awarded in 2012. Molopo Energy eventually ran out of funding and sold Molopo South Africa Exploration and Production to a South African company called Windfall Energy (Pty) Ltd in 2013.

Windfall Energy, headed by Stefano Marani and Nick Mitchell and backed by several private shareholders, continued to explore for gas while creating the vertically integrated business model. They eventually sold 90% of the asset to Renergen in 2015 in a deal valued at R650 million through a reverse listing of Molopo South Africa Exploration and Production into Renergen. Molopo South Africa Exploration and Production's name was soon changed to Tetra4 to avoid confusion with Molopo Energy, which remains listed on the ASX. The name Tetra4 was a nod to the shape of a methane molecule - a tetrahedral with four hydrogen atoms per carbon in a methane molecule.

Renergen is today the driving force behind the commercialisation and development of what is known as the Virginia Gas Project.

In 2016, Renergen began production from its pilot CNG plant and has been operating consistently ever since. In 2019 the Group concluded the awarding of contracts for the expansion phase of the project, for the construction of the gas gathering pipeline and for the LNG and liquid helium processing plant. At the conclusion of FY2020, Renergen had contracted for three of the four major scopes that were required to complete Phase I of the development. The fourth scope - incoming electrical power - is expected to be contracted in the second quarter of FY2021.



OUR NATURAL GAS & HELIUM RESOURCE

THE VIRGINIA GAS PROJECT

The Virginia Gas Project comprises the exploration and production rights for 187 000 hectares of gas fields across Welkom, Virginia and Theunissen in the Free State, South Africa.

The source of the Virginia Gas Project's methane is primarily microbial. It originates from deep within the geological region called the Witwatersrand Supergroup. Ancient waters carry bacteria deep within the Earth's crust feeding off carbonaceous material, releasing methane. This means that Renergen's methane is largely biogenic and, as such, is a continuous renewable resource.

An independent reserve review compiled in March 2019 by US consultancy firm MHA Petroleum Consultants LLC (MHA) estimated a 12.2% increase in proven methane Reserves and a 16.1% increase in proven helium Reserves since March 2018, resulting in an economic valuation that the Group's proved and probable reserves stand at of R9.8 billion.

Renergen's commercial methane gas Reserves are estimated to be 284.18 billion cubic feet (Bcf) at 3P, with methane contingent Resources of between 237.3 Bcf and 684.5 Bcf and methane Prospective Resources of between 640 Bcf and 2069 Bcf. These Reserves offer a higher than average purity of the natural gas resource, with an average 90% methane and almost zero higher alkanes, which reduces the complexity of LNG production.

In addition, the Group discovered commercial helium reserves of 6.86 Bcf at 3P and contingent helium resources of between 7.9 Bcf and 20.9 Bcf, with one of

the richest helium concentrations recorded globally with an average of 3.4%. Globally, it is considered economically viable to extract helium from natural gas at concentrations as low as 0.1%.

In 2016, Renergen discovered a sandstone trap, or reservoir, within the production right area which gives the Group access to one of the world's most concentrated sources of helium. The gas reservoir contains concentrations of helium of 12%. To put this find into context, Qatar supplies a third of the world's helium with a recovery rate of around 0.1% helium from their gas. The US is the country with currently the richest source of helium on the planet, with an aggregate concentration of 0.35%. As such, Renergen's 3.4% and now 12% concentrations of helium are unheard of.

Almost all the world's helium is derived from the decay of radioactive minerals within the Earth's crust. Renergen's helium deposit has moved up through large faults and mixed with the microbial methane in the deep subsurface.

Renergen has acquired significant borehole data from earlier mineral explorers, enabling it to develop a detailed three-dimensional underground geological model of the faulting, sills and dykes, all of which are carriers of the gas. The geological model has been used to determine drill targets and is detailed enough to provide coordinates, direction and entry azimuth to intersect targeted structures.

The low-pressure nature of the Virginia Gas Project has allowed the use of simple drilling techniques, such as percussion drilling and diamond coring, to a target depth of 400m to 750m below surface,

without the need to stimulate wells further. The process has a lighter environmental impact and is relatively cost effective when compared to usual conventional and unconventional petroleum exploration.

Detailed information about Renergen's helium and methane gas reserves and resources is contained in the Independent Reserve and Resource Evaluation Report, which is available on our website:

www.renergen.co.za

THE VIRGINIA GAS PROJECT - KEY FACTS

PRODUCTION RIGHT
VALID UNTIL

2042



SINCE MARCH 2018,
THE SITE HAS SEEN A:



16.1%

INCREASE
IN PROVEN
HELIUM
RESERVES



12.2%

INCREASE
IN PROVEN
METHANE
RESERVES

SITE HAS A

R9.8 BILLION

ECONOMIC (NPV)
VALUATION FOR
PROVED AND
PROBABLE
RESERVES AT
MARCH 2019

SITE'S NATURAL
GAS RESOURCE
CONTAINS **ONE OF
THE RICHEST HELIUM
CONCENTRATIONS**
RECORDED
GLOBALLY:

HELIUM
RESERVES
OF

6.86

METHANE GAS
RESERVES OF

284.18 Bcf

CONTINGENT HELIUM
RESOURCES OF BETWEEN

7.9 AND 20.9 Bcf

METHANE CONTINGENT
RESOURCES OF BETWEEN

237.3 AND 684.5 Bcf

METHANE PROSPECTIVE
RESOURCES OF BETWEEN

640 AND 2 069 Bcf

THE EVANDER EXPLORATION RIGHT

The Evander Exploration Right site is located 120km east of Johannesburg and covers approximately 55 000 hectares.

The natural gas indications at the Evander Exploration Right are similar in composition to the gas produced at the Virginia Gas Project, in that they have almost zero higher alkanes. However, the helium concentrations are significantly lower at around 0.5%. Given global averages, Renergen still considers these concentrations to be significant.

Renergen intends carrying additional exploration at the Evander Exploration Right in the medium term.



OUR STAKEHOLDERS

THIS INTEGRATED ANNUAL REPORT IS ONE OF OUR PRIMARY MODES OF COMMUNICATION WITH OUR STAKEHOLDERS. WHILE IT IS PREPARED PRIMARILY FOR SHAREHOLDERS AND PROVIDERS OF CAPITAL, FINANCIAL INFORMATION IS BALANCED WITH COMMENTARY ON OUR MOST MATERIAL ISSUES TO GIVE A HOLISTIC VIEW OF THE GROUP.

We are committed to running a responsible and sustainable business. As such, we aim for transparency as we engage all stakeholders. Their views and concerns play an important role in the development of our corporate sustainability approach. Engaging with our stakeholders gives us a better understanding of any emerging trends and issues that may impact our business, and how to prioritise them.

The success and sustainability of Renergen's operations is largely dependent on the relationships the Group has with its stakeholders and the communities within which it operates.

The needs of the individual stakeholders within these groups are highly diverse, and their interests often compete. Renergen is,

therefore, constantly seeking to improve how it engages with its stakeholders to effectively respond to this complexity and diversity. As such, an all-inclusive approach to stakeholder engagement has been adopted. This has become an integral part of developing our understanding of the needs, benefits and expectations of material stakeholders over time.

To achieve sustainable value creation, Renergen seeks to address the interests of all invested groups that are likely to have a direct and indirect material influence on the business. In addition, establishing and maintaining constructive relationships with stakeholders enhances Renergen's ability to identify and address opportunities and risks.

Effective stakeholder engagement is not only crucial for the growth of the Group but is also an essential component of sound governance. For further details please refer to the Commitment to King IV Principles section.

The Renergen Board has delegated responsibility for managing stakeholder engagement and implementing the Renergen's formal stakeholder engagement framework to the respective Management teams, see the table on the next page:

MATERIAL STAKEHOLDER INTERESTS	MATERIAL INTERESTS	HOW RENERGEN ENGAGES	RESPONSIBLE BOARD COMMITTEE
Shareholders and potential future investors	Return on Investment (ROI) Operational Performance Strategy Execution Compliance with regulatory requirements	Annual General Meeting (AGM) One-on-one meetings SENS/ASX announcements Investor presentations Dedicated investor relations emails Integrated Annual Report	Renergen Exco (EXCO) Audit, Risk and IT Committee (Audit Committee) Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)
Financiers	Liquidity and sustainability Capital management Risk management Sustainability	Reporting/investor briefings Integrated Annual Report	EXCO, Audit Committee
Employees	Job security Fair remuneration Skills development Favourable working conditions Training and development Transformation Health and Safety Standardisation of processes and operating procedures	Newsletters Monthly staff meetings Direct communications with line managers Written communication Training and development goals Performance appraisals Market-related compensation, short-term incentives and Long-term bonus share scheme Medical Aid benefits	GETSC, Audit Committee, Gender Based Violence, and Diversity Committee (GBVDC)
Department of Mineral Resources	Resource consumption Local Economic Development Legislative compliance Royalties and taxes	Monthly, quarterly, bi-annual and annual meetings Written communication Safety stoppages Reports SLP Reports Licence applications On-going dialogue	EXCO, GETSC
Department of Environmental Affairs	Environmental Compliance Carbon Emission Quantification	Quarterly and Annually	EXCO
Petroleum Agency SA (PASA)	Social and Labour Plan, Mineral Tenure/Regulation and Geological Updates	Monthly, Quarterly and Annually	EXCO, GETSC
National Energy Regulator South Africa (NERSA)	Energy consumption, Cost of Energy, Energy Provision/Trading and Infrastructure Installed	Quarterly and Annually	EXCO

MATERIAL STAKEHOLDER INTERESTS	MATERIAL INTERESTS	HOW RENERGEN ENGAGES	RESPONSIBLE BOARD COMMITTEE
Department of Water Affairs	Compliance to License and Water Quality	Quarterly and Annually	EXCO
Government (national and local) and regulators	Compliance with relevant legislation and regulations	Periodic reporting to regulator Regular scheduled engagements with the regulators	EXCO, GETSC, Audit Committee
Stock exchanges	Compliance with listings regulations	Regular reporting as listings on the listings requirements	EXCO, GETSC, Audit Committee
Customers	Operational efficiency and productivity Competitive Pricing Security of goods and services Delivery of agreed product Company strategy Natural gas and helium market dynamics	Operational meetings with customers Gas Supply Agreements	EXCO
Contractors, Suppliers and Service Providers	Contractor security in current climate Safety Health Overall sustainability of Company Transparency of procurement processes Ethical conduct	Contracts Written communications Ongoing on-site dialogue Monthly meetings Procurement Policy UN Global Compact Principles Organisation for Economic Co-operation and Development (OECD) recommendations Equity Act Broad-Based Black Economic Empowerment (B-BBEE) Act	EXCO
Communities	Local recruitment Local economic development Infrastructure development Pollution Social Economic Development Land leases	Monthly, quarterly and bi-annual scheduled meetings with community forums Site visits On-going dialogue Informal communication during community development projects Educational bursaries for local students Recruitment of Community representative	EXCO
Media	Labour relations Natural gas and helium market Operating and financial performance	Half-yearly, on-going, ad hoc	EXCO

The image features a large, detailed celestial body, likely an asteroid or a moon, characterized by its heavily cratered and textured surface. It is positioned diagonally across the frame. The background is a solid black, which is punctuated by bold, red geometric shapes: a large L-shaped block in the upper right and a smaller, irregularly shaped block in the lower right. The text 'OUR STRATEGIC FOCUS' is centered over the lower portion of the celestial body.

OUR STRATEGIC FOCUS



RENERGEN'S BUSINESS FOCUS LIES IN THE COMMERCIALISATION OF THE VIRGINIA GAS PROJECT, AN ONSHORE NATURAL GAS OPERATION LOCATED APPROXIMATELY 250KM SOUTHWEST OF JOHANNESBURG. THE VIRGINIA GAS PROJECT BOASTS SIGNIFICANT RESERVES OF BOTH HELIUM AND NATURAL GAS.

The Virginia Gas Project's gas production to date has yielded a high helium concentration, with individual wells ranging between 2% and 4% and the most recent horizontal well, undertaken in December 2019, yielding a gas composition of 12% helium, with methane of over 75% based on preliminary analysis of the sampled gas flow. This is now the 2nd high concentration well drilled in the field with the previous well drilled in 2016 recording 11.6% concentration. As such, this analysis reaffirms the significant potential of this field.

The purity of Renergen's natural gas is high, with an average of more than 90% methane, and almost zero higher alkanes, which reduces the complexity of liquefaction.

Based on the December 2019 data, and with the horizontal well reaching around 12 bar (174 psi) of pressure when shut-in, together with the associated volumes of methane, the scope of the Virginia Gas Project may have the potential to include power generation.

STRATEGIC MILESTONES

The Group sees transparency as a key principle when interacting with stakeholders, and has therefore gone the extra mile in publishing a list of milestones on the website (www.renergen.co.za) which are important to the completion of construction of Phase I. This allows anyone to see how management is faring against the project timetable, ensuring greater accountability.

Renergen's achievements to date are focused on the commencement of full-scale production, while the medium-term Phase II deliverables will focus on bedding down the project and on increasing production.

At both stages our long-term objectives remain to:

Capitalise on additional opportunities in the upstream helium and natural gas sector to drive growth.

Build a large-scale South African natural gas company with diversified revenue streams.

PHASE I MILESTONES

OBJECTIVE:

Commence full-scale production

AIM: To achieve a maximum daily production capacity of 350kg of liquid helium and 50 tons of LNG per day, with additional drilling increasing capacity.

MILESTONE	EXPECTED TIMEFRAME	CURRENT STATUS
Execution of the balance of plant construction contract with EPCM Bonisana (Pty) Ltd	27 November 2019	Milestone achieved on 27 November 2019
Site establishment for the construction of the pipeline by EPCM Bonisana	15 December 2019	Milestone achieved on 10 December 2019 (ahead of schedule)
Completed design for pipeline	1 April 2020	Milestone achieved on 16 April 2020 (15 days behind schedule)
Completion of plant design	18 August 2020	In process
Plant batch 1 Freight on Board (FOB)	1 November 2020	In process
Completion of pipeline construction to connect the 12 existing economically viable gas wells to pipeline and the new plant	30 November 2020	In process
Plant batch 2 Freight on Board (FOB)	1 January 2021	In process
Site establishment for plant*	18 January 2021	In process
Commissioning of plant utilities	8 April 2021	In process
Gas to plant	7 July 2021	In process

* Moving this milestone has optimised financial and human resources without impacting timelines, and so the engineering team has taken the decision to move the date.



OUR PRODUCT OFFERING

COMPRESSED NATURAL GAS

Renergen is currently producing and selling CNG on a small scale from its existing CNG plant, which can produce up to 200 gigajoules (GJ) per day of gas from one well. The CNG plant includes a compression station, mobile storage units and a dispensing station located on-site at Megabus, a customer that has been successfully trialling the replacement of diesel with CNG sourced from the Virginia Gas Project in its buses since May 2016.

The CNG plant commenced operation in May 2016 and has been operating per design specifications since September 2016. The operation has been successfully supplying dedicated CNG buses in the area and has served its purpose of proving the business case for the substitution of CNG for diesel by local fleet operator, Megabus. To date, more than 2.5 million kilograms of CO₂ emissions have been saved with these 10 buses alone, which is a testament to the indirect benefits that the full extent of the Virginia Gas Project could achieve when the project extends to more than 600 vehicles in Phase I alone.

A second filling station was recently constructed in Johannesburg for the purpose of supplying CNG to delivery trucks in the area. This will not only increase the visibility of the Renergen offering as well as the technology, but will also increase revenue until the Phase I plant is completed and commences production.

CNG production will ultimately be phased out and replaced with LNG when the new plant is commissioned. At this stage transporters will be supplied with the more energy dense LNG, which will offer multiple benefits to these clients, including greater fuel efficiencies. This means that the distance trucks can travel between refills will be increased, which implies additional cost savings since maintenance intervals would also be reduced.

LIQUIFIED NATURAL GAS

The South African gas market has historically been stagnant, and almost entirely dependent on local production of liquefied petroleum gas (LPG) and natural gas imported from Mozambique. It comes via the Republic of Mozambique Pipeline Company's pipeline to Johannesburg and is supplied mainly to users close to the pipeline, and at low pressures.

With construction already underway, Renergen aims to capitalise on its first mover advantage and begin supplying LNG to the South African transport industry and other users well ahead of any other supply entering the market. Additional areas of focus include the industrial heating sector. Demand for Renergen's LNG is expected to significantly exceed its production capacity, given that South Africa lacks LNG import infrastructure and has no other access to LNG. Furthermore, with more than 377 000 registered heavy duty trucks on South Africa's roads and a Phase I capacity of a little over 600 trucks, our aim is therefore to sell to less than 0.2% of the market.

Renergen is already collaborating with truck manufacturers who see LNG as a differentiator that provides significant brand credibility and marketing value, and who wish to approach their existing customer base to switch from diesel to LNG.

WORK UNDERWAY ON NEW PLANT

Renergen's new LNG plant in Virginia, Free State, will be located directly adjacent to the current facility. The location will benefit from sharing existing infrastructure, which was built for the CNG operation.

The individual wells are clustered into a Northern and Southern cluster given their locations along the major fault lines. Each cluster is connected to a separate compression station which includes a manifold line where flow meters are connected to the pipeline monitoring system. The gas is polished where excess water is removed from the gas stream and pressure is boosted for onward transmission into the trunk line before arriving at the LNG/LHe processing facility.

The new plant is designed to run with a 95% uptime availability per annum. Renergen will make use of power line communication (PLC), supervisory control and data acquisition (SCADA), human-machine interface (HMI) and internet of things (IoT) technology throughout the plant and integrate it into a single control room for the effective operation and control of the pipeline, the LNG plant and liquid helium plant. The new plant is designed with full automation in mind and will embrace IoT technology for seamless integration into the enterprise resource planning and quality management system. This means Renergen's new plant will have minimal staffing requirements and can be run by four small teams working on rotating eight-hour shifts. The teams will be supported by a dedicated operations and maintenance team.

LNG LIQUEFIED NATURAL GAS

DEMAND FOR CLEANER BURNING FUELS INCREASES YEAR-BY-YEAR, DRIVEN BY CLIMATE CHANGE AND LOWER ENVIRONMENTAL EMISSIONS.

THE PROPERTIES OF LNG

LNG is simply natural gas that has been cooled down to -162°C and is in liquid form.



COMPOSITION

Methane - 94%

Nitrogen - 6%

Sulphur - 0%

(unlike other natural gas sources, no other hydrocarbons are present)



NON-TOXIC

Odourless and non-corrosive

Boiling point of -162°C

Density of 0.43 kg/L



LIGHTER THAN AIR

Unlike LPG where the gas sinks to the ground, LNG will rise upwards and disperse rapidly in the atmosphere.



SAFE

LNG cannot ignite in its liquid form. When vaporised, the explosive limit in air is between 5-15%.

LNG can be stored or transported at very low pressures.



SMALL VOLUME

LNG compresses to 1/600 of its original volume. This makes LNG easier to transport and store than compressed natural gas (CNG).

USEFUL CONVERSIONS

GJ = 20kg LNG

1 GJ = 26.75 Nm³ LNG

1 GJ LNG = 27.7 L Diesel
(net calorific value)

1 kg LNG = 1kg LPG

1 L Paraffin = 0.774 kg LNG

1 L Polyfuel = 0.728 kg
LNG

1 mmBtu = 1.055056 GJ

FUEL SUBSTITUTION

HEAVY DUTY VEHICLES

There are two methods of introducing natural gas into diesel engines:



Diesel Duel Fuel (DDF) - Natural gas is blended with air in a predetermined dynamic ratio before entering the piston cylinder. The energy from the natural gas replaces the diesel energy and thus diesel consumption is significantly reduced while maintaining engine performance.

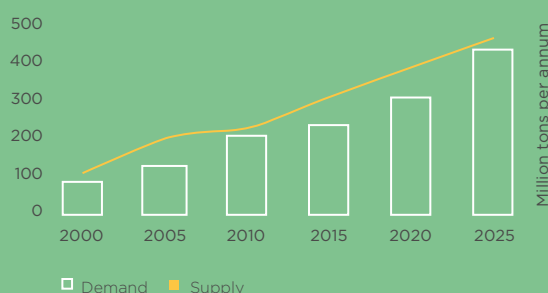
Dedicated Natural Gas Truck - Unlike diesel engines, natural gas engines require spark plug ignition to combust the fuel and thus diesel cannot be used as a fuel source. The only exemption is the Volvo FH LNG truck where 5% diesel is added with the natural gas to produce a 'liquid' spark plug. Most major truck manufacturers are turning to LNG in place of CNG as travel distances can be doubled for the same tank volume.

INDUSTRIAL HEATING APPLICATIONS



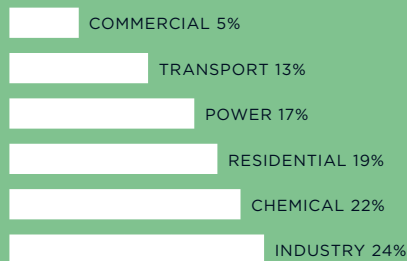
Methane, the major constituent of natural gas, is one of the cleanest burning fuels available. Fuels such as LPG on the other hand, consists of varying amounts of higher hydrocarbons and this can lead to combustion issues where product quality in direct fired furnaces or ovens is paramount. With inconsistent fuel composition, setting the correct air to fuel ratio is extremely difficult and this could lead to sooting or oxidation problems. Renergen's LNG only contains methane and thus once the burner system has been set up it requires no further adjustment for perfect combustion.

GLOBAL LNG SUPPLY & DEMAND



Source: Tetra4

GLOBAL USES OF LNG



LNG, as an alternative fuel to diesel in the transportation sector, is gaining rapid acceptance worldwide. With countries imposing tighter environmental legislation, cleaner burning LNG emits up to 20% less greenhouse gases and particulate matter (fine soot) is reduced by up to 98%.

SAFETY



Natural gas is odourless, colourless and tasteless and under normal circumstances this makes it very difficult to detect if a leak occurs. However, a stenching agent is added to natural gas giving it a "rotten egg" smell that makes it easy to detect. It is also lighter than air and thus any gas leak dissipates very quickly up into the atmosphere. It explodes only when air and gas meet in just the right proportions (between 5-15% in air by volume). According to the American Gas Association, safety related incidents have decreased 29 percent since 1988 - even though natural gas usage has risen by over 20 percent.

WHERE DOES LNG COME FROM

Natural gas extracted by Renergen from the Vredefort Basin in the Free State is different to conventional natural gas in that it consists of only one hydrocarbon - methane. In its raw form Renergen's natural gas contains 94% methane, 4% nitrogen and 2% helium. The primary reason why only methane is found in the gas can be put down to its source. Deep down in the Vredefort basin a plethora of microbes feed on a strata of carbon rich shale and excrete only methane gas.

The gas rises through faults and fissures in the geology of the basin and is eventually trapped under a dolomite layer approximately 400- 500m below the surface. A borehole type drilling machine is used to extract the gas and the well is then capped. Currently, gas from one well is conveyed via pipeline to Renergen's compressor station where it is compressed to 200 bar (Compressed Natural Gas) in large transportable cylinders that supplies ten dedicated natural gas buses for Megabus in Virginia. In the near future, Renergen will erect a specialised cryogenic plant where the methane is liquefied at -162°C .

This form of gas is known as Liquefied Natural Gas (LNG) and has many advantages over Compressed Natural Gas (CNG):

Easier and more economical to transport

It expands 600 times to reach its gaseous state (1 unit of LNG= 600 units of natural gas)

A large amount of natural gas can be stored and transported at low pressure

LNG PRODUCTION WILL COME ON STREAM IN Q2 2021.

HOW IS LNG STORED?



LNG storage tanks consist of two parts, or two tanks to be more precise. Liquefied natural gas whose temperature is -162°C is stored in the inside tank, made of cryogenic resistant steel. The outer shell of the tank is made of standard steel and between the walls of the two tanks, a vacuum (an insulator) exists that helps maintain the LNG in the inner tank at very low temperatures - the same principle as a vacuum flask.

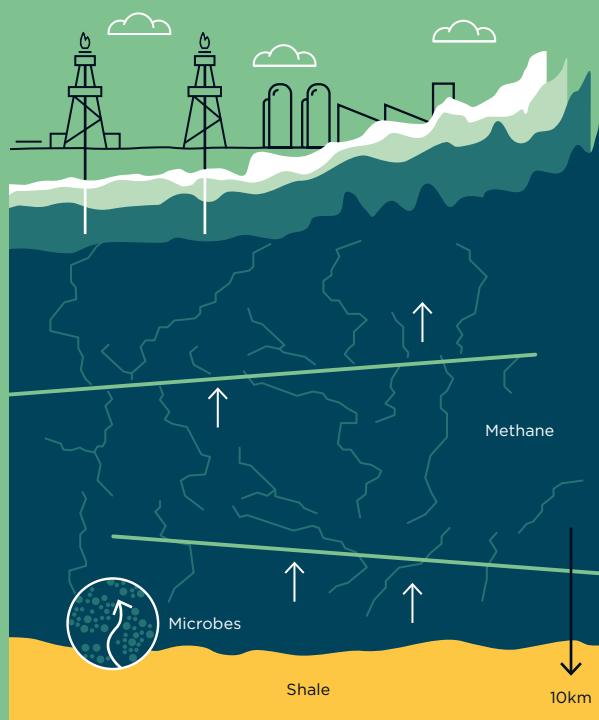
If the LNG is not used over a long period of time (Up to 90 days), the LNG starts to boil off and the static pressure of the inner tanks will slowly increase and may eventually lead to the escape of some LNG to the atmosphere via pressure relieve valves.

To reduce the probability of this happening, systems such as re-liquefaction units can be employed to contain potential losses from the tank.

CARBON TAX



From June 2019 the South African Government introduced carbon tax on greenhouse gases emitted from fuel combustion and industrial processes. The tax is set to rise at two percent above inflation, currently at 4.5 percent, until 2022 and in line with inflation thereafter. This has directly affected fuel prices and more increases are in the pipeline. LNG from Renergen is currently exempt from Carbon Tax thus making LNG more economically attractive in the future.



DISTRIBUTION OF LNG

Renergen intends distributing LNG through modular refuelling facilities, located on established trucking routes between major cities. The technology for these facilities is already in common usage and is being sold as plug-n-play, thereby enabling Renergen to benefit from a selection of suppliers.

The Group will commence by installing two filling stations for Phase I along the N3 highway between the cities of Johannesburg, the financial capital, and Durban, the country's largest port.

In Phase II additional stations will connect the following cities:

Johannesburg to Cape Town
(via Bloemfontein)

Midway Bloemfontein/Cape Town

Durban to Bloemfontein

Johannesburg to Port Elizabeth

Rustenburg to Johannesburg

Durban to Richard's Bay

HELIUM



Helium is a rare commodity and is economically viable to extract from natural gas at concentrations as low as 0.1%. The Virginia Gas Project's average concentration of helium is 3.4%, placing Renergen at the forefront of exciting new discoveries for global helium supply at a time when global supply is increasingly under pressure.

A RICH RESERVOIR

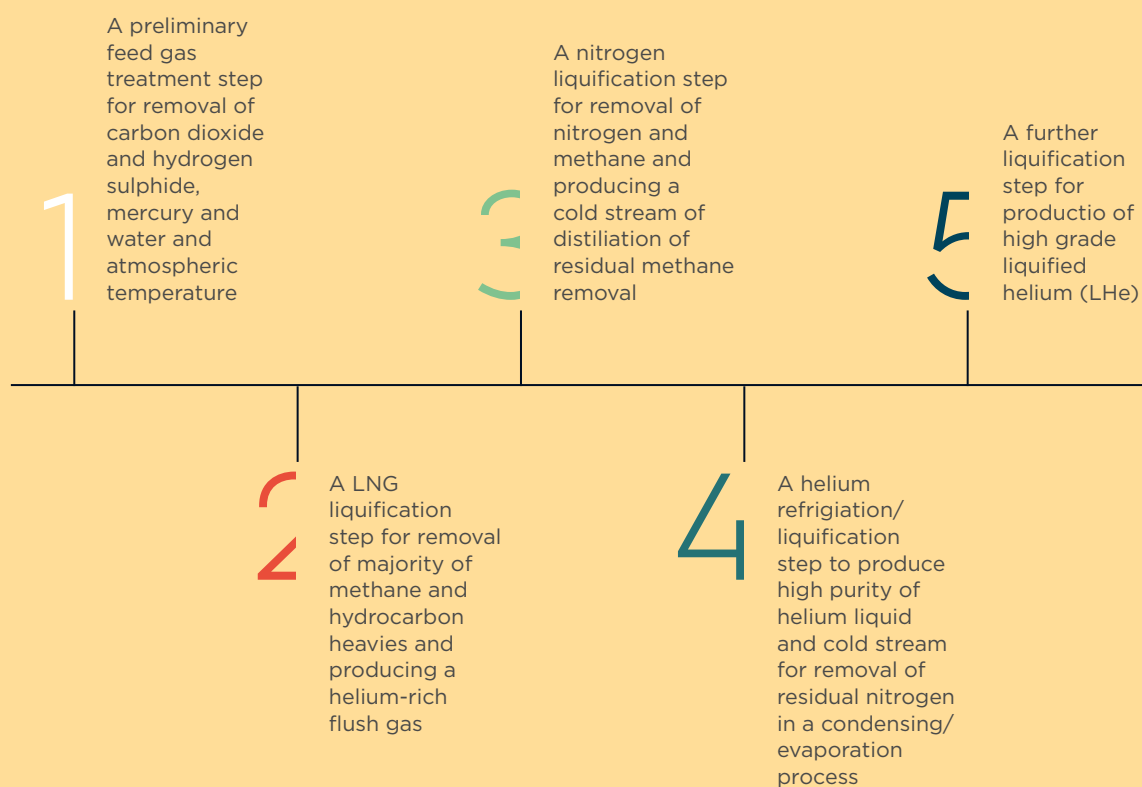
In December 2019 a planned geological exploration campaign, drilling horizontally into the sandstone at the Virginia Gas Project site in the Free State, yielded gas with a helium concentration of up to 12%. This confirmed our suspicions about the sandstone potential, a view Renergen has held since the well in question was first drilled in 2016 and, on that occasion, recorded 11.6% helium concentration. The sample from the newly drilled well showed methane of more than 75% based on the preliminary laboratory analysis of the sampled gas flow. In addition, the initial flow rate reached 850 000 standard cubic feet per day with the valve partially closed in order to keep conditions on site safe. When fully closed, the well reaches around 12 bar (174 psi) of pressure, which is substantially higher than the other wells which are only recording pressure of around 0.5 bar (7 psi). Pressure is an important measure of a well's ability to deliver gas to the surface for production purposes, as well as in determining the total extent of gas trapped in the reservoir.

The reservoir size and deliverability should ultimately determine the extent of the Reserve, which will in turn determine the size of Phase II of the Virginia Gas Project. It is our aim to have this data announced before the end of the 2020/2021 calendar year.

In processing Renergen's helium, the natural gas will be reticulated to the new plant in Virginia, Free State, by a network of high density poly-ethylene (HDPE) pipes buried up to 2m underground. The pipeline is designed to operate at low

pressure. Once the gas arrives at the central processing facility, it is dried and all particles and residual contaminants are removed. The gas will then enter the natural gas liquefier where LNG is produced and removed from the gas stream, leaving only helium and nitrogen. This remaining helium and nitrogen gas then enters the liquid helium processing facility which separates the nitrogen and helium and liquefies the pure helium.

PROCESSING AND PRODUCTION OF HELIUM



Steps (1) and (2) are processes completed in the LNG plant while steps (3), (4) and (5) are the processes in the helium plant.

HELIUM

HELIUM IS THE SECOND MOST
ABUNDANT ELEMENT IN THE UNIVERSE
AND IS CRUCIAL TO INDUSTRY,
RESEARCH, MEDICINE & DEFENCE

WHY IS HELIUM IMPORTANT?

- Helium is a rare commodity
- Helium becomes economically viable to extract from natural gas at concentrations as low as 0.1%
- The Virginia Gas Project's average concentration of helium is 3.4%
- Tetra4 is placed at the forefront of exciting new discoveries for global helium supply

WHERE DO WE FIND HELIUM ON EARTH?



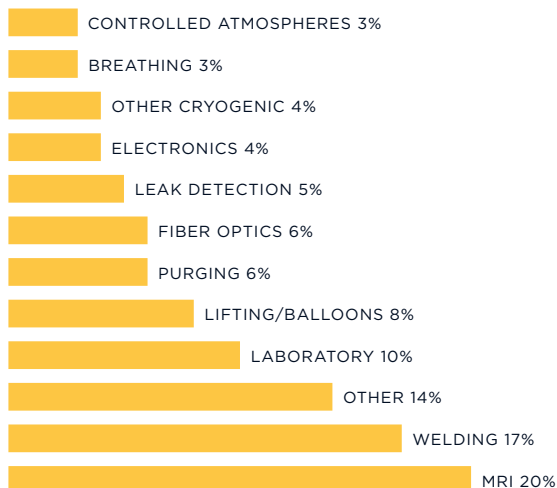
Lighter than air and most of it in the Earth's atmosphere bleeds off into space



Helium is a by-product of radio active decay, and is associated with natural gas

HELIUM USES

Helium is a vital and irreplaceable element in many modern industries.



THE PROPERTIES OF HELIUM

Helium is best known for being lighter than air, but it actually has many unique qualities that make it important for applications in technology.



INERT

Doesn't react chemically with other elements



NON-TOXIC

It's colourless, odorless and tasteless



LIGHTER THAN AIR

Ability to lift and/or float



BOILING POINT -268.9°C

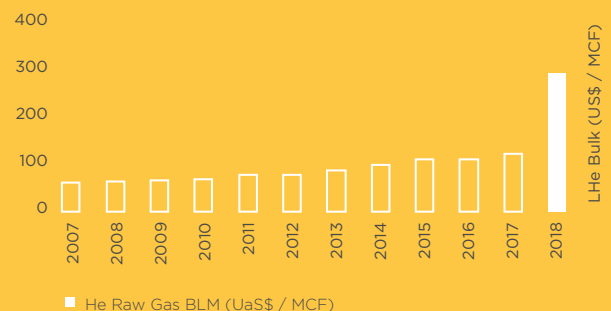
Does not solidify at atmospheric pressure



SUPERFLUID

The only substance with no viscosity in liquid form making it critical in use for high energy physics

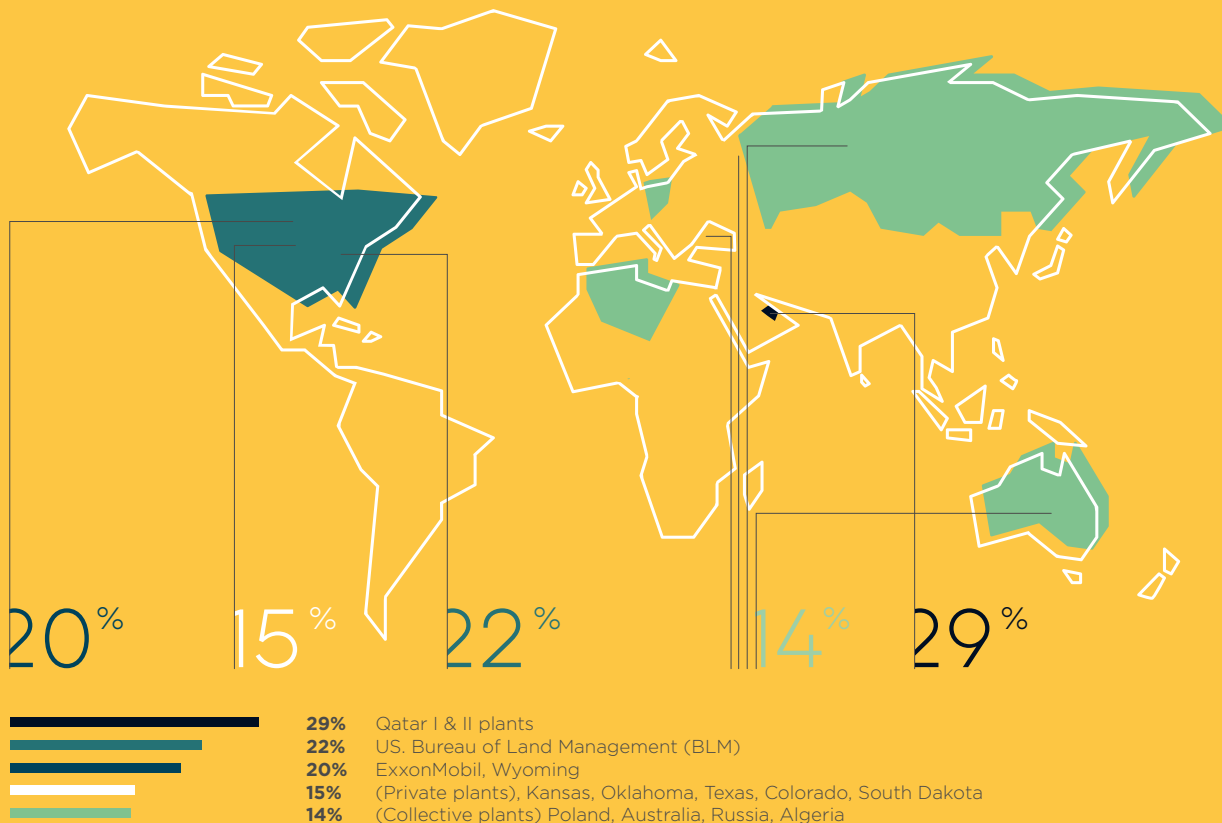
WHAT IS THE CURRENT PRICE OF HELIUM?



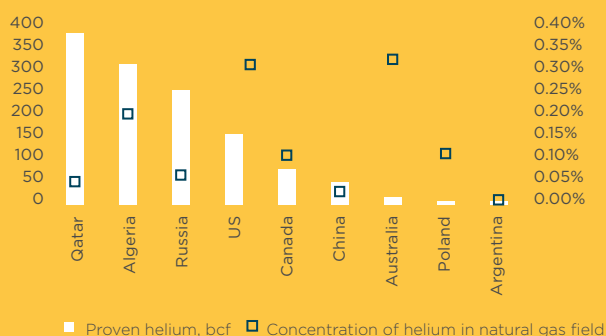
Source: Edison, USGS and BLM

WHERE IS THE WORLD'S HELIUM PRODUCED?

The world's helium is extracted by 20 liquefaction plants located in the US, Poland, Russia, Australia, Algeria and Qatar.

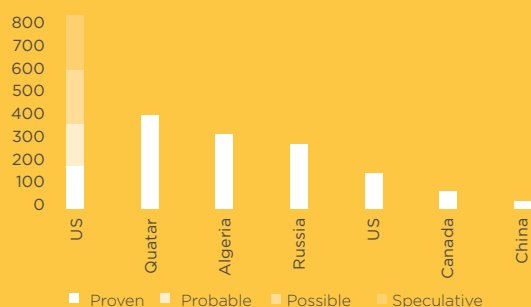


RESERVES OF HELIUM GLOBALLY, INCLUDING FROM NATURAL GAS FIELDS



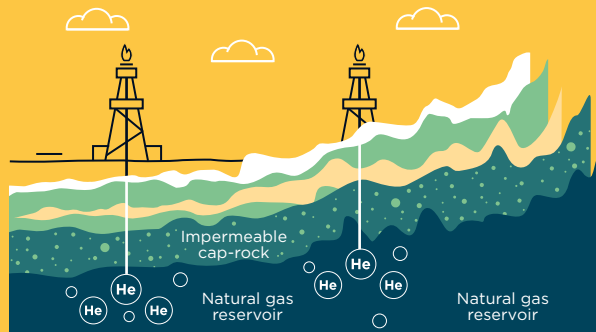
Source: BLM "BLM — Determination of fair market value pricing of crude Helium."
Note: Proven helium reserves are given in bcf. Estimates made in 2013.

USGS SUMMARY OF GLOBAL HELIUM RESOURCES (INTERMEDIATE FINDINGS)



Source: USGS Mineral Commodity Summaries, January 2016.
Note: Converted using a 36cf/m ratio.

HOW IS HELIUM MADE/EXTRACTED?



Naturally occurring helium

This comes from deep inside the Earth. Radioactive elements such as uranium and thorium decay and turn into other elements. The by-product of these reactions are tiny fragments called alpha-particles, which consist of two neutrons and two protons. Those particles pick up electrons from the environment around them and turn into helium, which gradually rises up through the crust and is emitted into the atmosphere, where it keeps rising until it escapes from the earth's atmosphere.

Natural gas by product

Helium is usually produced as a by-product of natural gas processing. There has to be a certain amount of helium in the natural gas, to justify the separation process from natural gas. Impurities such as water, carbon dioxide and hydrogen sulphide are removed from the gas. Finally, a process called cryogenic processing is used to cool the gas and remove the methane, leaving behind a crude form of helium.



CREATING SUSTAINABLE VALUE FOR SHAREHOLDERS AND ALL STAKEHOLDERS IS A TOP PRIORITY FOR THE GROUP. A NUMBER OF KEY STRENGTHS AND COMPETITIVE ADVANTAGES SET RENERGEN APART FROM OTHER OPERATIONS IN THE NATURAL GAS SPACE.



KEY STRENGTHS AND COMPETITIVE ADVANTAGES



Renergen's key advantages enable the Group to add additional value through its operations. These strengths include:

Record helium concentrations make Renergen a meaningful player in the global landscape.

Renergen's Virginia Gas Project boasts a higher than average helium concentration in its gas stream, with an average concentration of 3.4%.

Renergen's last two wells recorded 11.6% and up to 12% helium content respectively. Practically this means that Renergen produces significantly less natural gas than other producers in order to extract the helium, thus benefiting from economies of scale with respect to the production cost of helium.



HELIUM IS A HIGH-GROWTH GLOBAL MARKET

In May 2018 the US Department of the Interior published a list of 35 mineral commodities considered critical to the economic and national security of the US. This followed an executive order (13817 of 20 December 2017) by US President Donald Trump giving authority to define a Federal strategy to ensure secure and reliable supplies of such critical minerals. Helium was named on that list, elevating its status as a critical element for the world's largest economy. This came at a time when a roughly 20-30% gap between supply and demand for helium was recorded globally. Notably, in 2018 the final helium auction held by the US government saw helium gas prices jump 135% year-on-year.

FIRST-MOVER ADVANTAGE ON DISTRIBUTION OF LNG IN SOUTH AFRICA

Currently Renergen holds the first and only onshore petroleum production right in South Africa. The Group has also amassed experience in producing and selling natural gas, having begun doing so in May 2016. By the financial year ending February 2022, the Group will have completed its Phase I expansion plans and will be producing LNG and helium, making it the first distributor of LNG at filling stations in the country, and the only domestic producer of helium.

RENERGEN HAS THE POTENTIAL TO BECOME A MARKET LEADER

Demand for LNG is expected to increase significantly across South Africa and will exceed production capacity. This is especially true since the country currently lacks LNG import infrastructure and has no other access to LNG. With Phase II, Renergen has the potential to become a significant helium producer globally at a time when helium is in critically short supply.

REVENUE LINKED TO THE US DOLLAR

Due to an almost exclusively international market for helium, Renergen's future helium revenue is expected to be denominated in US dollars, while its expenses will primarily be incurred in South African Rands. The rand's volatility and continued depreciation against the US dollar will ensure increased rand profitability for the Group.

EXPLORATION POTENTIAL

Renergen has not exhausted its exploration rights and will continue to maximise access to its reserves. The sandstone deposit

contained within the Virginia Production Right is being drilled with the intention of determining the scale and feasibility of Phase II of the Virginia Gas Project.

In addition, Renergen holds the Evander Exploration Right, which is an additional onshore petroleum exploration right at Evander, Mpumalanga in South Africa. To date Renergen has not commenced any drilling at the Evander site, although other companies have drilled on the site in search of minerals (rather than gas) and two of these are wells which produce natural gas with helium. The Evander Exploration Right also has a significant number of additional sites that show indications of natural gas.

AN ECONOMIC STIMULATOR FOR THE REGION

Renergen has garnered significant support from local business communities due to its potential to boost economic growth with its operating region. This support is vital as it ensures Renergen's social licence to operate. These relationships will continue to be a focus for the Group during the proposed expansion of the Virginia Gas Project and when the formal helium and LNG production commences.

FOCUS ON CLIMATE CHANGE

The ongoing focus on climate change motivates Renergen to provide clean energy options. Substitution of diesel with cleaner LNG has arguably one of the greatest impacts on greenhouse gas emissions as LNG produces almost zero diesel particulate emissions, thus maximising the impact of this renewable gas source.



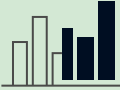
HOW WE CREATE VALUE

RENERGEN HOLDS A UNIQUE RESOURCE AND, IN ORDER TO UNLOCK VALUE FROM THE CORE VIRGINIA GAS PROJECT, THE BUSINESS HAS BEEN STRATEGICALLY TAILORED TO CREATE MAXIMUM VALUE FOR ALL OUR STAKEHOLDERS. THIS APPROACH IS REFLECTED IN HOW THE GROUP MANAGES ITS RESOURCES IN COMBINATION WITH ITS RELATIONS TO ENSURE THAT SUSTAINED VALUE IS CREATED OVER THE LONG TERM.

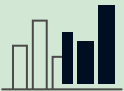


THE RENERGEN BUSINESS MODEL

Renergen's business model encompasses the six 'capitals' as defined in the International Integrated Reporting Committee's Framework for Integrated Reporting.


The inputs from each capital forms the foundation of the Renergen strategy. Through its business activities these six capitals ensure that the Group creates value for all stakeholders. This can be seen through the table below which highlights how the six capitals impact Renergen's operational outputs.

CAPITAL	MEASURE	2019	2020	STRATEGIES TO PRESERVE OR CREATE VALUE
 <p>FINANCIAL CAPITAL</p> <p>Cash and cash equivalents</p> <p>Total capital borrowings</p> <p>Finance income</p> <p>Revenue</p> <p>Profit/loss after taxation</p>	<p>Cash and cash equivalents</p> <p>Share capital and reserves</p> <p>Finance income</p> <p>Revenue</p> <p>Profit/Loss after tax</p>	<p>R98 million cash on hand at 28 February 2019.</p> <p>A US\$40 million loan facility was approved for the development of the Virginia gas field project, from the US government's DFC.</p> <p>A R125 million rights issue was concluded in November 2018, fully underwritten by Mazi Asset Management.</p>	<p>R141 million cash on hand as at 29 February 2020, which includes AU\$5.75 million raised in January 2020 through the issuance of 4 791 667 shares at AU\$1.20 per share. This includes AU\$10 million raised in our Australian listing, with more than two times the minimum subscription amount achieved in committed bids. US\$20 million of the DFC loan facility has been drawn.</p> <p>Renergen now owns 100% of Tetra4 and is, as a result, the exclusive holder of the Virginia Gas Project.</p>	<p>A new compressed natural gas (CNG) filling station has been constructed in Johannesburg to service trucks in the region. This will increase revenue prior to the commencement of operations of the liquefied natural gas (LNG) and liquid helium plant.</p> <p>Additional long-term LNG contracts were entered into for the supply of LNG to customers.</p>



CAPITAL	MEASURE	2019	2020	STRATEGIES TO PRESERVE OR CREATE VALUE
 <p>FINANCIAL CAPITAL</p>		<p>R452.3 million Group stated capital (2019: R301.2 million).</p> <p>R5.4 million Group interest income (2019: R1.6 million)</p> <p>R301.2 million Group stated capital (2018: R161.1 million)</p> <p>R3.0million Group revenue (2018: R2.9 million)</p> <p>Group loss after taxation R45.0 million (2018: R40.6 million)</p>	<p>Group loss after taxation R52.6 million (2019: R45.0 million)</p>	
 <p>MANUFACTURED CAPITAL</p> <p>Property, Plant and equipment</p> <p>Virginia Gas Plant</p> <p>Pipeline infrastructure</p>	<p>Infrastructure spend and Capital investment in plant and machinery</p>	<p>CNG plant operating at optimal capacity.</p> <p>R9.5 million spent on plant, machinery and equipment on engineering of Virginia Gas Project.</p>	<p>R0.4 million spent on construction of the second CNG filling station in Johannesburg to maximise CNG sales leading up to the commissioning of the Phase I plant.</p> <p>R306.4 million spent, as of 29 February 2020, on the construction of the Virginia Gas Project.</p> <p>R11 million spent drilling horizontal well in the sandstone, striking gas under pressure with up to 12% helium concentration.</p>	<p>2020 will see the focus squarely on ensuring the construction timetable is adhered to as best as can be managed in light of the global COVID-19 coronavirus crisis.</p> <p>Furthermore, a commencement of a comprehensive drilling campaign will be used to determine the size of Phase II of the Virginia Gas Project.</p>
 <p>HUMAN CAPITAL</p> <p>Skilled, healthy and motivated workforce</p>	<p>Number of permanent employees</p> <p>Personnel cost</p> <p>Investment in employee development</p> <p>Training spend (as % of labour cost)</p>	<p>No injuries or fatalities during the year under review.</p> <p>17 permanent employees excluding 3 executive Directors and 2 contracted employees as at 28 February 2019.</p>	<p>No injuries or fatalities during the year under review.</p> <p>32 permanent employees excluding 3 executive Directors and 3 contracted employees as at 29 February 2020.</p>	<p>The Group has significantly scaled up its preparations for the construction of the Virginia Gas Project. This means significant attention has been paid to setting up a detailed delegation of authority</p>

CAPITAL	MEASURE	2019	2020	STRATEGIES TO PRESERVE OR CREATE VALUE
 <p>HUMAN CAPITAL</p>		<p>R0.2 million spend on further education for employees.</p>	<p>R0.3 spend on skills development and training.</p> <p>The Group introduced a medical aid benefit in March 2020, investing in the health of employees to ensure employees and their dependents had full access to adequate health care.</p>	<p>framework, as well as identifying key areas in which further training is required to cover any skills shortfall.</p> <p>This will include sending key operational staff to China to be trained by the Western Shell Cryogenic Equipment Company (WSCE) on the effective operation of the plant prior to its arrival in South Africa.</p>
 <p>INTELLECTUAL CAPITAL</p> <p>Policies, frameworks, management systems and processes</p> <p>Standard operating procedures</p> <p>Efficient and reliable leadership team delivering on our mandate</p> <p>Our employees and contractors provide the manpower and skills to drive our business.</p>		<p>Adherence to King IV principles.</p> <p>Integration of International Finance Corporation (IFC) Governance standards and guidelines.</p> <p>Continual focus on digitisation and digital transformation.</p>	<p>Adherence to King IV principles.</p> <p>Integration of International Finance Corporation (IFC) Governance standards and guidelines.</p> <p>Helium and methane reserves updated from independent review by MHA Petroleum Consultants LLC, noting a 12.2% increase in methane and a 16.1% increase in helium.</p> <p>R1.8 million has been spent with Shango Solutions to create a three-dimensional model of the Reserve to better define the future drilling strategy. This process included the digitisation of all data held by the Group and its advisors, storing it in a single dataset that is easily accessible to key employees.</p>	<p>Every function within the Group is focused on the accumulation and documentation of knowledge. This database will serve the Group in all future projects and expansions as it pioneers the use of LNG in heavy haulage fleets, as well as the rather unique dynamics in geology and engineering associated with very high helium concentration gas.</p>

CAPITAL	MEASURE	2019	2020	STRATEGIES TO PRESERVE OR CREATE VALUE
 <p>SOCIAL AND RELATIONSHIP CAPITAL</p> <p>Transactional, collaborative and constructive relationships with stakeholders</p> <p>Social licence to operate</p> <p>Engaged workforce</p>	<p>Total CSI spends</p> <p>B-BBEE spend</p> <p>Constructive and equitable engagements with Government and regulators</p> <p>A positive relationship with employees and organised labour</p> <p>Fostering good relationships with all our stakeholders</p> <p>Informing investors of our performance and strategy</p>	<p>62% combined total procurement spend with companies owned by historically disadvantaged individuals.</p> <p>Awarded two secondary school bursaries.</p> <p>Awarded two tertiary school bursaries.</p> <p>Awarded two internships.</p> <p>Donated funds and time to charitable organisations.</p>	<p>47% of combined spend from April 2019 to March 2020 with companies owned by historically disadvantaged individuals.</p> <p>Awarded two secondary school bursaries.</p> <p>One tertiary student, who was a beneficiary of the Group's tertiary education bursary programme in 2019, has been employed on a permanent contract.</p> <p>One of the interns completed his internship and apprenticeship in Diesel Mechanics during the year under review.</p> <p>Renergen continues to make charitable donations to the community. Employees donated their time to a primary school in Virginia to assist with maintenance of the school infrastructure and distributing stationery donated by the Renergen in collaboration with all employees.</p>	<p>We have secured access and approval from impacted landowners to construct and operate our infrastructure on their properties.</p> <p>No objections to our EIA, water use license and air emission licence applications.</p> <p>Local community participation, where possible, is fostered by ensuring our contractors comply with contractual targets for both employment and spend within the local community.</p>

CAPITAL	MEASURE	2019	2020	STRATEGIES TO PRESERVE OR CREATE VALUE
 <p>NATURAL CAPITAL</p> <p>Natural resources we use to enable us to operate (water, air, energy, etc.)</p> <p>Land on which to run operations</p> <p>Biodiversity and ecosystem health</p>	<p>Carbon emissions</p> <p>Number of spillages</p> <p>Biodiversity and ecosystems health</p>	<p>12.2% increase in proven methane reserves*.</p> <p>16.1% increase in proven helium reserves*.</p> <p>3.4% average concentration of helium in Renergen's gas resource.</p> <p>*MHA Petroleum Consultants LLC independent review</p>	<p>Discovery of sandstone trap with helium concentrations of up to 12%.</p> <p>Acquired 370 hectares of land on which the plant is being built. The land was valued at R2.8 million and improvements on the land valued at R1.1 million.</p> <p>Sections of the land are ideal for cattle grazing, therefore the Group has leased the land to a local farmer for his cattle.</p> <p>All operations use municipal water to prevent water use in an already stressed catchment. Switched over from natural gas generators to supplied power to reduce GHG emissions. Placement of pipeline is underground to prevent habitat fragmentations.</p>	<p>The Group is procuring interpreted satellite data to outline where the highest methane signatures are present, which will be superimposed over our three-dimensional geological model to help identify the best and highest-yield areas to prospect.</p>

LIKE ALL BUSINESSES, OUR STRATEGY IS IMPACTED BY RISKS THAT COULD MATERIALLY IMPACT HOW WE DELIVER ON OUR OBJECTIVES AND CREATE VALUE IN THE SHORT, MEDIUM AND LONG TERM. THE MAIN PURPOSE OF RISK MANAGEMENT IS TO ENABLE THE COMPANY TO ANTICIPATE AND RESPOND TO CHANGES IN CIRCUMSTANCES BOTH EXTERNAL AND INTERNAL AND TO MAKE INFORMED DECISIONS IN UNCERTAIN TIMES

By embedding risk management into key decision-making processes and day-to-day activities, we are instilling a risk management culture

OUR RISK MANAGEMENT PROCESS

The Company applies an integrated risk management approach that is aligned to international best practice frameworks that include, among others, ISO 31000 and Control Objectives for Information and related Technology (COBIT) Risk Management Frameworks

Our top risks are identified with due consideration to both our external and internal operating environment, which are ever-changing.

RISK OVERSIGHT

The Board is responsible for the total process of risk management and the direction of the risk management process within the Company.

The Audit & Risk and IT Committee assists the Board in executing its responsibility and provides oversight of the risk and compliance management framework and controls.

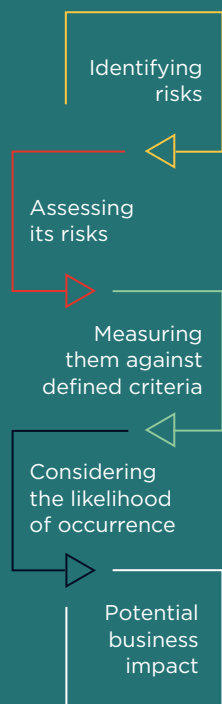
The Executive Committee (Exco) is accountable to the Board and assumes overall accountability for the control and management of risk within the Company.

Senior Managers are responsible for risk ownership and accountable for effectively managing risks within their respective areas of responsibility.

An aerial photograph of a coastline, showing a dark, textured sea on the right and a lighter, more detailed shoreline on the left. A semi-transparent green rectangular overlay covers the left side of the image, partially obscuring the coastline. The text is centered over the green area.

ENTERPRISE RISK MANAGEMENT, ISSUES AND OPPORTUNITIES

OUR APPROACH TO RISK MANAGEMENT



All other managers and employees are responsible for implementing the risk management process in executing their daily responsibilities.

Strategic, business, and operational risks are identified through a structured and systematic process that also highlights opportunities. The Company's risk appetite and tolerance levels are reviewed annually and when or where appropriate updated. Risk management is underpinned by sound governance and regulatory frameworks. Business risks, governance, and sustainability are all managed in a single system

There are several risks associated with an investment in the Company that may affect its financial performance, financial position, cash flows, distributions, and growth prospects. The following table is a non-exhaustive summary of key risks and opportunities that the Company is exposed to.

RISK AND OPPORTUNITIES

DESCRIPTION

MANAGEMENT AND MITIGATION

Requisite capital to complete the project.

There is an inherent risk that the Company may not have sufficient capital to complete the construction of the Virginia Gas Project.

The Company has raised sufficient capital following the ASX listing combined with the debt facility provided through the DFC loan to enable investment decisions.

The Company's contracting philosophy for the construction of the Virginia Gas Project was based on several lump-sum turnkey contractual deliverables and is therefore fixed and within our control to manage.

The COVID-19 pandemic has had a major impact on the global economy affecting many supply chains. Force majeure claims cannot be ruled out at this time and these may have an impact on the project budget. These scenarios are been managed and reported on actively by the Executive team with oversight from the Audit, Risk and IT Committee.

RISK AND OPPORTUNITIES	DESCRIPTION	MANAGEMENT AND MITIGATION
Obtaining the necessary licenses and permits.	The legislative and regulatory framework in South Africa requires multiple approvals and licenses from different authorities to ensure the owner of the project is authorised to undertake the planned activities.	The Company continues to monitor the legislative and regulatory environment closely, and we have obtained all of the necessary authorisations, licenses, and permits to complete the construction of the Virginia Gas project.
Changing legislative and regulatory frameworks.	Potential changes in legislative or regulatory framework requirements could affect existing authorisations by imposing more stringent conditions on the Company's operations.	The South African legislative framework does not retrospectively impose new requirements into existing authorisations, licenses or permits. The Company ensures strict compliance to all conditions imposed by the relevant authority and undergoes audits of both an internal and external nature.
The inability for equipment to meet the design specification.	The financial model prepared by management is based on certain assumptions related to product specification, plant output which combines into financial projections.	Suitable contracting philosophy with associated performance testing requirements and financial penalties for our contractors for non-performance. Where possible and necessary, management has taken the appropriate insurance cover to limit the impact of these risks should they materialise while the contractor resolves the technical problem.
Executing the project within budget, on time and according to the project specifications.	The escalation of projects costs due to poor estimating, and slippages in schedule which could potentially cause production interruptions resulting in loss of revenue.	The Company has an experienced Project Management office, owner engineer and independent project review process in place, that actively monitors all aspects of the project.
The impact of COVID-19 on employee health.	COVID-19 has been declared a national disaster in South Africa and was declared a Public Health Emergency of International Concern on 30 January 2020, the World Health Organisation.	COVID-19 can affect anyone, and the disease can cause symptoms ranging from mild to very severe. Where possible, staff will work remotely to curb the outbreak and manage their wellbeing. We have implemented strict Covid-19 return to work policies and procedures and will monitor staff daily in compliance with regulations set out by the South African Government.

RISK AND OPPORTUNITIES	DESCRIPTION	MANAGEMENT AND MITIGATION
COVID-19 and impacts on the global supply chain.	With the COVID-19 pandemic, there can be no assurance that our supply chain is not impacted. There is a risk that unanticipated costs or delays could arise because of prolonged lockdown imposed by various Governments and disrupted global supply chains.	<p>Rigorous reporting and cost management controls are in place which tracks budget and cost on a daily, weekly and monthly basis with all contractors.</p> <p>The output from these controls and reporting mechanisms is reported to various structures within the Company including Project Management Office, Executive Committee, Audit, Risk and IT Committee and the Board.</p> <p>We continue to monitor the situation and report the status back to the Audit, Risk and IT Committee and the Board.</p>
Inability to attract customers and secure offtake agreements for LNG and helium.	The Company is marketing products from a plant that is still in the construction phase, and the risk is that the Company may not be able to convince its potential customers to sign-up long-term agreements for the product it produces. This will impact on the viability of the business should sufficient product not be sold.	<p>The Company has set up a dedicated sales and marketing team to create awareness and educate the market on the benefits of our LNG.</p> <p>This activity has resulted in the conclusion of several future-dated supply contracts with different customers which reduces exposure to this risk.</p> <p>80% of the helium is already contracted to Linde Global Helium and therefore this risk is not present with the helium.</p>
Exposure to international commodity prices.	<p>The price that the Company achieves and/or may achieve for its helium and LNG will be impacted by global commodity prices.</p> <p>Any material decline in oil and gas prices could result in a reduction of the Company's net production revenue.</p>	<p>Helium is prominently sold by the refineries through long term take or pay agreements. The pricing mechanism is therefore fixed and the impact on the Company is limited.</p> <p>LNG is being marketed in South Africa as a substitute for diesel. It is priced at a discount to diesel at the pump, as the diesel price is highly correlated with the Brent crude oil price, and as such increases or decreases our sales accordingly. Historically the increase in the price of diesel in South Africa has outstripped the domestic inflation rate.</p>
Geological risk resulting in reduced gas flow.	The Company faces geological risk in that existing wells could produce less gas and perhaps stop producing altogether, or that drilling yields less gas than anticipated.	The Company is expanding the exploration team, knowledge and understanding of the field. We have developed a detailed 3D underground model that maps our prospective targets and classifies them into high medium and low to focus attention in the most promising areas.

RISK AND OPPORTUNITIES	DESCRIPTION	MANAGEMENT AND MITIGATION
Increasing Cyber risk through malware, ransomware and scams.	Through the increased use of technology within the business, as well as our increased online presence, there is a risk related to cybersecurity, ransomware and data breaches occurring.	We have deployed several levels of protection throughout the Company, such as implementing sound policies for granting access to our various databases to reduce any possible impact on business continuity.
Resignation or loss of key Executive Director	The loss of one of the key executives will have a negative impact on the Company.	The Company manages this risk through effective succession planning and knowledge sharing and transfer to ensure the robust operational structure is implemented to limit such risk. Executive Directors all have a three-month notice period in the event of resignation. Furthermore, the Company has a remuneration philosophy, policy and framework to motivate and reward performance across short-, medium, and long-term time frames.
Strikes and public unrest.	Strikes and public unrest could result in construction delay of the Virginia Gas Project.	We have implemented a rigorous community liaison program in which we communicate, consult and monitor stakeholder engagement.
Media engagement- social media and mainstream media communicating inaccurate information.	Inaccurate information in the public domain affects stakeholders (shareholders, funders, regulators) with interest in Renergen and Tetra4.	Media communication is managed by the CEO.
Discovering more deposits with ultra-high helium concentrations.	These high-concentration helium deposits may add to an increased proven Reserve for helium, which would improve the Company's prospects as a major global helium supplier.	Detailed mapping of the faults has allowed the Company to identify the areas with the highest likelihood of intersecting such finds.
Diminished global helium supplies.	With a reduction in global LNG production as a result of lower demand, less helium is being produced as a byproduct.	The Company is taking advantage of favourable pricing dynamics in light of future concern on stable helium supplies by negotiating term sheets with customers for Phase II of the Virginia Gas Project's helium production.
Increased global helium demand.	Helium, when mixed with oxygen to form heliox, has been highly effective in the treatment of COVID-19 patients requiring assistance in breathing.	The Company acknowledges the unique confluence of factors favouring the supply of helium at attractive prices in the short to mid-term and is fully focused on speed of execution when it comes to planning, financing and constructing Phase II.

(1)

LEADERSHIP REVIEW



CHAIRMAN'S REPORT

Financial year 2020 has been marked by significant progress for Renergen and is a period during which the Group achieved full funding from our respective stock exchange listings. Supplementing our previous JSE AltX listing, in June 2019 Renergen listed on the ASX in search of the greater investment appetite for mining ventures by Australian and New Zealand investors and exposure to a more liquid market. In November 2019, Renergen also completed a secondary listing on South Africa's A2X Markets exchange.

As a result of this dual-listing approach, our operations were buoyed over the year under review by cash inflows from both South Africa and investors in Australia and New Zealand. The approval of a US\$40 million loan facility through the US' Development Finance Corporation (DFC) was also significant, both in recognition of the importance of alternative and cleaner energy sources and due to the recognised strategic value of the Virginia Gas Project.

As a Board, it has been our focus over the past financial year to simplify the strategic direction of the Group. In previous financial years this clarity of purpose has led, in the first quarter of 2018, to the termination of the hydro-electric project in Côte d'Ivoire, enabling the Group to embed itself fully in the development and delivery of the all-important Virginia Gas Project.

SOLID AND TRANSPARENT

From the perspective of the Board, we remain firm from a governance standpoint and committed to structuring how we measure our core project. Here our role has been unwavering in terms of guiding the Renergen team around the best and most appropriate milestones and objectives that must be met in order to keep the business structured, flowing and well-resourced. Processes, underpinned by clear timelines and deliverables, remain key.

Breaking down the Virginia Gas Project into manageable, realistic and measurable phases was undertaken collaboratively by the Board and the Management team. From our standpoint these were critical components, guided by firm governance principles and guidelines which act as a golden thread running throughout the entire operation.

It is highly unusual for any company to share and report back on the delivery of critical milestones with such openness, something we have done consistently over the course of the past year. We hope this level of engagement stands as testament to our transparency and the importance in which we hold our stakeholder and shareholder partnerships.

STRATEGIC STRENGTH

I am happy to report that, for a business as young as it is, Renergen is notably professionalised as an organisation.

From its early and enthusiastic beginnings, the Renergen of today maintains its passion for the products and the core project but merges that with the strategic strength of a solid, transparent and well-tuned organisation that has successfully transitioned through its start-up phase to a more established company.

During the process of building out any organisation, it is strategically important to start putting human resource policies and key performance indicators in place, including rewards for the achievement and exceeding of the agreed milestones, thus ensuring that the entire team is committed to the vision of the Group. Here we have focused on taking a guiding role, working with the Management team to achieve these important goals.

ACKNOWLEDGMENTS

While the Board has fulfilled its oversight and guidance role, and provided input on the structure that that business has taken, credit must be given to the Management team for driving this business in such a focused and positive manner. The team has achieved an incredible amount in a relatively short space of time, operating in a complicated and complex situation. All credit must go to Stefano, Nick and Fulu for their leadership, clarity and vision and for the ways in which they have embedded professionalism through the Group, run and resourced the project and communicated clearly and consistently with our stakeholders.

On behalf of the Board I would like to thank our shareholders for having the optimism to keep investing and to thank both the South African and Australian investors for providing the funds needed to drive this project forward. It remains our ambition to create significant shareholder value for you over time.

It is important to make particular mention of the importance of our Australian shareholders who have, due to their deep understanding of commodities and development projects, added particular value to the Group. Australian investors are, currently, far more supportive of start-

up projects of this nature and have more capital available and a greater willingness to invest. The decision to list on the ASX, and to bring on Australian shareholders, has proved strategically important and significant in enabling Renergen to drive our timetable and vision forward.

FY2021 OUTLOOK

At the end of FY2019 we were confident that Phase I of the Virginia Gas Project was a feasible and bankable project and now, 12 months later, we have a project which is fully funded and in the execution stage. The project remains on track to come onstream in FY2022.

We take heart in the growing confidence in our company, our project and our people and we look forward to a fruitful and productive 2021 Financial Year.



Brett Kimber
Chairman

CEO'S REPORT

This is Renergen's fifth Integrated Annual Report and a key means of communicating with all our stakeholders regarding the past financial year and our achievement of notable milestones.

We are keenly aware that as a young company with a unique helium and natural gas Reserve it is important to keep our stakeholders, including our shareholders, fully up-to-date regarding Renergen's progress. This Integrated Annual Report offers holistic coverage of our operations and the Group's financials.

This has also been one of the most challenging Annual Reports to compile in the context of the many challenges the world has been facing over the past few months, and will continue to face in the future. These include the devastating fires in Australia and the Amazon, and the outbreak of the COVID-19 coronavirus pandemic. Our heartfelt sympathies go out to all those who have suffered as a result and our only hope that out of all this turmoil we can emerge as a more unified and robust society.

The 2020 financial year was a significant period for Renergen. The entire operation has now been incorporated under the Renergen brand, including operations at the Virginia Gas Project and any further exploration and production across our two sites, Virginia in the Free State and Evander in Mpumalanga. We have also met a number of key milestones, thereby making substantial progress towards the goal of producing high-grade helium and LNG. In addition, our efforts have been given a further boost in confidence following the conclusion of a number of noteworthy

agreements ranging from funding to sales agreements.

The recognition of helium's strategic importance proved to be an important announcement for Renergen, which has the potential to become a major supplier of high-grade helium in the medium to long term.

As a further boost, in December 2019 Renergen discovered a new gas deposit at the Virginia Gas Project site, one which flowed gas with up to 12% helium concentration. Renergen's helium concentrations, which average around 3.4%, are already above global averages and to have concentrations as high as 12% are unheard of. This find will further entrench our site as an attractive option for international buyers.

FOOT ON THE GAS TOWARDS 2021

Last year saw Renergen gain momentum in terms of our Phase I development. We concluded and awarded contracts for the expansion of Phase I which included work on the gas-gathering pipeline, the liquefaction plants for natural gas and helium.

Onsite power plants are becoming increasingly important in South Africa as the country is currently experiencing uncertainty in power generation from the state-owned power producer, Eskom. This has inadvertently created a potential opportunity for the Group in Phase II, which is currently being evaluated, but could include a power generation component to assist the national grid.

The above developments have given us the confidence to say that we are well on our way to achieving our goal of becoming a fully-fledged helium and LNG supplier in 2021.

SHAREHOLDER VALUE TOP OF MIND

We enter the new financial year with many uncertainties in play. Financial markets are exhibiting an unprecedented level of volatility, and global recession is almost a foregone conclusion. It is unlikely that this volatility will return to the low levels seen prior to the start of the 2020 calendar year any time soon, but it is almost certain that a new “normal” will ultimately be reached, and this will define our perception of value as a society. In this new future it is likely that the absolute bottom line will not be the sole driving force, with a heavier weighting being given to social and environmental issues. Renergen remains committed to delivering the greatest possible returns to investors and stakeholders on all these fronts.

IN CONCLUSION

As the 2021 financial year commences, we are gratified that Renergen has successfully navigated the many challenges we have faced as a Group and are in a favourable position to move forward with material production. As a result, we anticipate that this will be a pivotal year for the Group, as we see our vision come to fruition.

This iteration of the Renergen Integrated Annual Report will give all stakeholders a clear outline of the Group’s operations and strategy, as well as the confidence that both our operations and financials continue to be reported to the highest international standards, with full transparency.



Stefano Marani

Managing Director and CEO



4

CORPORATE GOVERNANCE REPORT

THE BOARD OF DIRECTORS
IS COMMITTED TO
ADHERING TO THE HIGHEST
STANDARDS OF CORPORATE
GOVERNANCE IN THE
CONDUCT OF ITS BUSINESS.



GOVERNANCE STRUCTURE

The Board is responsible for the overall conduct of the Group's businesses and for the establishment of a corporate governance framework that takes into account the best practice recommendations as set by the ASX Corporate Governance Council and the King IV Report on Corporate Governance for South Africa, as prescribed by the JSE's Listings Requirements.

Renergen's governance and risk framework is based on the principles of accountability, transparency, ethical management and fairness. A philosophy of sound governance is entrenched across the business. The Directors recognise that good governance, achieved through an ethical culture, competitive performance, effective control and legitimacy, can create sustainable value and enhance the longevity of the Group and the broader industry in which it operates.

OUR GOVERNANCE STRUCTURE

THE RENERGEN GOVERNANCE FRAMEWORK

RENERGEN BOARD OF DIRECTORS



Executive Directors

Stefano Marani (CEO)
Fulu Ravele (CFO)
Nick Mitchell (COO)

Non-executive Directors

Francois Olivier

Independent Non-executive Directors

Brett Kimber (Chairman)
Mbali Swana
Luigi Matteucci
Bane Maleke
David King



Role and Responsibilities

It determines the Group’s purpose and values while providing leadership aligned to supporting the long-term sustainability of the business.

The Board is diverse in demographics, skills and experience and consists of six Non-executive Directors, the majority of whom are independent, and three Executive Directors.

To improve the Board’s effectiveness, evaluations of the Board, individual Directors, Board Committees and the Chairman are carried out annually.



Meeting schedule

4 meetings per annum

BOARD COMMITTEES

AUDIT COMMITTEE

(Audit, Risk and IT Committee)



Committee Members

Luigi Matteucci (Chairman)
Mbali Swana
Bane Maleke



Role and Responsibilities

The Committee oversees the governance of the risks associated with the implementation of Renergen’s strategy. It is the duty of the Committee, *inter alia*, to monitor and review:

- Evaluation of the CFO’s performance.
- Annual integrated financial reports, statements and all other widely distributed financial documents.
- Accounting policies of the Group and any proposed revisions.
- Compliance with applicable legislation, King IV, JSE and ASX listing requirements.
- Evaluation of external auditors and recommendation of external auditor appointments.
- Compliance with IFRS.



Meeting schedule

3 meetings per annum

GETSC COMMITTEE

(Governance, Ethics, Transformation,
Social & Compensation Committee)



Committee Members

Mbali Swana (Chairman)
Nick Mitchell*
Luigi Matteucci
Brett Kimber
Bane Maleke

* recused from all decisions pertaining
to remuneration)



Role and Responsibilities

Responsible for reviewing and recommending the Remuneration Policy and philosophy. The Committee acts with the full delegated authority of the Board and assists Directors in monitoring social, transformation and ethical matters and legal, regulatory and best practice disclosures relating to:

- Strategic input on transformation.
- Overseeing remuneration relating to Directors and Executives.
- Stakeholder engagement (including employees, customers, suppliers, communities and the environment).
- Environmental responsibility and adherence to applicable legislation.
- Review of CSI initiatives.
- Review of the Group's Remuneration Policy.



Meeting schedule

2 meetings per annum

NOMINATION COMMITTEE



Committee Members

Brett Kimber (Chairman)
Nick Mitchell
Bane Maleke
Mbali Swana
Luigi Matteucci



Role and Responsibilities

The Committee oversees the Board composition as well as assesses which retiring Independent Non-executive Directors are up for re-election.

Responsibilities extend to:

- Reviewing the composition of the Board.
- Board evaluation and assessment of Committee members and their effectiveness.
- Succession planning.
- Recommending nominations to the Board.



Meeting schedule

2 meetings per annum

RENERGEN EXCO



Executive Directors

Stefano Marani (CEO)

Fulu Ravele (CFO)

Nick Mitchell (COO)

The Renergen Executive Committee (EXCO) is responsible for delivering the strategic objectives as set out by the Board. The EXCO consists of an experienced Management team comprising the CEO, COO and CFO, as well as the prescribed officers.



Role and Responsibilities

- Setting the direction and implementing Group strategy.
- Managing all stakeholder relationships.
- Corporate and strategic leadership.
- Promoting investor confidence.
- Cultivating and promoting an ethical corporate culture within the Group.
- Compliance with applicable legislation and the Group's Code of Conduct and Ethics.

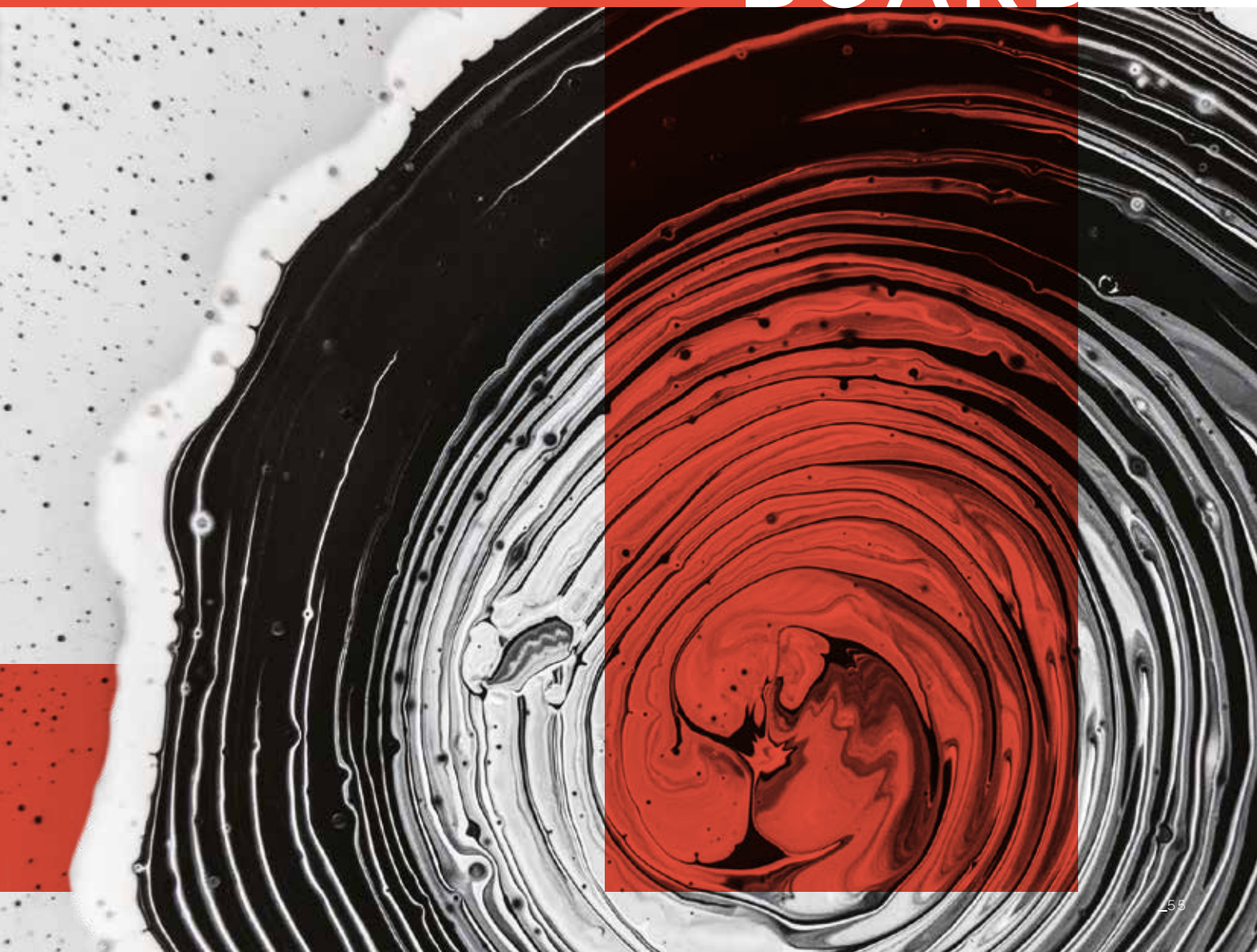


Meeting schedule

Monthly

THE RENERGEN BOARD OF DIRECTORS PROVIDES LEADERSHIP TO THE GROUP AND SHARES COLLECTIVE RESPONSIBILITY FOR ENSURING THE LONG-TERM SUCCESS OF THE BUSINESS. SAFEGUARDING AND PROMOTING THE INTEGRITY AND VALUES OF THE GROUP ARE OF PARAMOUNT IMPORTANCE, AS ARE UPHOLDING THE HIGHEST LEVELS OF CORPORATE GOVERNANCE.

OUR BOARD



Adhering to the principles of corporate governance is fundamental to the sustainability of Renergen's business. As such, business practices are conducted in good faith, in the interests of all stakeholders and with due deference to the tenets of good corporate governance.

The Board retains effective control of the business through a clear governance structure. Board Committees assist the Board within the provisions of the Board Charter, although at all times the Board recognises that delegating authority does not reduce the responsibility of its Directors to discharge their statutory and common law fiduciary duties. The Group's governance structures are regularly reviewed to ensure that they support effective decision-making, provide robust controls and are aligned to evolving local and global best practice.

The Board Charter further sets out the roles and responsibilities of the Board and its Directors, being ever mindful that the considerations of strategy, risk, performance and sustainability are inseparable and must be treated as such.

The Board is responsible for identifying key performance areas. It ensures that the Group complies with applicable laws, considers adherence to nonbinding rules and standards, and is responsible for information technology (IT) governance.

BOARD COMPOSITION AND INDEPENDENCE

The Board consists of nine members, three Executive Directors and six Non-executive Directors, the majority of whom are independent.

At all times a clear separation of responsibilities is maintained within the Group's leadership structures, specifically

between the role and function of the Board (under the watchful eye of the Chairman) and the day-to-day running of the business (the purview of the CEO).

DIVERSITY AND INCLUSION

The King IV Report on Corporate Governance for South Africa 2016 highlights the importance of a Board that comprises an appropriate balance of knowledge, skill, experience, diversity and independence in order for the Board to discharge its governance role objectively and effectively.

Renergen recognises both the benefits of a diverse Board and the recommendations contained in the King IV report. To confirm its commitment, the Board has adopted a policy for the promotion of diversity at Board level.

INDEPENDENCE

All Directors have a duty to act, at all times, with independence of mind in the best interests of the Group. The Board believes that the Independent Non-executive Directors of the Group are of the appropriate calibre, diversity and number for their views to carry significant weight in the Board's deliberations and decisions.

The independent Non-executive Directors are highly experienced and have the skills, background and knowledge to fulfil their responsibilities.

The classification of independent Non-executive Directors is determined by the Board on the recommendation of the Nomination Committee. In determining the independence of the independent Non-executive Directors, character and judgement are considered together with any aspect of their existing relationships or circumstances which are likely to

affect, or could appear to affect, their judgement and due regard for the criteria of independence as set out in King IV, the JSE Listings Requirements and the ASX Corporate Governance Principles and Recommendations.

At any time, all independent Non-executive Directors have unrestricted access to management and to the Group's external auditors. In addition, all Directors are entitled to seek independent professional advice – at the Group's expense – on any matters pertaining to Renergen as and when they deem necessary.

The Board also considers the impact of each Director's interests, including those in the business in terms of direct or indirect shareholding and/or an interest in a contract with the Group. Conflicts of interest, actual or perceived, are monitored. All Directors of the Group and its subsidiary are required to adhere to the Group's policy on dealing in the Group's securities, which is designed to prevent insider trading in terms of the Financial Markets Act, 2012. In this respect, the Board operates in terms of the regulations and requirements laid out by both the JSE and ASX.

BOARD CHARTER

The Board Charter provides guidelines to Directors in respect of, *inter alia*, the Board's responsibilities, authority, composition, meetings and the need for performance evaluations. The Board Charter also provides for a clear division of responsibilities to ensure a balance of power and authority to ensure that no single Director has unfettered powers of decision-making.

SUCCESSION PLANNING

The Nomination Committee oversees succession planning for Independent Non-executive Directors and monitors the succession planning for Executive Directors.

Renergen has a succession plan in place for Executive Directors and Senior Management, which provides for the key management of the Group.

The Group continuously strives to improve its talent pool through a comprehensive and focused plan for the management of human capital, including career development and recruitment. The Board is satisfied that the ongoing efforts to strengthen leadership provide both short- and long-term management depth.

The CEO and COO share responsibilities, shadow one another and together demonstrate a wealth of experience and insights with regards to the business, having both been involved with the primary asset since 2013.

BOARD COMMITTEES

Without abdicating its own responsibilities and accountability, the Board delegates certain functions to well-structured Committees which assist the Board in discharging its duties. Board Committee Charters define the purposes, authority and responsibility of the various Board Committees, namely:

- The Renergen EXCO.
- The Audit, Risk and IT Committee.
- The Governance, Ethics, Transformation, Social and Compensation Committee.
- The Nomination Committee.

BOARD MEETINGS

The Board meets quarterly. Ad-hoc special meetings are convened as necessary. Attendance details for both Board and Board Committee meetings are set out on page 59.

COMPANY SECRETARY

All Directors have access to the services and advice of the Company Secretary, Acorim Proprietary Limited. The Company Secretary supports the Board as a whole, and Directors individually, by providing guidance on how to fulfil responsibilities in the best interests of the Group.

The performance of the Company Secretary is evaluated on an annual basis. In terms of the most recent review,

the Board remains satisfied with the competency and experience of the Company Secretary and is satisfied that an arm's length relationship exists.

TECHNOLOGY AND INFORMATION GOVERNANCE

The Board affirms its responsibility towards upholding the governance of technology and information. The governance model reflects both business and IT requirements, focusing on strategic alignment, value delivery, risk management (including information security, resilience, as well as legislative, health and safety compliance), resource management and performance management. The Audit, Risk and IT Committee assists the Board in carrying out its IT responsibilities.

BOARD AND COMMITTEE ATTENDANCE REGISTER

BOARD

	31 MAY 2019	02 AUG 2019	AGM AND SPECIAL ARIC 27 SEP 2019	22 NOV 2019	14 FEB 2020
Fee per meeting					
Brett Kimber	✓	✓	✓	✓	✓
Mbali Swana	✓	✓	✓	✓	✓
Luigi Matteucci	✓	✓	✓	✓	✓
Bane Maleke	X	✓	X	✓	✓
Francois Olivier	✓	✓	✓	✓	✓
Dave King		✓	✓	✓	✓

AUDIT COMMITTEE

	17 MAY 2019	11 NOV 2019	31 JAN2020
Fee per meeting			
Luigi Matteucci	✓	✓	✓
Mbali Sana	X	✓	✓
Bane Maleke	✓	✓	✓

GOVERNANCE, ETHICS, TRANSFORMATION, SOCIAL AND COMPENSATION COMMITTEE (GETSC)

	17 MAY 2019	11 NOV 2019	31 JAN2020
Fee per meeting			
Brett Kimber	✓	✓	✓
Bane Maleke	✓	✓	✓
Luigi Matteucci	✓	✓	✓
Mbali Swana	✓	✓	✓

ADHOC MEETINGS

	29 MAY 2019	24 APRIL 2019	25 FEB 2020
Purpose of meeting	Special board strategy meeting	External audit proposals meeting	GETCS PwC benchmark discussion meeting
Brett Kimber	✓	-	✓
Mbali Swana	✓	✓	✓
Luigi Matteucci	✓	✓	✓
Bane Maleke	X	✓	✓

OUR BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

THE RENERGEN DIRECTORS, DURING OR SINCE THE END OF THE FINANCIAL YEAR, ARE SET OUT BELOW. UNLESS OTHERWISE STATED, THE DIRECTORS HELD OFFICE FOR THE DURATION OF THE FINANCIAL YEAR. THE DIRECTORS BRING RELEVANT EXPERIENCE AND SKILLS TO THE BOARD, INCLUDING INDUSTRY KNOWLEDGE, BUSINESS INSIGHTS, FINANCIAL MANAGEMENT AND ESSENTIAL CORPORATE GOVERNANCE EXPERIENCE.

MR STEFANO MARANI (42)



**Managing
Director and
Chief Executive
Officer**

*BSc Actuarial Science; BSc Hons in
Advanced Mathematics of Finance*

**Appointed to the Board on
20 November 2014**

SKILLS AND EXPERIENCE

Stefano began his career in banking, working for Deutsche Bank in New York, London and Johannesburg in the areas of derivative sales and structuring for corporate clients hedging market exposures. He subsequently moved to Morgan Stanley in London where, as an Executive Director, he ultimately headed capital markets for the Emerging Markets in EMEA until 2009. He resigned from Morgan Stanley to start his own financial services firm which specialises in financing projects in Africa. This led him to acquiring the Virginia Gas Project along with Nick Mitchell in a special purpose vehicle backed by several investors. He has been the Managing Director of the Virginia Gas Project since 2013.

CURRENT EXTERNAL APPOINTMENT

None

**FULUFHEDZANI (FULU) RAVELE
(33)**



**Executive
Director and
Chief Financial
Officer**

BCom Financial Accounting; Postgraduate Diploma in Accounting; CA(SA); Applied Financial Management; CIMA Adv Dip MA

**Appointed to the Board on
25 November 2015**

SKILLS AND EXPERIENCE

Fulu joined Tetra4 as Financial Director in July 2015 and was appointed to the Board of Renergen as Renergen's full-time Financial Director in November 2015 following the acquisition of Tetra4. Fulu has experience in financial accounting, internal and external audit. After qualifying as a CA(SA), she was seconded to the Deloitte LLP Los Angeles office as an audit senior. She was appointed as a management accountant at Barclays Capital South Africa in June 2013, where she focused on reporting financial results for Corporate and Investment Banking (CIB) South Africa and the rest of Africa.

CURRENT EXTERNAL APPOINTMENT

None

NICK MITCHELL (41)



**Executive
Director and
Chief Operating
Officer**

Microsoft Certified Systems Engineer (MCSE), A+ Certified

**Appointed to the Board on
25 November 2015**

SKILLS AND EXPERIENCE

Nick is an experienced Director with a demonstrated history of working in the energy and infrastructure sectors across sub-Saharan Africa. He is focused on early-stage company and project development and has strong competencies in operations, sales and is proficient in IT systems. Since Renergen's acquisition of Tetra4 from Molopo Energy Limited in October 2013, a process in which he played a pivotal role, Nick has served as COO for Renergen and Tetra4, working closely with CEO Stefano Marani to establish the business plan and raise the requisite funding from both the equity and debt markets.

CURRENT EXTERNAL APPOINTMENT

Nick is Chairman of the Onshore Petroleum Association of South Africa (ONPASA). ONPASA represents the upstream onshore petroleum industry in South Africa.

INDEPENDENT NON-EXECUTIVE DIRECTORS

BRETT KIMBER (59)



**Non-executive
Chairman,
Independent**

BSc Hons Mineral Economics; BSc Hons Geochemistry

Appointed to the Board on 17 June 2015

SKILLS AND EXPERIENCE

Brett has extensive global experience spanning the Americas, Asia (South Korea, China, Taiwan, Malaysia, Philippines and Singapore) and Southern Africa. He was previously MD of African Oxygen (Afrox) Limited, a position he stepped down from in January 2015 after a 25-year career working in various capacities within The Linde Group and across a variety of regions. Brett has extensive experience in problem solving, restructuring, finance, business development and mergers and acquisitions. Having graduated with a BSc Hons Geochemistry in 1987, Brett joined Anglo American in 1988 as a senior research geologist before joining the then BOC Group (now The Linde Group) in 1990.

CURRENT EXTERNAL APPOINTMENT

Brett is currently CEO of Eazi Access Rental (Pty) Ltd.

DR DAVID KING (73)



**Non-executive
Director,
Independent**

PhD; MSc; FAusIMM; FAICD

Appointed to the Board on 4 June 2019

SKILLS AND EXPERIENCE

A professional geoscientist with more than 40 years' experience, David has held various Board positions with ASX-listed oil and gas exploration companies and served as MD of gold producer North Flinders Mines, CEO of oil and gas producers Beach Petroleum and Claremont Petroleum, and Chairman of Robust Resources Ltd. He was also a founder and Executive Director of Eastern Star Gas Ltd and Sapex Ltd. A Fellow at the Australian Institute of Company Directors, the Australian Institute of Geoscientists, and Australasian Institute of Mining and Metallurgy, David holds an MSc in Geophysics and a PhD in Seismology.

CURRENT EXTERNAL APPOINTMENT

David is currently Non-executive Director of ASX-listed Galilee Energy Limited and Tap Oil Ltd, and AIM-listed Litigation Capital Management Ltd; and Chairman of ASX-listed Cellmid Limited.

MBALI SWANA (63)



**Non-executive
Director,
Independent**

Bas; BArch; Pr Arch; MIAT

**Appointed to the Board on
16 February 2015**

SKILLS AND EXPERIENCE

Mbali has significant experience in implementing large-scale projects across Africa, including managing the Cape Town 2004 Olympic Bid Facilities and designing and executing the construction of a R502 million Correctional Services Facility for South Africa. An architect by training, he is also a consummate entrepreneur, having founded Plan Architects Inc. in 1986 and project and construction management firm Swana Management Services in 1990. Together these businesses would eventually be restructured as business units under the Prop5 Corporation (Pty) Limited banner. Mbali is currently focused developing Prop5's Africa-wide strategy for the development of infrastructure.

CURRENT EXTERNAL APPOINTMENT

Mbali is CEO of Prop5 Corporation (Pty) Limited, a turnkey built environment infrastructure and engineered products developer.

LUIGI MATTEUCCI (66)



**Non-executive
Director,
Independent**

CA(SA); BCom; CTA

**Appointed to the Board on
16 February 2015**

SKILLS AND EXPERIENCE

Luigi is a qualified CA who actively consults on strategic and business development initiatives in the mining and engineering fields. He has served in a variety of senior management positions. Having completed his articles at Coopers and Lybrand in 1978, Luigi joined Highveld Steel & Vanadium Corporation Limited as Chief Accountant in 1979. In 1985 he was appointed as Financial Director of Highveld Steel & Vanadium, a position he held for 22 years, until 2007. During his tenure at Highveld Steel & Vanadium, Luigi successfully implemented cost reduction and efficiency strategies for what was then the world's largest producer of vanadium.

CURRENT EXTERNAL APPOINTMENT

Luigi also serves on the Boards of Delta EMD Ltd and Sublime Technologies Ltd.

INDEPENDENT NON-EXECUTIVE DIRECTORS

**DR BANE MOEKETSI MALEKE
(70)**



**Non-executive
Director,
Independent**

BA; MBA; PhD

**Appointed to the Board on
7 December 2016**

SKILLS AND EXPERIENCE

Bane holds an MBA from Dalhousie University in Canada and a Ph.D. in Strategic Management from the University of Bath in the United Kingdom; his doctoral thesis explored the strategic change process within a Lesotho-based parastatal. He spent 20 years in senior management at the Development Bank of South Africa and held the position of Regional Executive for the Southern African Development Community and East Africa Regions

CURRENT EXTERNAL APPOINTMENT

Bane serves on the Board of Econet Telecoms Lesotho.

FRANCOIS OLIVIER (49)



**Non-executive
Director**

CA(SA); CFA; BCom (Hons)

**Appointed to the Board on
19 November 2018**

SKILLS AND EXPERIENCE

Francois has more than 20 years of investment research and portfolio management experience, the first six of which were spent in the United States. With a particular interest in hedge funds, Francois is constantly searching for new ideas to generate alpha, both in South Africa and internationally. He is a CA(SA) and CFA.

CURRENT EXTERNAL APPOINTMENT

Francois Olivier is a portfolio manager and executive Committee member at Mazi Asset Management. He is also a Non-executive Director of Ellies Holdings Limited.

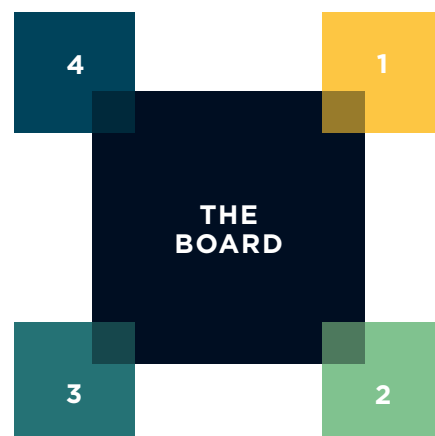
COMMITMENT TO KING IV PRINCIPLES

RENERGEN IS COMMITTED TO THE GOVERNANCE PRINCIPLES OF THE KING IV REPORT ON CORPORATE GOVERNANCE FOR SOUTH AFRICA, 2016 (KING IV OR THE CODE) AND CONTINUES TO DEVELOP ITS GOVERNANCE POLICIES, PRACTICES AND PROCEDURES IN LINE WITH AN INTEGRATED GOVERNANCE, RISK AND COMPLIANCE FRAMEWORK.

King IV was launched by the Institute of Directors in Southern Africa on 1 November 2016 as a set of voluntary principles and leading practices with an application approach of 'apply and explain'. Since 1 April 2017, the JSE has required listed entities to report back on the principles of King IV and the application thereof.

In keeping with the intention of the Code, the Renergen Board has been mindful in its application of King IV's 17 corporate governance principles and has endeavoured to ensure that recommended practices are interpreted and applied in a way that is appropriate for Renergen and the sector within which it operates.

The Board is satisfied that every effort has been made during the year under review to apply all material aspects of King IV where appropriate and relevant.



- 1** Audit, Risk and IT Committee
- 2** Governance, Risk, Transformation, Social and Compensation Committee
- 3** Nominations Committee
- 4** Executive Committee



LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

PRINCIPLE 1	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should lead ethically and effectively.	<p>Directors are well versed in their roles and responsibilities and continue to exhibit, both collectively and individually, required levels of integrity, competency and responsibility when executing their fiduciary role. All Directors are required to disclose their financial and other interests biannually and confirm any conflict that might arise ahead of each Board and Committee meeting.</p> <p>The Board's 2020 performance assessment of individual Directors contained questions relating to the governance and ethical display of conduct by each Director and the results indicated that the ethical tone of the organisation is well supported from the top and that Directors are held accountable for their leadership role and the manner in which this role is executed.</p>	3 Nominations Committee
PRINCIPLE 2	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<p>Renergen's various business integrity policies reflect the interests of all stakeholders and address and mitigate key ethical risks. Whistle-blowing hotlines are operational in both Renergen and its subsidiary, with regular awareness programmes to promote their use. Incidents reported through these channels are reported to the relevant Board Committees.</p> <p>The Group endeavours to reinforce its ethical stance throughout the supply chain. Community Codes of Conduct incorporate Renergen's ethics philosophy to ensure that employees and subcontractors also respect and adhere to Renergen's ethics, vision and values.</p>	2 Governance, Ethics, Transformation, Social and Compensation Committee
PRINCIPLE 3	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	<p>The Board, with support from the Governance, Ethics, Transformation, Social and Compensation Committee, sets the direction for good corporate citizenship, including compliance with the applicable laws, standards and internal policies and procedures, as well as alignment with Renergen's purpose, strategy and conduct. This is measured against agreed performance targets (both financial and non-financial) which are aligned with Renergen's strategic initiatives. The targets encompass the workplace, economy, society and the environment to ensure that Renergen's core strategy and conduct are consistent with it being, and being seen to be, a responsible corporate citizen. The Committee's oversight includes employment equity targets and application to the Broad-Based Black Economic Empowerment Codes.</p>	2 Governance, Ethics, Transformation, Social and Compensation Committee

STRATEGY, PERFORMANCE AND REPORTING

PRINCIPLE 4	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should appreciate that the organisation's core purpose, its risk and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>The Board steers and sets the direction, purpose, and strategy of the Group and assesses the risks and opportunities on a regular basis, taking into account operating context and the needs and expectations of stakeholders. The implementation of the approved strategic plans is delegated to management. This implementation and value creation are measured against the agreed performance targets.</p> <p>A quarterly risk assessment is undertaken by the Audit, Risk and IT Committee. All Directors have access to the risk assessments, ensuring they have a good understanding and knowledge of the risks and opportunities that may influence and impact the strategy.</p>	<p>1</p> <p>Audit, Risk and IT Committee</p>
PRINCIPLE 5	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short-medium- and long-term prospects.</p>	<p>Renergen publishes an Integrated Annual Report which is approved by the Board and appropriate Committees and is available on Renergen's website: www.renergen.co.za</p> <p>The Integrated Annual Report is prepared using the appropriate frameworks, which assist management in identifying the content and requirements of the reports.</p> <p>Renergen furthermore publishes Interim Results as well as Quarterly Update reports, as required by the ASX.</p> <p>The Board oversees that the various reports are compliant with the requisite legal reporting requirements and meet the reasonable and legitimate needs of material stakeholders. Most importantly, the Board and its various Committees review and approve the integrity of the data contained in all external reports to stakeholders. Regular trading updates are also published on the JSE Limited Stock Exchange News Service (SENS) and the ASX Market Announcements Platform, thereby providing transparent, timely and accurate communication with our shareholders. External assurance is obtained on the Annual Financial Statements.</p>	<p>1</p> <p>Audit, Risk and IT Committee The Board</p>

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 6	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p>	<p>The Board operates under an approved Board Charter, which is reviewed on an annual basis and which directs the roles, responsibilities and processes that are followed with respect to corporate governance. The Board Charter forms an integral part of the Group's governance framework.</p> <p>The Governance, Ethics, Transformation, Social and Compensation Committee implements and monitors the governance practices throughout the Group. Regular updates, facilitated by the Group Company Secretary, ensure that the Board and its Committees are kept up to date and abreast of best practice governance recommendations.</p> <p>A detailed breakdown of the number of meetings held during the reporting period, and attendance at those meetings, is contained in the Integrated Annual Report.</p> <p>The Board, as well as any Director or Committee, may obtain independent, external professional advice at the Group's expense concerning matters within the scope of their duties and the Directors may request documentation from and set up meetings with management as and when required.</p> <p>The Board is satisfied that it has fulfilled its responsibilities in accordance with its Charter for the reporting period.</p>	 <p>The Board</p>
PRINCIPLE 7	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>The Board consists of nine Directors, with five independent Non-executive Directors and one non-independent Non-executive Director.</p> <p>The Board categorises Non-executive Directors as independent when they conclude, pursuant to proper assessment, that there are no factors which could cause (or be perceived to cause) undue influence or biased decision-making, as a result of 'non-independence'. All Directors are appointed following a transparent, formal process in accordance with the Memorandum of Incorporation (MOI).</p> <p>The Board Charter provides for the appropriate size of the Board, taking into account diversity targets. The Board furthermore has a Race Diversity and Gender Policy. Board succession is top-of-mind, with the issue receiving considerable focus on the agendas of the Nominations Committee and the Board.</p> <p>None of the Independent Non-executive Directors have served on the Board for more than nine years, however, should a Director serve for a period of nine years, a review of the independence and performance of the said Director would be undertaken by the Board.</p>	 <p>Nominations Committee</p>

**PRINCIPLE 7
CONT..****APPLICATION**

The MOI requires that one-third of Directors be re-elected by way of rotation at the AGM, which provides for shareholders to consider the suitability of the Directors on a regular basis. Board members proactively declare and recuse themselves from any item of discussion in which they may have a direct, indirect or a potential conflict of interest.

Such declarations are managed by the Chairman. The Board is assisted by a competent, suitably qualified and experienced Company Secretary.

**PRINCIPLE
OVERSIGHT****3**

Nominations
Committee

PRINCIPLE 8**APPLICATION**

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.

The Board is assisted by four Committees whose roles and responsibilities are directed through the Board, the Group's delegation of authority framework, the Companies Act and any other relevant legislation. The Committees are the Audit, Risk and IT Committee, the Governance, Ethics, Transformation, Social and Compensation Committee, the Nomination Committee and the Executive Committee.

Each Committee has its own terms of reference, which are reviewed and approved on an annual basis by the Board to ensure they are reflective of the governance principles and processes to which Renergen subscribes. The Nominations Committee reviews the Committees' membership on an annual basis to ensure these are appropriately constituted. Succession plans are considered to ensure continuity when Directors retire or resign.

**PRINCIPLE
OVERSIGHT**

The Board

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 9	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that the evaluation of its own performance and that of its Committees, its chair and its individual members, support continued improvement in its performance and effectiveness.	During the 2020 financial year, in line with its responsibility for the overall performance of Directors, the Board conducted an independent external evaluation of its own performance. The Board and its Committees refined the implementation actions that arose out of that evaluation and continue to monitor performance and effectiveness.	<div>3</div> Nominations Committee
PRINCIPLE 10	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	<p>Renergen has appointed a CEO who is an Executive Director. He is an active Board participant and attends all Committee meetings either as a member or by invitation to ensure that he is available for questions. The Board Charter clearly delineates the roles and responsibilities of the Chairman, the Group CEO and the Board, thereby ensuring clear role clarity. The delegation of authority framework sets out authority thresholds and governs sub-delegation. Professional corporate governance has been outsourced to Acorim Proprietary Limited (Acorim), as Renergen's Company Secretary. All Directors have unfettered access to the Company Secretary.</p> <p>The Board considers the competence, qualifications and experience of the Company Secretary annually and is satisfied that Acorim is competent and has the appropriate in-house qualifications and experience required. The Board further believes that the Company Secretary is suitably qualified and experienced to carry out the duties stipulated under section 88 of the Companies Act.</p> <p>The Board is satisfied that an arm's length relationship exists with the Company Secretary.</p>	<div>3 2</div> Nominations Committee Governance, Ethics, Transformation, Social and Compensation Committee

GOVERNANCE FUNCTIONAL AREAS

PRINCIPLE 11	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives. The Risk and Compliance Committee sets the methodology for risk governance, including evaluating opportunities and risks when developing medium- to long- term strategies.</p>	<p>The Board ensures that risk considerations are observed as an integral part of the Group's decision-making processes. The implementation and execution of risk management has been delegated to management, however the Board exercises continuous oversight in this regard.</p> <p>The Board approves Renergen's Risk Management Policy, which sets out Renergen's risk appetite and risk tolerance levels, ensuring that risks are managed within these levels based on materiality and changes in the external and internal environments.</p> <p>The Board Committees are responsible for ensuring the effective monitoring of material risks and opportunities, in compliance with Renergen's Enterprise Risk Management (ERM) framework and Risk Management Policy, and as per the scope of each Committee. Renergen's approved ERM framework, process and methodology are aligned with best practice and good governance requirements.</p> <p>Renergen's approach to increasing the probability of anticipating unpredictable risks includes regular monitoring of key developments in the external and internal environments, as well as identifying and monitoring developments associated with emerging risks identified as part of its 'watch-list'.</p> <p>The material issues – their risks and opportunities, together with the risk management framework and processes for the Group – are disclosed in the Integrated Report.</p>	<p>1</p> <p>Audit, Risk and IT Committee</p>
PRINCIPLE 12	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</p>	<p>The Board is cognisant of the importance of technology and information governance as it is interrelated to the strategy, performance and sustainability of Renergen. The Audit, Risk and IT Committee is responsible for IT governance and oversees the implementation of IT governance mechanisms, IT frameworks, policies, procedures and standards to ensure the effectiveness and efficiency of Renergen's information systems.</p> <p>The Committee has co-opted an external IT specialist to assist with governing technology and information. This information management (IM) function is accountable for the operational governance of IM throughout the Group and is aligned with Renergen's business needs and sustainability objectives.</p> <p>Assurance is provided that the IM controls in place are effective, IM risks are addressed and the return on major IT investments, aligned to Renergen's strategy, is monitored by the Committee.</p> <p>IT investments and expenditure are governed in terms of Renergen's Delegation of Authority, and major IT projects are reviewed and monitored by the Board through the IT Governance Report, which is tabled at Audit, Risk and IT Committee meetings.</p>	<p>1</p> <p>Audit, Risk and IT Committee</p>

GOVERNANCE FUNCTIONAL AREAS

PRINCIPLE 13	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.</p>	<p>From an overall perspective, the Audit, Risk and IT Committee directs and ensures the governance of compliance to applicable laws, non-binding rules, codes and standards, as adopted by Renergen.</p> <p>Compliance risk management forms an integral part of Renergen's overall risk management programme. Legal compliance systems and processes are in place and are continuously being improved to mitigate the risk of non-compliance with the laws in the various jurisdictions in which Renergen does business and to ensure appropriate responses to changes and developments in the regulatory environment.</p> <p>The Audit, Risk and IT Committee receives regular reports on compliance matters to the extent that they have an impact on Renergen's financial statements. Specific areas of law have been identified as key Group legal compliance risk areas and risk mitigation and control steps have been identified for each of these areas.</p> <p>The Group did not have any material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations during the reporting period.</p> <p>In addition to the work of the Audit, Risk and IT Committee, the Governance, Ethics, Transformation, Social and Compensation Committee assists the Board with ensuring responsible business practices throughout the Group and monitors the Group's activities in line with section 72 of the Companies Act, no 71 of 2008 (as amended). Renergen maintains and fosters relationships with key stakeholders, such as industry bodies, regulators and government.</p>	<p>1 2</p> <p>Audit, Risk and IT Committee</p> <p>Governance, Ethics, Transformation, Social and Compensation Committee</p>
PRINCIPLE 14	APPLICATION	PRINCIPLE OVERSIGHT
<p>The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term.</p>	<p>The Board, assisted by the Governance, Ethics, Transformation, Social and Compensation Committee, oversees the establishment of a Remuneration Policy that will promote the achievement of strategic objectives at all levels in Renergen and reviews the outcomes of the implementation of the Remuneration Policy on an annual basis.</p> <p>Renergen applies King IV recommendations with regards to reporting. Renergen's remuneration strategy is designed to attract and retain key talent and to motivate and reward employees fairly and responsibly to ensure they achieve key organisational objectives, while promoting the creation of value in a sustainable manner. The Remuneration Report is included in the Integrated Report.</p> <p>Non-executive Director fees are benchmarked on an annual basis and advice is obtained from external independent consultants.</p>	<p>2</p> <p>Governance, Ethics, Transformation, Social and Compensation Committee</p>

**PRINCIPLE 14
CONT...****APPLICATION**

The fees are proposed by management and recommended for approval by the Governance, Ethics, Transformation, Social and Compensation Committee and the Board to shareholders for approval. The Committee engages with shareholders and, more specifically, in advance of the AGM on any matters relating to the Remuneration Policy and Implementation Report. This engagement allows the Committee to discuss views with shareholders in matters relating to remuneration in advance of meetings.

**PRINCIPLE
OVERSIGHT****2**

Governance,
Ethics,
Transformation,
Social and
Compensation
Committee

PRINCIPLE 15**APPLICATION**

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.

The Board ensures that a combined assurance model is applied within Renergen that covers the significant risks and material matters through a combination of Renergen's line functions, risk and compliance functions, external auditors, and other assurance providers and regulatory bodies. A combined assurance model has been adopted by the Board under the oversight of the Audit, Risk and IT Committee. The Committee considers the completeness of the risks covered by the model and reviews the level of assurance obtained over the risks.

With the assistance of independent assurers, such as the external auditor, the Audit, Risk and IT Committee review and evaluate the Integrated Annual Report and the Annual Financial Statements prior to recommending them to the Board for approval. The Integrated Annual Report provides a consolidated review of the sustainability of the Group, including the Group's financial, economic, social and environmental performance on matters material to the Group's strategy as well as to the key stakeholders. The Audit, Risk and IT Committee, as well as the Board, receive regular reports from management regarding the matters set out above and are satisfied that the system of internal controls and risk management are effective.

**PRINCIPLE
OVERSIGHT****1**

Audit, Risk and
IT Committee

STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 16	APPLICATION	PRINCIPLE OVERSIGHT
<p>In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.</p>	<p>King IV emphasises the critical role of stakeholders in the governance process. As such, the Board will always consider the legitimate and reasonable needs, interests and expectations of stakeholders. Renergen has a number of diverse groups of stakeholders. The Board acknowledges that Renergen's operations should create value for all stakeholders who may impact and/or influence their operations. The Board has delegated to the respective management teams in the Group the responsibility to manage and implement the formal stakeholder engagement framework across Renergen.</p> <p>Management proactively deals with stakeholder relationships as part of the day-to-day operations of the business. Stakeholder engagement is facilitated in a manner that ensures value creation to Renergen and its various stakeholders.</p> <p>In line with the JSE Listings Requirements and the Listing Rules of the ASX, the Board makes every effort to treat all shareholders equally. The Group provides information to its stakeholders that is complete, timely, relevant, accurate and accessible. The degree of corporate transparency and communication is considered with reference to the relevant legal requirements and the maintenance of the Group's competitive advantage. Dispute resolution clauses are contained in all contracts and agreements entered into by the Group and its subsidiary. The Board has an approved governance framework for South Africa. The frameworks, together with the delegations of authority, ensure that the Board oversees the significant aspects and transactions of the subsidiary.</p> <p>Renergen strives to ensure a systematic and integrated approach to stakeholder engagement throughout the Group, facilitated through engagement programmes aimed at ensuring that all stakeholder issues have been identified, prioritised and appropriately addressed.</p> <p>The Board, through the Governance, Ethics, Transformation, Social and Compensation Committee, considers issues around stakeholder perceptions and oversees stakeholder engagement and management. By receiving regular reports, the Board is equipped with the necessary information to enable it to take the legitimate interests and expectations of stakeholders into account in its decision-making.</p> <p>Interaction with stakeholders happens during the normal course of business at multiple levels across the Renergen Group and Renergen strives to resolve disputes with its stakeholders effectively and expeditiously.</p> <p>The Group publishes its most recent financial and operational performance and provides recent historical information, including its Integrated Annual Reports, on its website: www.renergen.co.za. Renergen invites all shareholders to attend its AGM and facilitates participation by way of focused proxy solicitation and electronic means. The CEO and the Chief Operating Officer conduct regular presentations about the Group's performance and strategy to analysts, institutional investors and the media. Renergen's Investor Relations function maintains regular contact with the investment community and analysts.</p>	<p>2</p> <p>Governance, Ethics, Transformation, Social and Compensation Committee</p>

PRINCIPLE 17

APPLICATION

PRINCIPLE OVERSIGHT

The governing body of an institutional investor organisation should ensure responsible investment is practiced by the organisation to promote good governance and the creation of value by the companies in which it invests.

Renergen is not an institutional investor.

REMUNERATION REPORT

SECTION 1 - BACKGROUND AND CONTEXT

A report of material Remuneration and Policy matters covered by the Committee during the year from the Chairman of the Governance, Ethics, Transformation and Social Compensation Committee (GETSC)

SECTION 2 - THE REMUNERATION POLICY APPLICABLE FOR FY2020

Details of Renergen's remuneration philosophy, policy and framework to motivate and reward performance across short-, medium, and long-term time frames. This is tabled at the AGM for a non-binding advisory vote by the Group's shareholders.

SECTION 3 - IMPLEMENTATION REPORT

The implementation of the Remuneration Policy in the 2019 financial year, tabled at the AGM for a non-binding advisory vote (Ordinary resolution number 6) by the Group's shareholders.

SHAREHOLDER VOTING ON REMUNERATION RESOLUTIONS

	2019
Remuneration policy	93.73%
Implementation report	97%
Non-executive Directors' remuneration	97.05%

CHANGES TO THE REMUNERATION PHILOSOPHY FOR THE 2020 FINANCIAL YEAR

REMUNERATION DESCRIPTION / ELEMENT	CHANGE	REASON FOR THE CHANGE
Medical aid benefit	Introduction of medical aid benefit to all employees	The Group has a social responsibility to ensure our employees have access to health care

SECTION 1

This report highlights the material Remuneration and Policy matters dealt with by GETSC and summarises the Group's approach to fair, responsible and transparent remuneration and how this promotes the achievement of the Group's overall strategic outcomes.

REMUNERATION FRAMEWORK

The remuneration framework has been designed to achieve a fair and sustainable balance between annual, and short- and long-term variable remuneration in order to promote strategic objectives of the Group and align employees with the interest of our shareholders.

	SHORT-TERM INCENTIVE (CASH BONUS)	LONG-TERM INCENTIVE (BSP)	COST TO COMPANY PACKAGE
Participation	Senior management and other permanent employees	Executives and senior management	All permanent employees
Performance period	One year	Three years (vesting period of BSP)	Ongoing
Mechanics	Formula directed	Formula directed	Market-related and individual performance
Method of delivery	Cash	Renergen shares	Cash
Timing of delivery	Annually	Annually	Increases from 1 March 2020
Performance measures	Group and individual Key Performance Indicators (KPIs)	Group and individual KPIs	Individual KPIs

KEY ACTIVITIES OF THE GETSC COMMITTEE

During the year under review, the Compensation Committee comprising majority Independent Non-executive Director's reviewed the Remuneration Policy.

The focal areas have included:

- Introduction of a medical aid benefit for employees.
- The rollout and introduction of the Paterson Grading system for

evaluating and rewarding employee's remuneration within the Group. This will provide management with the most accurate information to assess remuneration levels for both current employees and new hires.

- Continuous review of the KPI methodology.
- The annual Executive and Non-executive Director remuneration benchmark report prepared by PwC Inc.

PRINCIPLES THAT DRIVE THE GROUP'S POLICY ON FAIR AND RESPONSIBLE REMUNERATION

- Renergen has set its internal minimum wage threshold well above the current proposed minimum wage threshold as legislated.
- Equal pay for work of equal value, specifically addressing any income disparities based on gender and race.
- All permanent employees of the Group participate in some form of short-term incentive scheme in line with the achievement of their KPIs.
- The total cost-to-company packages are informed by market rates at the time of employment and reviewed annually.
- Executives and senior management employees participate in the long-term incentive (BSP) and the scheme is designed specifically to reward performance and retain talent within the Group. The incentive is awarded based on KPI performance and is reviewed annually. The shares vest after a three-year period.
- All bonuses are based on KPI performance and reviewed annually. Bonuses are not guaranteed and are awarded at the full discretion of GETSC.

SECTION 2

REMUNERATION PHILOSOPHY, POLICY AND REWARD FRAMEWORK

The Group's remuneration philosophy is to ensure that employees are rewarded appropriately for their contribution to the execution of the strategy of the Group. The remuneration policy has been designed in such a way that the Group continues to attract, engage, retain and motivate the right, diverse talent required to deliver sustainable profit growth.

The remuneration policies are designed to achieve alignment between the Group's business strategy and the behaviours of all employees against the values of the Group. The policies recognise and reward individual responsibility, performance and behaviour in the achievement of the business areas' goals. These policies are applicable to all Group employees and participation in short and long-term incentive schemes is dependent on an individual's role and level within the Group.

The remuneration policy and the implementation thereof are focused on achieving a fair and sustainable balance between shorter, medium- and long-term incentive schemes for these employees. The fair and responsible application of the remuneration policy is guided by the King IV principles relating to fair and responsible remuneration, which have been adopted by the Group.

GETSC continues to make use of PwC Inc to perform an annual Executive and Non-executive Directors remuneration and benchmark analysis and provide a report. The process involves PwC Inc developing a Peer Group of companies against which Renergen is evaluated and compared. The Peer Group consists of 12 companies,

which are independently determined and selected by PwC as the best representative sample for this exercise based on their global remuneration expertise. The report presents a Lower Quartile, Median and Upper Quartile result for total guaranteed package, short-term incentive and long-term incentive and lastly total remuneration. Taking cognisance of the relatively early stage lifecycle of Renergen, GETSC believes it is best to align the total remuneration for Executives to the Lower Quartile of the Peer Group at this time but has provided sufficient flexibility by approving a range of up to the 35th percentile in which GETSC can make remuneration decisions. GETSC believes the lower quartile decision will need to be reassessed at the end of FY2021.

FAIR AND RESPONSIBLE REMUNERATION

In consideration of King IV, the Group's remuneration policy addresses fair and responsible remuneration for executive management in the context of overall employee remuneration.

OUR REMUNERATION FRAMEWORK

The Group's remuneration framework balances remuneration (financial rewards) with other non-financial rewards to drive and deliver a high-performance culture. The remuneration component of the Remuneration framework comprises two elements – Guaranteed Pay (GP) and Variable Pay (VP) – as illustrated below.



SERVICE CONTRACTS AND NOTICE PERIODS

Executive Directors have employment agreements with the Group which may be terminated with notice periods of three-month's notice. The Group CEO's contract has a three-month notice period.

SECTION 3

IMPLEMENTATION OF REMUNERATION POLICY FOR THE YEAR ENDED 29 FEBRUARY 2020

This section of the Integrated Annual Report specifically deals with the remuneration for the Group CEO, Executive Directors, and Non-executive Directors.

COMPLIANCE WITH THE REMUNERATION PHILOSOPHY

GETSC monitored the implementation of the Remuneration Policy throughout the year and is of the view that the Group was in material compliance with the 2020 remuneration policy (as set out in the 2019 Integrated Annual Report).

FAIR AND RESPONSIBLE REMUNERATION MIX

The Group, through GETSC, is committed to fair and responsible remuneration policies. During the 2020 financial year, the cost-to-company increase (linked to inflation) for the Renergen Group was approved.

DETAILS OF REMUNERATION PAID

The remuneration of the Renergen Directors and Prescribed Officers for the past two financial years is shown on the accompanying tables.

Should 25% or more of the votes exercised on the resolutions set out in Ordinary resolution 6.1 and Ordinary resolution 6.2 on page 190 be cast against both or either of these non-binding resolutions, Renergen undertakes to engage with the dissenting shareholders as to the reasons therefore and to take appropriate action to address the issues raised as envisaged in King IV and the JSE Listing Requirements.

EXECUTIVES

R'000	2020				2019			
	Total annual guaranteed package	Short-term cash incentive paid	Long-term share incentive awarded	Total	Total annual guaranteed package	Short-term cash incentive paid	Long-term share incentive awarded	Total
Stefano Marani	3 675	533	533	4 741	2 931	366	-	3 297
Fulu Ravele	2 459	216	216	2 891	2 157	269	-	2 426
Nick Mitchell	3 675	328	328	4 331	2 931	366	-	3 297
Total	9 808	1 077	1 077	11 963	8 019	1 000	-	9 020

PREScribed OFFICERS

R'000	2020				2019			
	Total annual guaranteed package	Short-term cash incentive paid	Long-term share incentive awarded	Total	Total annual guaranteed package	Short-term cash incentive paid	Long-term share incentive awarded	Total
Johann Weideman	1 569	-	-	1 569	196	-	-	196
Khalid Patel	1 233	98	98	1 429	1 134	97	97	1 328
Mandy-Leigh Stuart	959	71	71	1 101	837	67	67	970
Muhammed Khan	1 019	-	-	1 019	-	-	-	-
Total	4 779	169	169	5 118	2 166	164	164	2 494

NON-EXECUTIVES

R'000	2020			2019		
	Directors board fees	Committee fees	Total	Directors board fees	Committee fees	Total
Brett Kimber	749	92	841	238	112	350
Mbali Swana	292	245	537	216	99	315
Luigi Matteucci	292	255	547	216	210	426
Bane Maleke	262	184	446	216	163	379
David King	210	-	210	-	-	-
Francois Olivier	-	-	-	-	-	-
Total	1 805	776	2 580	886	584	1 470

DR DAVID KING REMUNERATION

Independent Non-executive Director Dr David King was issued options on 1,000,000 shares of the Company (or CDI equivalent) at the date of completion of the initial public offering (IPO) with a strike price equal to the IPO price plus a 20% premium. The options will accrue to King annually for completion of an entire year's service on each anniversary of his appointment at a rate of 250 000 shares per annum up to

and including the fourth anniversary. The options will mature at a rate of 250 000 shares per annum on each anniversary of his appointment to the Board, thus the shortest option will be one year on 250 000 shares and the longest option will be four years on 250 000 shares. This was approved by shareholders at the General Meeting held on Tuesday, 19 March 2019.

EXTERNAL APPOINTMENTS AND BOARD MEETING ATTENDANCE OF EXECUTIVE DIRECTORS

Executive Directors do not draw any additional remuneration for attending Board meetings. Renergen Executive Directors who sit on subsidiary Boards do not receive fees for serving on the Boards of those Committees.

DETAILS OF REMUNERATION PAID TO INDEPENDENT NON-EXECUTIVE DIRECTORS

The fee structure for Independent Non-executive Directors is aligned to the King IV remuneration guidelines that Non-executive Directors receive a base annual retainer for appointment to the Board or any Committee, together with an attendance fee (meeting fee) per meeting. The Chairman of the Board or any Committee receives a higher fee.

The appointment of Independent Non-executive Directors is initially considered and resolved by the Board, thereafter, the appointment is ratified by shareholders and is duly approved at the AGM. In line with best governance practice, Independent Non-executive Directors do not participate in either short-term or long-term incentives and their term of office is governed by the Group's Memorandum of Incorporation, which provides that at least one-third of the Independent Non-executive Directors will retire by rotation, but may, if eligible, offer themselves for re-election. The remuneration of the Executive Directors is reviewed by GETSC annually and approved by the Board. It is further presented and voted on by the shareholders at the next AGM.

The remuneration of Renergen's Independent Non-executive Directors for the past two financial years is shown

in the accompanying table. The Board recommends that shareholders approve the implementation of the proposed fees in order to align the remuneration strategy with the Executive and Non-executive remuneration benchmark report prepared by PwC Inc.

GOVERNANCE, ETHICS, TRANSFORMATION, SOCIAL AND COMPENSATION REPORT

GETSC is a statutory Committee which assists the Board in monitoring the Group's corporate citizenship, sustainability and ethics.

INSURANCE

The Audit, Risk and IT Committee monitors insurance coverage at Renergen and regularly reviews a summary of the coverage. Directors and officers enjoy the benefit of liability insurance funded by the Group to cover instances where they could be held personally liable to the Group in cases of negligence, default or a breach of duty or trust. The cover excludes liability resulting from criminal, reckless or fraudulent behaviour. The level of cover is reviewed annually to ensure that it is appropriate.

COMPLIANCE

We ensure compliance with all legislation and regulations applicable to our businesses. These include the Companies Act, JSE Listings Requirements, the ASX Corporate Governance Principles and Recommendations (Fourth Edition) and the recommendations set out in King Report. Tetra4 operates in a highly regulated sector.

In this regard Renergen submits regular reports as required by the following

regulators:

- PASA in respect of the exploration rights, production rights and social and labour report.
- The National Energy Regulator (NERSA) in relation to storage license and trading license.

All operations comply with the required legislation including:

- Mine Health and Safety Act 29 of 1996.
- Occupational Health and Safety Act of 1993.
- Hazardous Substances Act 1973.
- Mineral and Petroleum Resources Development Act (MPRDA).
- National Environmental Management Act of 1988.

LITIGATION STATEMENT

In terms of the JSE Limited Listings Requirements, the Directors note that they are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

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ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
29 FEBRUARY 2020

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GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Energy company, focused on alternative and renewable energy sectors in South Africa and sub-Saharan Africa. The Company is listed on three stock exchanges, JSE Alternative Exchange (AltX), A2X Markets and the Australian Securities Exchange (ASX)
Directors	Stefano Marani (CEO) Fulu Ravele (CFO) Nick Mitchell (COO) Brett Kimber (Non-executive Chairman) Dr David King Mbali Swana Luigi Matteucci Dr Bane Moeketsi Maleke Francois Olivier
Registered office	First Floor 1 Bompas Road Dunkeld West 2196
Auditors	Mazars Registered Auditors
Secretary	Acorim Proprietary Limited
Company registration number	2014/195093/06
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008
Transfer secretaries	Computershare Investor Services Proprietary Limited
Designated adviser	PSG Capital
JSE Share code	REN
JSE ISIN	ZAE0002026
ASX Share code	RLT
ASX Business number	93998352675
A2X Markets	REN
Preparer	The financial statements were prepared under the supervision of Fulu Ravele CA(SA) Chief Financial Officer.

DIRECTORS' RESPONSIBILITIES AND APPROVALS

Renergen Directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report.

The Directors take full responsibility for ensuring that the financial statements fairly reflect the financial affairs of the Group as at the end of the 2020 financial year, including the results of its operations and cash flows for the period. This is done in conformity with the IFRS. The financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. External auditors are engaged to express an independent opinion on the completed financial statements.

Renergen Directors acknowledge that they are responsible for the internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Renergen Board has set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards. The Directors are committed to ensuring the Group's business is conducted in a manner that, in all reasonable circumstances, is above reproach. Renergen's risk management focus centres on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise risk

where possible by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by Management, that the system of internal controls in place provide reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against misstatement or loss.

The Group will continue as a going concern, which contemplates the realisation of assets and satisfaction of liabilities in the normal course of business for the foreseeable future. The Group's ability to achieve profitability is dependent on the volume of Liquefied Natural Gas and Liquefied helium sales that will be achieved from the time the plant is fully commissioned in the 2022 financial year. The Directors have reviewed the Group's forecasts for the next twelve months and are satisfied that the Group has adequate financial resources to continue as a going concern, including with specific consideration of the risk associated with COVID-19.

The external auditors are responsible for independently auditing and reporting on the Group's financial statements. The financial statements have been examined by the Group's external auditors and their report is presented on pages 95 to 99.

The financial statements set out on pages 108 to 113, which have been prepared on the going concern basis and the Directors report on page 100, were approved by the Board of Directors on 28 May 2020 and were signed on their behalf by:



Fulu Ravele



Luigi Matteucci

AUDIT, RISK AND IT COMMITTEE REPORT

INTRODUCTION

The Audit, Risk and IT Committee (the Audit Committee) is an independent statutory Committee appointed by Renergen's shareholders. In terms of section 94 of the Companies Act 71 of 2008, as amended (the Companies Act), and the principles of good governance, shareholders annually appoint certain independent Directors as members of the Audit Committee to fulfil the statutory duties as prescribed by the Companies Act.

In addition, Renergen's Board of Directors (the Board) delegates specific duties to the Audit Committee. This report considers these statutory and delegated duties as well as the Audit Committee's responsibilities in terms of the JSE

Listings Requirements and the King IV Code on Corporate Governance, 2016 (King IV).

TERMS OF REFERENCE

The Audit Committee has adopted formal terms of reference which are reviewed and updated on an annual basis, or as deemed necessary, by both the Committee and the Board. The Committee is satisfied that it has discharged its duties in accordance with its terms of reference.

COMPOSITION AND GOVERNANCE

During the year under review the Audit Committee comprised of the following independent Non-executive Directors:

NAME	QUALIFICATION	DESIGNATION
Luigi Matteucci (Chairperson)	B.Com (Wits) CTA (Wits) CA (SA)	Independent member. Member of Committee since May 2016 and appointed as Chairperson in February 2019
Mbali Swana	Bas (UCT), BArch (UCT), Pr Arch (SA), MIAT (SA)	Chairperson and Independent member since February 2015. Stepped down as Chairperson of the Committee in February 2019 but remained a member of the Committee
Bane Maleke	MBA (Dalhousie University Canada), PhD Strategic Management (University of Bath UK)	Member of the Committee since December 2016

For details of the qualifications, expertise and experience of the members of the Audit Committee, refer to page 62 to 64 of the Integrated Annual Report.

Members of the Audit Committee satisfy the requirements to serve as members of an Audit Committee, as provided for in section 94 of the Companies Act, and collectively have adequate knowledge and experience to carry out their duties.

The Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operating Officer (COO) and representatives of the appointed external auditor are invited to attend all Audit Committee meetings. The Chairperson of the Audit Committee has regular contact with Management to discuss relevant matters directly. The external auditors have direct access to the Audit Committee, including closed sessions without Management, on any matter that they regard as relevant to the fulfilment of the Audit Committee's responsibilities.

Three Audit Committee meetings and one ad-hoc meeting were held during the year under review, aligned with the key reporting and regulatory timelines. The meetings' key focus areas were:

- The financial performance and position of the Group.
- The solvency and liquidity position of the Group.
- Renergen's interim results for the six months to 31 August 2019 and the accompanying SENS announcement.
- The external audit plan.
- Renergen's financial year end results and the accompanying SENS announcement.
- Significant and unusual accounting transactions.
- The external auditor's report.
- JSE correspondence and the Committee's responses thereto.
- Renergen's risk register and the responses associated with each risk.
- The adequacy of the risk management policy, charter and plan, as well as the risk tolerance and risk appetite statements.

Certain recommendations were made by the Audit Committee in this regard which have been adopted by Management;

- The insurance cover in place to protect the Group's assets.
- Risks associated with business continuity planning.
- Whistleblowing policies and procedures.
- The appropriateness of the external auditor and the individual registered auditor.

The Chairperson of the Audit Committee reports to the Board on its activities and the matters discussed at each meeting, highlighting any key items that the Audit Committee believes require action and providing recommendations for the Board's resolution.

The performance of the Audit Committee is reviewed annually by the Board. The latest review concluded that the Audit Committee operates effectively and successfully discharged its responsibilities and duties in line with its approved terms of reference.

ROLES AND RESPONSIBILITIES

The Audit Committee's primary objective is to assist the Board with its responsibilities for, *inter alia*:

- Oversight of financial and internal control.
- Oversight and review of the integrity of financial reporting.
- Oversight and review of the external audit process.
- Oversight of any non-audit services and approval of the policy in regard thereto.
- Oversight and review of Renergen's financial function.

AUDIT, RISK AND IT COMMITTEE REPORT

- Management of risk.
- Governance of information technology and the effectiveness of Renergen's information systems.
- Legislative and regulatory compliance.
- Oversight of the policies and procedures for the prevention and detection of fraud.

FINANCIAL AND INTERNAL CONTROLS

The Group has established and maintains internal controls and procedures, which are reviewed on a regular basis. These are designed to manage significant control deficiencies raised by Management or the external auditors and to provide reasonable assurance against the possibility of any failures.

The Audit Committee is satisfied that Renergen has optimised the assurance coverage obtained from Management and external assurance providers, in accordance with an approved combined assurance model. The Audit Committee is also satisfied that the combined assurance model and related systems and procedures are effective in enabling an effective internal control environment and supporting the integrity of internal and external reports.

Based on its continuous review of the design, implementation and effectiveness of Renergen's systems of internal financial controls, and on reports made by the external auditors on the results of their audit and management reports, the Audit Committee is satisfied that Renergen's system of internal financial controls is effective and forms a basis for the preparation of reliable financial statements. No findings have come to the attention of the Audit Committee to indicate


that any material breakdown in internal controls occurred during the past financial year.

FINANCIAL REPORTING

The Audit Committee receives regular reports from the CFO regarding the financial performance of the Group, this includes details of budgets, forecasts, long-term plans and capital expenditures, financial reporting controls and processes, and the adequacy and reliability of management information used during the financial reporting process.

The Audit Committee reviewed the audited Annual Financial Statements for the year ended 28 February 2020 and, following an assessment, considered the financial reporting process and controls that led to the compilation of the Annual Financial Statements to be effective. No significant matters were identified by the Audit Committee relating to the Annual Financial Statements and the Audit Committee submits that they present a balanced view of the Group's performance for the year under review. The Audit Committee is therefore of the view that the annual financial report complies in all material respects with the statutory requirements of the various regulations governing disclosure and reporting of the consolidated Annual Financial Statements and that the consolidated financial statements comply in all material respects with IFRS, the SAICA Financial Reporting Guides issued by the Accounting Practices Committee and Financial Reporting Pronouncements issued by the Financial Reporting Standards Council, as well as the requirements of the Companies Act and the ASX and JSE Listing Requirements.

During the year, the Audit Committee reviewed the Group's six months Interim Financial results



ended 31 August 2019, Group's unaudited and unreviewed Appendix 4E 28 February 2020 Preliminary Financial Results published on ASX and recommended these for Board approval. The Committee also reviewed and recommended that the 28 February 2020 Annual Financial Statements and the financial information included in the 29 February 2020 Integrated Annual Report be approved by the Board.

EXTERNAL AUDIT

The Audit Committee is responsible for the appointment, compensation and oversight of the external auditors for the Group

Mr. J Barradas completed his five-year tenure as Renergen's individual registered auditor during the statutory audit for the financial year ended 28 February 2019. Given Renergen's policy of rotating its audit partner every five years, a formal tender process was initiated for the identification and appointment of a new independent external auditor.

Accordingly, the Board, with the assistance of the Audit Committee, engaged in a tender process and reviewed a number of candidate audit firms for the appointment of Renergen's independent external auditor for the financial year ending 29 February 2020.

The Directors proposed the appointment of Mazars as an independent external auditor with Mr Shaun Vorster as partner, at the Annual General Meeting held on 27 September 2019. Shareholders approved the appointment of new external auditor. The individual registered auditor responsible for the audit of 29 February 2020 was Mr S Vorster.

Prior to the commencement of the statutory audit for the financial year ended 29 February 2020, the Audit Committee reviewed and approved

the auditor's engagement letter, the audit plan and the audit fees payable to Mazars. The Audit Committee further monitored the external auditor's progress against the approved audit plan. Following the statutory audit, the auditor's report provided the Audit Committee with the necessary assurance in respect of Renergen's risk management processes, internal control environment and IT governance.

It is the recommendation of the Committee to the Board that shareholders reappointed Mazars as Renergen's independent external auditor with Mr S Vorster as auditor for the financial year ended 28 February 2021 at the Annual General Meeting to be held on 7 August 2020.

A formal procedure has been adopted to govern the process where the external auditor may be considered for non-audit services and the extent of these services is closely monitored by the Audit Committee. The Committee approved fees payable to Mazars for non-audit services for the year ending 29 February 2020.

The Audit Committee was satisfied that Mazars were independent of the Company.

EVALUATION OF THE CFO AND THE FINANCE FUNCTION

The Audit Committee evaluated the expertise and performance of Ms. F Ravele during the financial year ended 29 February 2020 and is satisfied that she has the appropriate expertise and experience to carry out her duties as the CFO of the Group. The expertise, experience and adequacy of the resources making up the finance function were also considered, and the Audit Committee is satisfied that these are appropriate.

AUDIT, RISK AND IT COMMITTEE REPORT

RISK MANAGEMENT

The Audit Committee discusses with Management the Group's policies with respect to risk assessment and risk management, including the guidelines and policies that govern Management's assessment and management of risk, and is responsible for the following:

- Reviewing the effectiveness of risk management policies and strategies in place for recommendation to the Board for final approval.
- Reviewing the adequacy of the risk management charter, policy and plan for recommendation to the Board for final approval.
- Approving the Group's risk identification and assessment methodologies.
- Reviewing the parameters of the Group's risk/reward strategy, in terms of the risk appetite and tolerance relative to reward.
- Ensuring that risks are quantified where practicable.
- Reviewing and approving the risks identified on a qualitative basis, according to probability and seriousness.
- Reviewing the effectiveness and efficiency of systems within the Group and receiving assurance that material risks are identified, and the appropriate risk management processes are in place, including the formulation and subsequent updating of appropriate Group policies.
- Reviewing the appropriateness of resources directed towards areas of high risk.
- Regularly receiving a register of the Group's key risks and potential material risk exposures. Reporting to the Board any

material changes and/or divergence to the risk profile of the Group.

- Reviewing the implementation of operational and corporate risk management plans.
- Reviewing the insurance and other risk transfer arrangements and considering whether appropriate coverage is in place.
- Reviewing the business contingency planning process within the Group and receiving assurance that material risks are identified and that appropriate contingency plans are in place.
- Where necessary recommending actions for improvement on risk management plans for the Group.
- Reviewing the Group's sustainability risk on a regular basis.
- Annually reviewing the risk management charter for recommendation to the Board for final approval.

The Committee reviewed management's assessment of the impact of COVID-19 on business continuity. The Committee reviewed risks identified and mitigating measures to minimise the risks to a level that ensures business continuity. At the date of these financial statements, the impact of COVID-19 was assessed as immaterial. The Committee will continue monitoring the developments of the COVID-19 pandemic and assessing the Company's response to these developments to ensure effectiveness of measures implemented to safeguard the sustainability of the Company.

The Audit Committee, during the financial year received no concerns or complaints from outside the Company. The Committee is satisfied

with the effectiveness of its oversight of the governance of risk in the Group. A detailed report on risk, as recommended in King IV, is contained on pages 38 to 43 of the Integrated Annual Report. The Committee was not required to carry out any other oversight functions by the Board.

INFORMATION AND TECHNOLOGY GOVERNANCE

The Audit Committee is responsible for IT governance on behalf of the Board and receives reports from management in this regard at each Committee meeting. During the year under review the Audit Committee considered and approved a technology and information governance framework to manage information and technology as well as to identify any associated risks.

COMPLIANCE GOVERNANCE

The Committee is responsible for Renergen's compliance with applicable laws, rules, codes and standards. All of the laws, codes and standards applicable to Renergen have been identified and the responsibility for implementing compliance has been delegated to Management.

GOING CONCERN

The Audit Committee has reviewed a documented assessment, including key assumptions prepared by Management, of the going concern status of the Group. The Board's statement on the going concern status of the Group, which was recommended by the Audit Committee, appears on page 88 of the Integrated Annual Report.

GROUP SECRETARY CERTIFICATION

In our capacity as Company Secretary, we hereby confirm, in terms of section 88(2)(e) of the Companies Act, 2008 (Act No.71 of 2008), as amended (the Act), that for the 12-month period ended 29 February 2020, the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.

The logo for Acorim, featuring the word "Acorim" in a stylized, cursive script font.

Acorim Proprietary Limited
Company Secretary

28 May 2020

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

We have audited the consolidated and separate financial statements of Renergen Limited (the Group and Company) set out on pages 108 to 113, which comprise the consolidated and separate statements of financial position as at 29 February 2020, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group as at 28 February 2020, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report.

We are independent of the group and Company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements and in forming our opinion thereon, and we do not provide a separate opinion on these matters. All key audit matters relate to the consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

MATTER

AUDIT RESPONSE

VALUATION OF MINERAL RIGHTS

As at 29 February 2020, the Group has mineral rights disclosed as an intangible asset with a carrying value of R87.5 million (R2019: R66.5 million). Management is required to perform an impairment test on intangible asset at least annually and identify indicators of impairment, if any.

We have determined this to be a key audit matter due to the judgement required by management in preparing the valuation model to satisfy the impairment test.

An expert is used in order to calculate the amount of resources available as well as forecasting future cash flows and applying appropriate discount rates and this inherently involves a high degree of estimate and judgement by management.

During the period under review there was no impairment accounted for relating to the intangible asset in the Group.

We have adopted a substantive audit approach to address the valuation assertion of the intangible asset. Our key audit procedures included:

- Assessing the appropriateness of capitalisation of costs in terms of IFRS 6 Exploration for and Evaluation of Mineral Resource.
- Evaluating the capabilities, competency and objectivity of management's expert; enquiring from the expert to ensure an understanding of the work performed by the expert.
- Reviewing the recoverability of the mineral right by assessing the expert's value in use calculation.
- Considering the appropriateness and completeness of disclosure provided in this regard in terms of the International Financial Reporting Standards.

Having performed our audit procedures and evaluated the outcomes we concluded that our audit procedures appropriately address the key audit matter.

IMPACT OF THE OUTBREAK OF COVID-19 ON THE FINANCIAL STATEMENTS

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to the normal patterns of business activity across the world, including South Africa.

We assesses the Directors' conclusion that the matter be treated as a non-adjusting post balance sheet event and that adopting the going concern basis for the preparation of the Annual Financial Statements is appropriate. We considered the following:

- The timing of the development of the outbreak in South Africa, as well as the activities that were able to be performed during this time.
- How the financial statements and the business operations of the Group might be impacted by the disruption.

In forming our conclusions over going concern, we have evaluated how the Directors' going concern assessment considered the impacts arising from COVID-19 as follows:

- We made enquiries of the Directors to understand the period of assessment considered by the Directors, the completeness of the adjustments taken into account and implications of those when assessing the most likely scenario on the Group's future financial performance.

MATTER

AUDIT RESPONSE

IMPACT OF THE OUTBREAK OF COVID-19 ON THE FINANCIAL STATEMENTS

The Directors' consideration of the impact on the financial statements is disclosed in Note 35. Whilst the situation is still evolving, based on the information that is available at the current point in time, the Directors have assessed the impact of COVID-19 on the business and have concluded that adopting the going concern basis of preparation is appropriate.

As per Note 35 to the financial statements, the Directors have also concluded that COVID-19 is a non-adjusting post balance sheet event.

- We reviewed the Directors' going concern assessment including the COVID-19 implication based on the most likely scenario. We made enquiries of the Directors to understand the period of assessment considered by the Directors, the completeness of the adjustments taken into account and implications of those when assessing the most likely scenario on the group's future financial performance.
- We evaluated the key assumptions in the base case forecasts and considered whether these appeared reasonable.
- We examined the minimum cash inflow under the base case monthly cash flow forecasts as disclosed in the financial statements and evaluated whether the Directors' conclusion that liquidity headroom remained in all events was reasonable.
- We evaluated the adequacy and appropriateness of the Directors' disclosure in respect of COVID-19 implications, in particular disclosures within principal risks and uncertainties, post-balance sheet events and going concern.

Based on the work performed, we are satisfied that the matter has been appropriately reflected in the Annual Financial Statements.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Renegen Limited and its subsidiaries' Annual Financial Statements for the year ended 29 February 2020", which includes the Directors' Report, the Audit, Risk and IT Committee Report, the Company Secretary's Certificate and the GETSC Committee as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Annual Report. Other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit

opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and / or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we

conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

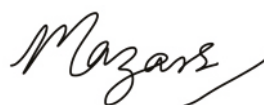
We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Mazars has been the auditor of Renergen Limited for one year.



Mazars

Partner: Shaun Vorster
Registered Auditor

28 May 2020
Johannesburg

DIRECTORS' REPORT

The Directors have pleasure in submitting their report on the financial statements of Renergen Limited and the Group for the year ended 29 February 2020.

1. NATURE OF BUSINESS

An energy group focused on alternative and renewable energy sectors in South Africa and sub-Saharan Africa. The Group is listed on the JSE Alternative Exchange, with secondary listings on South Africa's A2X and Australia's ASX.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The separate and consolidated Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 as amended, the JSE and ASX Listings Requirements and the Financial reporting pronouncements as issued by the Financial Reporting Standards Council. The Group adopted a new accounting standard during the current year, which was not in effect in the prior year, refer to accounting policy note 2. Other than the accounting policy mentioned, all other policies have been applied consistently compared to the prior year.

OPERATIONAL REVIEW

The 2020 reporting period has been our busiest and arguably our most successful to date. The major milestones include:

- Successfully completed an Initial Public Offering on the Australian Securities Exchange raising AU\$10 million.
- Conclusion and first draw of the OPIC (now known as the DFC, US International Development Finance Corporation) loan for US\$40 million to build Phase I.
- Appointing EPCM Bonisana as the construction firm to build the gas gathering system.
- Appointing WSCE as the technology supplier for the LNG (Liquefied Natural Gas)/LHe (Liquid Helium) plant.
- Commissioning our second CNG (Compressed Natural Gas) station to service the Black Knight contract in Johannesburg.
- Redemption of convertible notes with a face value of AU\$500 000.
- Achieving all the milestones on time as set in the project schedule up to the time of issuing this report.
- Purchase of the remaining 10% stake in Tetra4 previously held by our BEE partner for an amount of R28 million.

- Appointing Bohrmeister Technik to drill the horizontal well in the sandstone deposit within the production right.
- A successful gas strike in the horizontal well recording helium concentrations of up to 12%.
- A contract for 200 GJ per day of LNG executed by our sales department with Bulk Haulers Transport International (BHIT).

The progress illustrated above demonstrates that the Company is on track with program to execute the Virginia Gas Project and continues to make great strides.

The global macro-economic picture is changing and has seen helium market remain in tight supply, with a pro-longed depressed oil price further exacerbating this position as it will most likely have an impact on future large scale LNG and helium projects from a financing perspective by delaying the much needed critical investment decisions. We believe this, together with decreasing supply from the US with Hugoton's production diminishing and the Bureau of Land Management (BLM) announcing its shutdown. This will put significant pressure on the supply dynamics of helium for the foreseeable future. Demand at this stage is not expected to fall in line with the reduced supply shortages.

The impact of COVID-19 has been assessed by management and is deemed to not have a material impact on the Group in the new financial year. Given however that South Africa is a net importer of crude oil and liquid fuels, the impact from the decline of oil prices have been offset by a weakening currency. Supply chains will most likely be impacted and the extent of the problem could worsen should countries and organisations not plan effectively to deal with this unprecedented crisis. The Group opted from the 18th of March to implement drastic measures:

- To self-isolate where possible and work remotely.
- Non-essential staff were placed on special leave.
- Operations were reduced to critical team members only.
- All meetings with external parties are via digital platforms to ensure we limit and reduce contact where possible.
- Significant emphasis on personal hygiene with no physical contact allowed where practical.

At present, the impact of the virus has not yet resulted in any substantial delays to either the fabrication of the liquefaction equipment, nor to the construction of the pipeline. We will continue to monitor this and update investors as the situation develops.

From a local economic perspective, energy landscape is still constrained and front of mind for many companies in South Africa, the government announced a carbon tax which came into effect earlier in this financial year, resulting in many companies seeking cleaner alternatives to petrol and diesel to save on this new tax. The new Integrated Resource Plan (IRP 2019) has demonstrated the Government is looking to shift its reliance over the longer term towards cleaner forms of energy and natural gas plays a prominent role in the IRP 2019. This positions the Company front and center of an enormous opportunity and will play an important role in how we develop Phase II.

DIRECTORS' REPORT

VIRGINIA

The Megabus project continues to operate on a stable basis supply gas to the 10 buses. The buses have now travelled in excess of 2 million kilometers combined and have saved approximately 3 million kilograms of CO₂. We have scaled up the operation to include two shifts in preparation to service the Black Knight CNG contract. The CNG dispenser and additional CNG trailer were commissioned and the operation is to commence shortly as our customer finalises its last remaining processes.

EVANDER

We continue to enjoy good prospects on this field and are proceeding with the necessary steps to bring this field into production.

Overall, the Company continues to be an attractive investment to our shareholders as it participates in two important commodities that are in short supply locally in the form of natural gas and globally strategic in the form of helium.

FINANCIAL REVIEW

- The Group has a cash balance of R141 million at year end (February 2019: R98 million).
- The Group property plant and equipment increased by 828% to R350.8 million (February 2019: R37.8 million) as a result of commencing construction of the New Liquefied Natural Gas (LNG) and Liquefied Helium(LHe) Plant in September 2019 and acquisition of the farm on which the plant operates. Phase I plant will also be constructed on the same farm. The land was revalued at year end, resulting in revaluation reserves being recognised in the financial statements.
- Tetra4's drilling campaign commenced in September 2019 increasing the Intangible assets by 27% to R89.2 million (February 2019: R70.5 million).
- Tetra4 concluded a US\$40 million finance agreement with Overseas Public Investment Corporation (OPIC), now known as US International Development Finance Corporation (DFC), on 20 August 2019 to spend towards LNG and LHe plant. US\$20 million of this facility was drawn in September 2019 increasing in the Group's financial liabilities by 787% R351.2 million (February 2019: R39.6). The loan has a three-year capital repayment grace period, with the first capital repayment in August 2022.
- Renergen listed on the ASX in June 2019, raising AU\$10 million (R103.1 million) at the initial public offering (IPO) and raising a further AU\$5.7 million (R56.8 million) in January 2020. The Group's Stated capital increased by 50% to R452.3 million (February 2019: R301.3 million).

- On listing on ASX in June 2019, Renergen granted options with a fair value of R6.3 million to the ASX listing transaction advisors, the options can only be exercised four years from the grant date. This has been accounted for in the share-based payment reserves.
- The eighteen-month term 500 convertible notes issued at AU\$1 000 per note in prior year was settled in cash during the current financial year.
- Net tangible assets per share increased to ZAR134.55 cents (February 2019: 93.61 cents).
- Group revenue decreased by 13% to R2.6 million (February 2019: R3.0 million) as a result of the 5-month long Association of Mine Workers and Construction Union (AMCU) strike in Virginia which saw a decrease in the Compressed Natural Gas (CNG) sales volumes in the first quarter of the financial year.

CHANGES TO THE BOARD OF DIRECTORS

Following the successful listing on the ASX, the Board welcomed Dr David King as a Non-executive Director. David was a founder and Director of Sapex Ltd, Gas2Grid Ltd and Eastern Star Gas Ltd. He holds an MSc in Geophysics from Imperial College, London, and a PhD in Seismology from the Australian National University, Canberra. He has substantial natural resource related experience.

Other than the change mentioned above, there were no other changes to the Board of Directors.

3. STATED CAPITAL

The Group increased its number of shares issued to 117 427 419 from 100 135 752 shares issued the prior year.

Refer to note 13 of the consolidated financial statements for detail of the movement in authorised and issued share capital.

4. DIVIDENDS

No dividends were declared or paid to shareholders during the year.

5. DIRECTORATE

The Directors in office at the date of this report are as follows:

DIRECTORS' REPORT

EXECUTIVE DIRECTORS	OFFICE	DESIGNATION	APPOINTMENT DATE
Stefano Marani	Chief Executive Officer	Executive	20 November 2014
Fulu Ravele	Chief Financial Officer	Executive	25 November 2015
Nick Mitchell	Chief Operating Officer	Executive	25 November 2015
Brett Kimber	Chairperson	Non-executive Independent	17 June 2015
Mbali Swana	Deputy Chairperson	Non-executive Independent	16 February 2015
Luigi Matteucci		Non-executive Independent	03 May 2016
Bane Maleke		Non-executive Independent	07 December 2016
Francois Olivier		Non-executive	19 November 2018
David King		Non-executive	04 June 2019

6. DIRECTORS' AND PRESCRIBED OFFICERS INTERESTS IN SHARES

	DIRECTORS					
	2020			2019		
EXECUTIVE DIRECTORS	Direct %	Indirect %	Total %	Direct %	Indirect %	Total %
Stefano Marani	0.22%	7.42%	7.64%	0.26%	8.69%	8.95%
Nick Mitchell	0.00%	7.32%	7.32%	0.00%	8.59%	8.59%
Total Executive Directors' interest	0.22%	14.74%	14.96%	0.26%	17.28%	17.54%
	2020			2019		
NON-EXECUTIVE DIRECTORS	Direct %	Indirect %	Total %	Direct %	Indirect %	Total %
Francois Olivier	0.00%	0.01%	0.01%	0.00%	0.01%	0.01%
Total Non-executive Directors' interest	0.0%	0.01%	0.01%	0.00%	0.01%	0.01%

DIRECTORS						
	2020			2019		
PRESCRIBED OFFICERS						
Johan Weideman	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%
Khalid Patel	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%
Mandy-Leigh Stuart	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total prescribed officers' interest	0.02%	0.00%	0.02%	0.00%	0.00%	0.00%

The register of interests of Directors and others in shares of the Group is available to the shareholder on request.

The overall Executive Directors' indirect interest as at 29 February 2020 decreased to 14.74% from 17.28%.

Executive Directors in Renergen were granted shares in May 2019 as part of the Bonus Share Plan approved by the shareholders on 29 September 2017. The vesting period at grant date was 36 months. Fulu Ravele (Executive Director) was also granted shares in October 2017. These shares have not vested as at period end and therefore have not been included in the Director's interest in shares above.

As part of the ASX listing Dr David King was granted share options on 6 June 2019, the first quarter of these share options vest after 1 year of completed service.

There were no other changes to Directors' interest between 29 February 2020 and the date of signature of this report other than those mentioned above.

7. INTERESTS IN SUBSIDIARY

Details of material interests in subsidiary companies are presented in the consolidated financial statements in notes 5.

The interest of the Group in the total net losses of its subsidiaries for the year ended 29 February 2020 are as follows:

	SUBSIDIARIES	
	2020	2019
	R'000	R'000
SUBSIDIARIES		
Tetra4 (Pty) Ltd comprehensive losses after income tax	36 379	41 159

DIRECTORS' REPORT

8. EVENTS AFTER THE REPORTING PERIOD

On 10 March 2020, Renergen released a SENS announcement on the drilling update. Since the announcement on 17 December 2019 of strong gas flows with high (up to 12%) helium, drilling and other technical issues have necessitated significant changes from the original horizontal well design. The sections penetrated by several side-tracks have provided valuable encouraging data for future development drilling.

On 18 March 2020, Renergen released a SENS announcement on the safety measures taken by the Group in response to novel Coronavirus. On 15 March 2020, President Cyril Ramaphosa declared the COVID-19 outbreak a national disaster, to allow the government to begin taking measures in counteracting the virus. The Company took swift and decisive measures to limit the impact of the virus on staff and from 18 March with all staff in the Johannesburg office have been working from home in self isolation and with the Company continuing with “business as usual” under unusual times. The country went into a national shutdown on 26 March 2020, management continued to assess the requirements of the Company and balance those with the expectations of our stakeholders namely, employees and customers. Both the CNG pilot project in Virginia, South Africa and the project construction has been halted due to the COVID-19 crisis. Management has successfully applied to the Government to register Tetra4 as an essential service and is authorised to commence activity when management determines it is appropriate to do so. As at the date of approving these Annual Financial Statements, management have assessed that there is no material.

As at the date of approving these Annual Financial Statements, management have assessed that there is no material impact of COVID-19 on the financial statements for the year ended 29 February 2020. After the reporting period, there have been significant fluctuations in the foreign currencies that the Group trades in. During the year, the Group has entered into put option contracts to hedge the Group against R:US\$ foreign exchange fluctuations. The devaluation of the SA Rand against the US dollar is continually being evaluated under IFRS. These are non-adjusting events in respect of the year ended 29 February 2020, as these are events occurred after the reporting period. It was concluded that the declaration of the COVID-19 pandemic as a national disaster and the national lockdown is such an event.

On 17 April 2020, Renergen announced the completion of the pipeline design. The milestone was achieved eight days behind schedule, which under current conditions is an achievement. This milestone is not considered to be critical for the completion date, and therefore the Company does not anticipate that missing this milestone will lead to delays in the final project completion, given the pipeline is intended to be complete well before the liquefiers are intended to be delivered in South Africa. Based on the current circumstances, management has no reason to believe there will be any material delays on our scheduled turn on date of the new LNG and LHe plant project.

Management has made an assessment on the impact of COVID-19 on the pilot project and the impact is deemed to be immaterial in the new financial year.

The Directors are not aware of any material events that occurred after the reporting period and up to the date of this report.

9. GOING CONCERN

The consolidated and separate financial statements have been prepared assuming the Group will continue as a going concern, which contemplates the realisation of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Group's ability to achieve profitability is dependent on the capital spend of proceeds raised from the currently-underway capital raise. The Directors have reviewed the Group's forecasts for the next twelve months and are satisfied that the Group has adequate financial resources to continue as a going concern, including with specific consideration of the risk associated with COVID-19.

The Group has received a funding commitment of US\$40 million from the DFC to spend towards the new plant project as well as a secondary listing on the Australian Securities Exchange wherein the Group raised an additional AU\$15.7 million in the current financial year. The DFC commitment will not be affected by the COVID-19 pandemic and the Group has made its first draw down on the loan in the current year. The construction of the new plant commenced in October 2019 and is on track for commissioning in the financial year ending 28 February 2022. The Group has entered into off take agreements for the sale of both LNG and helium.

10. AUDITORS

Mazars were appointed as auditors for the Company and its subsidiaries for the 2020 financial year.



Mazars House
54 Glenhove Road
Melrose Estate
Johannesburg, 2196
South Africa

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		GROUP		COMPANY	
Figures in Rand thousands	Notes	2020	2019	2020	2019
ASSETS					
Non-Current Assets					
Property, plant and equipment	3	350 824	37 757	4 135	2 646
Intangible assets	4	89 223	70 494	14	14
Investments in subsidiaries	5	-	-	623 812	594 848
Loans to group companies	7	-	-	370 907	184 453
Deferred tax	8	26 803	12 243	2 486	1 753
Restricted cash	9	2 729	2 178	-	-
		469 579	122 672	1 001 354	783 714
Current Assets					
Trade and other receivables	10	5 533	4 482	564	311
Financial assets	11	246	-	-	5 500
Restricted cash	9	10 161			
Cash and cash equivalents	12	140 972	97 956	29 022	95 646
		156 912	102 438	29 586	101 457
Total Assets		626 491	225 110	1 030 940	885 171
EQUITY AND LIABILITIES					
Equity					
Stated capital	13	452 254	301 277	1 050 653	899 676
Share-based payment reserve	14	7 526	448	7 526	448
Revaluation reserve	26	598	-	-	-
Accumulated loss		(213 148)	(121 091)	(38 959)	(23 280)
Equity attributable to parent		247 230	180 634	1 019 220	876 844
Non-controlling interest		-	(16 401)	-	-
Total Equity		247 230	164 233	1 019 220	876 844

		GROUP		COMPANY	
Figures in Rand thousands	Notes	2020	2019	2020	2019
LIABILITIES					
Non-Current Liabilities					
Financial liabilities	15	351 182	39 647	-	5 149
Lease liability	16	2 963	208	1 576	208
Provisions	17	4 000	9 829	-	-
		358 145	49 684	1 576	5 357
Current Liabilities					
Trade and other payables	18	16 387	10 855	8 350	2 632
Lease liability	16	2 549	338	1 794	338
Provision	17	2 180	-	-	-
		21 116	11 193	10 144	2 970
TOTAL LIABILITIES		379 261	60 877	11 720	8 327
TOTAL EQUITY AND LIABILITIES		626 491	225 110	1 030 940	885 171

STATEMENT OF CHANGES IN EQUITY

	GROUP					
	Share Capital	Share- based payment reserve	Re- valuation reserve	Accu- mulated loss	Total attributable to parent	Non- controlling interest
Figures in Rand thousands						
Balance at 01 March 2018	161 065	114	-	(80 231)	80 948	(12 285)
Total comprehensive loss after tax	-	-	-	(40 860)	(40 860)	(4116)
Issue of shares	146 760	-	-	-	146 760	-
Share issue costs	(6 548)	-	-	-	(6 548)	-
Share-based payment	-	334	-	-	334	-
Balance at 01 March 2019	301 277	448	-	(121 091)	180 634	(16 401)
Adjustment on initial application of IFRS 16 (Note 1.8)	-	-	-	(37)	(37)	-
Restated balance as at 01 March 2019	301 277	448	-	(121 128)	180 597	(16 401)
Total loss after tax	-	-	-	(52 619)	(52 619)	-
Other comprehensive income after tax	-	-	598	-	598	-
Issue of shares	159 746	-	-	-	159 746	-
Share issue cost	(8 769)	-	-	-	(8 769)	-
Changes in ownership	-	-	-	(39 401)	(39 401)	16 401
Share-based payment	-	7 078	-	-	7 078	-
Balance at 29 February 2020	452 254	7 526	598	(213 148)	247 230	-
Notes	13	14	26			

COMPANY

Figures in Rand thousands

	Share Capital	Share-based payment reserve	Accumulated loss	Total Equity
Balance at 01 March 2018	759 464	114	(19 464)	740 114
Total comprehensive loss after tax	-	-	(3 816)	(3 816)
Other comprehensive income	-	-	-	-
Issue of shares	146 760	-	-	146 760
Share issue costs	(6 548)	-	-	(6 548)
Share-based payment	-	334	-	334
Balance at 01 March 2019	899 676	448	(23 280)	876 844
Adjustment on initial application of IFRS 16 (Note 2.1)	-	-	(37)	(37)
Restated balance as at 01 March 2019	899 676	448	(23 317)	876 807
Total comprehensive loss after tax	-	-	(15 642)	(15 642)
Issue of shares	159 746	-	-	159 746
Share issue costs	(8 769)	-	-	(8 769)
Share-based payment	-	7 078	-	7 078
Balance at 29 February 2020	1 050 653	7 526	(38 959)	1 019 220

Notes

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand thousands	Notes	GROUP		COMPANY	
		2020	2019	2020	2019
Revenue		2 635	2 987	21 129	16 487
Cost of sales	19	(3 302)	(3 197)	-	-
Gross (loss) profit	20	(667)	(210)	21 129	16 487
Other operating income		81	851	1 555	1 267
Share-based payment	21	(7 078)	(334)	(6 610)	(11)
Loss on disposal of assets and Impairment loss	14	(938)	(1 295)	(938)	(1 295)
Other operating expenses	22	(58 703)	(45 026)	(33 967)	(21 869)
Operating loss	23	(67 305)	(46 014)	(18 831)	(5 421)
Interest income		5 352	1 604	3 340	1 484
Interest expense and imputed interest		(5 325)	(4 138)	(883)	(185)
Loss before taxation	24	(67 278)	(48 548)	(16 374)	(4 122)
Taxation		14 659	3 572	732	306
Loss for the year	25	(52 619)	(44 976)	(15 642)	(3 816)
OTHER COMPREHENSIVE (LOSS)					
Revaluation of property	26	598	-	-	-
Other comprehensive income for the year net of taxation		598	-	-	-
Total comprehensive loss for the year		(52 021)	(44 976)	(15 642)	(3 816)
TOTAL LOSS ATTRIBUTABLE TO					
Owners of the parent		(52 619)	(40 860)	-	-
Non-controlling interest		-	(4 116)	-	-
		(52 619)	(44 976)	-	-
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO					
Owners of the parent		(52 021)	(40 860)	-	-
Non-controlling interest		-	(4 116)	-	-
		(52 021)	(44 976)	-	-
LOSS PER ORDINARY SHARE					
Basic loss per share (cents)	33	47.92	47.03		
Diluted loss per share (cents)	33	47.92	47.03		

CONSOLIDATED STATEMENT OF CASH FLOWS

		GROUP		COMPANY	
		2020	2019	2020	2019
Figures in Rand thousands	Notes				
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash used in operations	27	(42 636)	(38 287)	(951)	(4 003)
Interest income		5 352	1 604	3 340	1 484
Interest expense	24	(187)	(185)	(187)	(185)
Net cash from operating activities		(37 471)	(36 868)	(2 202)	(2 704)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	3	(298 347)	(9 587)	(339)	(49)
Purchase of intangible assets	4	(18 728)	(3 756)	-	-
Purchase of options	11	(8 256)	-	-	-
Proceeds on exercise of options	11	9 517	-	-	-
Loans granted to subsidiaries	7	-	-	(186 454)	(49 382)
Net cash from investing activities		(315 814)	(13 343)	(186 793)	(49 431)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds on share issue	13	159 746	146 760	159 746	146 760
Share issue cost	13	(8 769)	(6 548)	(8 769)	(6 548)
Increase in borrowings		295 976	5 149	-	5 149
Loan facility fee paid		(4 814)	-	-	-
Settlement of convertible note		(5 452)	-	(5 452)	-
Right of use – lease payments		(2 338)	(231)	(1 737)	(231)
Non-controlling interest buy-out	5	(23 000)	-	(23 000)	-
Net cash from financing activities		411 349	145 130	120 788	145 130
Total cash movement for the year		58 064	94 919	(63 803)	92 995
Cash at the beginning of the year		97 956	3 037	95 646	2 651
Effects of exchange rate changes on cash and cash equivalents		(15 048)	-	(2 821)	-
Total cash at end of the year	12	140 972	97 956	29 022	95 646

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The separate and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008 as amended, the JSE and ASX Listings Requirements and the financial reporting pronouncements as issued by the Financial Reporting Standards Council. The Group adopted new accounting standards during the current year which were not in effect in the prior year, refer to accounting policy note 2. Other than the accounting policies mentioned above, all other policies have been applied consistently compared to the prior year.

1.1 CONSOLIDATION

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and its subsidiary which is controlled by the Group.

Consolidation of subsidiaries

All intercompany transactions and balances between group companies are eliminated on consolidation.


The Company accounts for investments in subsidiaries at cost, less accumulated impairment losses.

The Group's subsidiary as at 29 February 2020 is set out below. The share capital consists solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTEREST HELD BY THE GROUP	OWNERSHIP INTEREST HELD BY NON-CONTROLLING INTEREST	PRINCIPAL ACTIVITIES
Tetra4 Propriety Limited	South Africa	100% (2019: 90%)	0% (2019: 10%)	Explores, develops and sells compressed natural gas to the South African market

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related



disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements and estimation uncertainty include:

Borrowing costs

All the direct costs incurred by the Group in concluding the US International Development Finance Corporation (DFC) finance agreement and costs such as interest and commitment fees, incurred in terms of the finance agreement have been capitalised to the Assets under construction. The new LNG and LHe plant are a qualifying asset in terms of IAS 23 – Borrowing costs.

The DFC loan was obtained specifically for the construction and drilling project, all the borrowing costs that would have otherwise been avoided had the construction and drilling not taken place are capitalised.

Exchange differences relating to the DFC loan are treated as borrowing costs to the extent that they are an adjustment to interest costs as per the guidance provided in IAS23. This implies that foreign exchange differences are capitalised limited to the difference between the interest on the DFC loan and the interest had the loan been obtained in the functional currency of Tetra4.

All other borrowing costs are expensed in profit and loss when they are incurred.

Financial assets

At the end of each reporting period the Group determines a loss allowance for expected credit losses on financial assets. The expected credit losses are estimated with reference to current observable data and forward-looking information.

The Group recognises a loss allowance for financial assets measured at amortised cost at an amount equal to 12 months expected credit losses where the credit risk on the financial asset has not increased significantly since initial recognition. The Group recognises lifetime expected credit losses when there has been a significant increase in the credit risk.

Determining an increase in significant credit risk is a significant judgement call and determining expected credit losses results in estimation uncertainty.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair-value-less costs of disposal. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimates and may then require a material adjustment to the carrying value of tangible and intangible assets.

ACCOUNTING POLICIES

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by several factors such as the current COVID-19 pandemic.

Useful lives of property, plant and equipment

Management reviews its estimate of the useful lives and residual values of depreciable property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence or depleting gas reserve volumes that may change the utility of certain assets.

Provision for environmental rehabilitation

A provision for future restoration, rehabilitation and decommissioning costs requires estimates and assumptions to be made around the relevant regulatory framework, the magnitude of the possible disturbance and the timing, extent and costs of the required closure and rehabilitation activities. Most of these rehabilitation and decommissioning events are expected to take place in the future and the currently estimated requirements and costs that will have to be met when the restoration event occurs are inherently uncertain and could materially change over time.

In calculating the appropriate provision for the expected restoration, rehabilitation or decommissioning obligations, cost estimates of the future potential cash outflows based on current studies of the expected rehabilitation activities and timing thereof, are prepared.

As the actual future costs can differ from the estimates due to changes in laws, regulations, technology, costs and timing, the provisions including the estimates and assumptions contained therein are reviewed regularly by management.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred tax assets requires the Group to make

significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. The extent that future cash flows and taxable income significantly differ from estimates, impact the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (excluding land which is carried under the revaluation model) is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is initially measured at cost including an estimate of the costs of decommissioning the asset. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss for the year in which they are incurred.

Depreciation is charged to write off the asset's carrying amount over its estimated useful life, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Assets under construction are not depreciated as they are not ready and available for the use as intended by management. Leased assets are depreciated in a consistent manner over the period of their expected useful lives and the lease term.

Land is carried under the revaluation model and revalued to its fair value at every period end by management by using the comparable sales method and revalued every 3 years by an independent valuer.

The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Furniture and fixtures	Straight line	6 years
IT equipment	Straight line	3 years
Assets under construction	Not applicable	Not applicable
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
Plant and machinery	Straight line	10 years
Office building	Straight line	10 years
Leasehold improvements - furniture and fittings	Straight line	6 years
Leasehold improvements - office equipment	Straight line	6 years
Right of use - motor vehicle	Straight line	5 years
Right of use - office building	Straight line	3 years
Land	Not applicable	Not applicable

ACCOUNTING POLICIES

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

Fair value movements on the land are recognised in other comprehensive income or loss on the Statement of Comprehensive Income and accumulated on a net basis in the revaluation reserve in the Statement of Changes in Equity. The reserve balance is transferred to the retained earnings upon disposal of the land.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal.

1.4 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost, less any accumulated amortisation and all impairment losses.

Exploration and development costs

Expenditures incurred in the exploration and development of natural gas reserves are capitalised to intangible assets. The Group assesses the degree to which the expenditures incurred in the exploration phase can be associated with finding natural gas.

Computer software

Computer software licenses are acquired and are capitalised on the basis of the costs incurred to acquire and bring the specific software to use. Costs that are directly associated with the creation of identifiable systems controlled by the Group and will generate economic benefits beyond one year are capitalised to intangible assets. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

The amortisation period and the amortisation method for intangible assets are reviewed every reporting period.

All assets with indefinite useful life are assessed for impairment annually, by comparing their carrying amount with their recoverable amount.

ITEM	AMORTISATION METHOD
Exploration and development costs	Pattern of use (units)
Computer software	Straight line basis (10 years)
Domain names	Indefinite useful lives

1.5 FINANCIAL INSTRUMENTS

Classification

The Group classifies financial assets and financial liabilities into the following categories:

- Financial assets are classified as either financial assets at amortised cost when the Group holds them to collect the principal amounts and interest thereon or at fair value through profit or loss (FVTPL).
- Financial liabilities are measured at amortised cost.

Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments.

At initial recognition, financial assets and financial liabilities are measured at fair value plus or minus. In the case of a financial asset or liability not at fair value through profit or loss, transaction costs are directly attributable to the acquisition or issue of the financial liability.

Subsequent measurement

Trade receivables, loans and other receivables are carried at amortised cost adjusted for any loss allowance. Put option contracts are subsequently measured at their fair value. Financial liabilities are subsequently measured at amortised cost, using the effective interest method.

Impairment of financial assets

A loss allowance for expected credit losses is determined for all financial assets, other than those at FVTPL at the end of each reporting period. The expected credit loss recognised, represents a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group applies the simplified approach to measure the loss allowance for trade receivables, using the lifetime expected loss provision. The expected credit losses on these financial assets is estimated with reference to past default experience and adjusted as appropriate for current observable data and forward-looking information.

ACCOUNTING POLICIES

For those balances that are beyond 30 days over-due, it is presumed to be an indicator of a significant increase in credit risk.

If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-months expected credit loss, which comprises the expected lifetime loss from the instrument were a default to occur within 12 months of the reporting date.

The Group considers an event of default has materialised and the financial asset is credit impaired when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay the Group. The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Loans and receivables

Loans and receivables are included in current assets, except for maturities of greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are subsequently measured at amortised cost using the effective interest method less any loss allowance. A loss allowance for expected credit losses is determined at the end of each reporting period. Loans and receivables include accrued income, and cash and cash equivalents.

Put option contracts

Put option contracts are derivative financial instruments and are initially measured at fair value and are subsequently measured at fair value at the end of each reporting period. Fair values are determined using models and other valuation techniques, the key inputs for which include current market and contractual prices for the underlying instrument, time to expiry, yield curves, volatility of the underlying instrument and counter party risk.

Gains and losses on changes in the fair value of derivatives instruments are recognised in profit or loss in the Statement of Comprehensive Income.

Trade and other payables

Trade payables are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

In the consolidated statement of financial position cash and cash equivalents includes cash in hand. Cash and cash equivalents are measured at amortised cost.

Restricted cash

The Group has cash deposits in call accounts that have been ring-fenced. These cash deposits consist of funds that will be used for environmental rehabilitation and the funds in the debt reserve account as per the DFC finance agreement. This cash is not treated as cash and cash equivalent.

Derecognition of financial assets and liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired.

On derecognition of a financial asset/financial liability in its entirety, the difference between the carrying amount of the financial asset/financial liability and the sum of the consideration received and receivable/paid and payable is recognised in profit and loss.

1.6 SHARE-BASED PAYMENTS

Long-term employee benefits – Bonus Shares

The Group operates an equity-settled compensation plan where the Governance, Ethics and Transformation, Social, Compensation Committee makes an award of forfeitable shares to the Executive Directors, prescribed officers, senior management and key employees of the Group. These are referred to as Bonus Shares. The number of Bonus Shares awarded depends on the individual's annual cash bonus that has been deferred. The Bonus Shares vest after three years' service from grant date. This is the only vesting condition pertaining to the Bonus Shares. The terms and conditions of the Bonus shares, after vesting are the same as those traded publicly.

The fair-value of the equity-settled instruments is measured by reference to the fair value of the equity instrument granted. Fair value is based on a 30-day volume weighted average market price of the equity-settled instruments granted. The grant date fair value of the equity-settled instruments is recognised as an employee benefit expense over the vesting period, with a corresponding increase in the share-based payment reserve.

Share options

As part of the ASX listing, Renergen granted share options to transaction advisors and an Australian Non-executive Director. The fair value is measured at grant date and spread over the period that the option holder is unconditionally entitled to the options, except when the service has been completed at grant date in which case the expense is recognised

ACCOUNTING POLICIES

immediately in profit or loss. The fair value of the options granted is measured using the Black Scholes pricing model, taking into account the terms and conditions under which the options were granted. The amount recognised as an expense with a corresponding increase in equity is adjusted at each reporting date to reflect the actual number of share options that vest or are expected to vest. Where an option is cancelled (other than by forfeiture when vesting conditions are not satisfied), it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the option is recognised immediately. The share options have different vesting periods, and this is the only vesting condition attached to the share options.

1.7 TAX

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not part of a business combination or the initial recognition of goodwill.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not part of a business combination.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period.

Current tax and deferred taxes are charged or credited to other comprehensive income of equity if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income or equity.

1.8 LEASES

The Group assesses whether a contract contains a lease at inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability in the statement of financial position, except for short-term leases with a term of twelve months or less and leases of low value assets with a value of R100 000 or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments from the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are initially recognised cost, which comprises the amount of the initial measurement of the corresponding lease liability, adjusted any lease incentive received and any initial direct costs incurred.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term.

The comparative period lease contracts were accounted for under IAS 17. Assets under finance leases, where substantially all of the risks and rewards of ownership transferred to the Group were capitalised and amortised over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. All other leases were classified as operating leases, the expenditures for which were recognised in the profit or loss on a straight-line basis over the lease term.

1.9 PROVISIONS AND CONTINGENCIES

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Provisions are not recognised for future operating losses.

a. *Environmental Rehabilitation Provision*

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with applicable environmental and regulatory

ACCOUNTING POLICIES

requirements. The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean up at closure. Changes in estimates are capitalised or reversed against the relevant asset to the extent that it meets the definition of dismantling and removing the item and restoring the site on which it is located. Costs that relate to an existing condition caused by past operations and do not have a future economic benefit are recognised in profit or loss.

The Group's operations are required by law to undertake rehabilitation work as part of their ongoing operations. The Group makes contributions into environmental rehabilitation obligation funds (refer to note 17) and holds guarantees to fund the estimated costs.

b. Royalty Provision

The Mineral and Petroleum Resource Royalty Act 2008 (Royalty Act) imposes a royalty on refined mineral resources that have undergone a comprehensive level of beneficiation such as smelting and refining as defined in Schedule 1 of the royalty payable to the State. The royalty in respect of refined minerals is calculated by dividing earnings before interest and taxes (EBIT) by the product of 12.5 times gross revenue calculated as a percentage, plus an additional 0.5%. EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure.

The natural gas is compressed, scrubbed and dried in the compressor, the compressor is considered as the "refinery" and thus, the royalty is calculated based on the condition of the gas at the inlet of the compressor. The sale of gas is the trigger event for the royalty provision. The provision for royalties is included in trade and other payables.

c. Carbon tax Provision

The Carbon Tax Act of 2019 came into effect on 1 June 2019, it will be administered and collected by the South African Revenue Services (SARS). The carbon tax is assessed, collected and enforced as an environmental levy in terms of the Customs and Excise Act, 1964. This new tax is in response to climate change, which is aimed at reducing greenhouse gas (GHG) emissions in a sustainable, cost effective and affordable manner. The carbon tax gives effect to the polluter-pays-principle and the first phase has a carbon tax rate of R120 per ton of carbon dioxide equivalent emissions. This rate will increase by inflation plus two per cent until the year 2022, and annually by inflation thereafter.

Significant industry-specific tax-free emissions allowances will result in a modest net carbon tax rate to provide current emitters time to transition their operations to

cleaner technologies through investments in energy efficiency, renewables, and other low carbon measure.

The current carbon tax provision is calculated based on all carbon emissions from Tetra4's activities and all other emissions on the land that Tetra4 holds a production right in the Free State provision of South Arica. The provision for carbon tax is included under trade and other payables.

1.10 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the sale of CNG in the Free State province of South Africa to one customer on delivery of CNG.

Intercompany revenue relates to management fees earned by the holding company from its subsidiary Tetra4. Renergen provides Tetra4 with management advisory services.

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods and/or services has transferred from the Group to the buyer. Revenue is measured based on consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties.

The main categories of revenue and the basis of recognition is as follows:

Sales of compressed natural gas

Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer and the buyer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset. The consideration received is allocated to the goods based on their selling price per the sales agreement. All the CNG produced and delivered by Tetra4 is used by this one customer and thus no inventory is held by Tetra4 at period end.

Management fees earned by the holding company

Intercompany revenue relating to the management fees paid to the holding company is recognised over time as the subsidiary benefits from the services as they are provided. The management fees are paid monthly by the subsidiary company. The consideration is allocated based on the management fees as per the contract.

The Group offers customers 30 days from the date of the statement to make payment.

1.11 COST OF SALES

Cost of sales entails the costs of conversion which are costs directly related to production. These costs include plant depreciation and maintenance and salaries of plant staff.

ACCOUNTING POLICIES

1.12 TRANSLATION OF FOREIGN CURRENCIES

Functional and presentation currency

All items in the financial statements of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Group's consolidated financial statements are presented in South African Rand, which is Renergen's functional currency and the Group's presentation currency.

Transactions and balances

Foreign currency income and expenses are translated into the functional currency using the spot rate on transaction date and assets and liabilities are translated at the closing rate of the relevant month. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at closing rates, are recognised in profit or loss.

1.13 STATED CAPITAL AND EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.14 SEGMENT INFORMATION

An operating segment is a component of the Group that engages in business activities which may earn revenues and incur expenses and whose operating results are regularly reviewed by the Group's chief operating decision maker (Renergen Limited's Chief Executive Officer) to allocate resources and assess performance and for which discrete financial information is available. Refer to Note 6.

The Group has the following reportable segments:

Corporate Head Office

Corporate head office is a segment where all investment decisions are made. Renergen Limited is investment holding company focused on investing in prospective green projects.

Tetra4 (Pty) Ltd

Tetra4 explores, develops and sells compressed natural gas to the South African market.

NOTES TO FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

2.1. STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Adoption of IFRS 16 – Leases

IFRS 16 provides a comprehensive model for identification of lease arrangements and their treatment (on-balance sheet) in the financial statements of both lessees and lessors. It superseded IAS 17 Leases and its associated interpretative guidance. The Group applied the modified retrospective approach. Under this approach, the Group did not restate prior-year amounts reported and applied the practical expedient to retain the classification of existing contracts as leases under the previous accounting standard (i.e. IAS 17) instead of reassessing whether existing contracts are/or contain a lease at the date of initial application.

The reclassifications and adjustments arising from the adoption of IFRS 16 are therefore recognised in the opening statement of financial position on 1 March 2019.

The Group has elected to apply the following other practical expedients available under the standard:

- The use of hindsight for determination of the lease term as of the date of initial application.
- The exclusion of initial direct costs of obtaining a lease from the measurement of right-of-use assets at the date of initial application.
- Leases with a remaining lease term of less than 12 months or leases of low-value assets (e.g. office equipment) from the date of initial application have not been recognised under IFRS 16 and will remain accounted for as operating expenditures. The Group defines low-value assets as leases of assets for which the value of the underlying asset is (\$5 000) and is not fundamental to the Group.

The Group's leases include its head office building, certain motor vehicles, office and IT equipment.

Upon adoption of IFRS 16, right-of-use assets of R4.1 million and a corresponding lease liability of R4.1 million was recognised as at 1 March 2019.

In the current year, IFRS 16 was applied to the lease of the head office building and motor vehicles.

The lease liability is initially measured at the present value of the fixed payments less any incentives receivable.

NOTES TO FINANCIAL STATEMENTS

The lease payments are discounted using the incremental borrowing rate for the Company. This is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Group has used the incremental borrowing rate of 12.5%.

On initial application of IFRS 16, the Group assessed renewal options contained in the lease. When the Group is certain the lease will be extended the lease payments relating to the extended period are used in the calculation of right-of-use assets and lease liabilities.

The Group classified leases relating to motor vehicles as finance leases under IAS 17. For finance leases, the carrying amount of the right-of-use asset and lease liability at 1 March 2019 were determined as the carrying amount of the lease asset and liability under IAS17 as at 28 February 2019.

Impacts of adoption IFRS 16

	GROUP	COMPANY
Figures in Rand thousands	1 March 2019	1 March 2019
Right-of-use asset (IFRS 16)	4 129	4 129
Total assets	4 129	4 129
Lease liabilities – current	1 179	1 179
Lease liabilities – non-current	2 950	2 950
Total liabilities	4 129	4 129

A reconciliation of the operating lease commitments disclosed as at 28 February 2019 discounted using the incremental borrowing rate at 1 March 2019 to the lease liability recognised is disclosed on the next page:

	GROUP	COMPANY
Figures in Rand thousands	1 March 2019	1 March 2019
Operating lease commitments disclosed at 28 February 2019	1 309	1 309
Discounted using the incremental borrowing rate on 1 March 2019	283	283
Finance lease liabilities recognised as at 28 February 2019	546	546
Extension and termination options reasonably certain to be exercised	3 846	3 846
Transition exemption for leases ending within 12 months of date of initial application	(37)	(37)
Lease liabilities recognised at 1 March 2019	5 947	5 947
Current liabilities	1 179	1 179
Non-current liabilities	4 768	4 768

2.2. STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 March 2020 or later periods but which the Group has not early adopted.

Definition of Material – Amendments to IAS 1 and IAS 8 (effective 1 January 2020)

This amendment is required to be applied prospectively. The impact of this amendment to the Group has been assessed to be low.

Definition of a Business – Amendments to IFRS 3 (effective 1 January 2020)

This amendments to IFRS 3 must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period on or after 1 January 2020. The Group is not required to revisit such transactions that occurred in prior periods.

The impact of this amendment to the Group has been assessed to be low.

NOTES TO FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

Figures in Rand thousands	GROUP					
	2020			2019		
	Cost	Accumulated depreciation and impairment	Carrying value	Cost	Accumulated depreciation and impairment	Carrying value
Assets under construction	325 886	-	325 886	19 491	-	19 491
Right of use – Head office building	4 129	(1 376)	2 753	-	-	-
Land	3 473	-	3 473	-	-	-
Plant and machinery	20 715	(7 767)	12 948	20 335	(5 610)	14 725
Furniture and fixtures	1 146	(486)	660	783	(322)	461
Motor vehicles	2 050	(1 725)	325	2 086	(1 425)	661
Office equipment	209	(104)	105	144	(80)	64
IT equipment	542	(365)	177	366	(219)	147
Computer software	-	-	-	1 434	(319)	1 115
Right of use - motor vehicle	2 359	(516)	1 843	857	(252)	605
Office building	2 065	(63)	2 002	-	-	-
LEASEHOLD IMPROVEMENTS						
Office equipment	152	(84)	68	152	(59)	93
Furniture and fixtures	887	(303)	584	567	(172)	395
Total	363 613	(12 789)	350 824	46 215	(8 458)	37 757

COMPANY

Figures in Rand thousands

	2020			2019		
	Cost	Accumulated depreciation and impairment	Carrying value	Cost	Accumulated depreciation and impairment	Carrying value
Right of use asset	4 129	(1 376)	2 753	-	-	-
Furniture and fixtures	746	(420)	326	728	(297)	431
Office equipment	95	(58)	37	95	(41)	54
IT equipment	38	(38)	-	38	(29)	9
Computer software	-		-	1 248	(189)	1 059
Finance lease motor vehicle	646	(279)	367	857	(252)	605
LEASEHOLD IMPROVEMENTS						
Office equipment	152	(84)	68	152	(59)	93
Furniture and fixtures	887	(303)	584	567	(172)	395
Total	6 693	(2 558)	4 135	3 685	(1 039)	2 646

NOTES TO FINANCIAL STATEMENTS

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT

GROUP 2020

Figures in Rand thousands	Open- ing balance	Adop- tion of IFRS 16	Addi- tions	Reclas- sifica- tion to Intan- gible assets	Revalu- ation	Depre- ciation	Impair- ments	Total
Assets under construction	19 491	-	306 395	-	-	-	-	325 886
Right-of-use asset – Head office building	-	4 129	-	-	-	(1 376)	-	2 753
Land	-	-	2 777	-	696	-	-	3 473
Plant and machinery	14 725	-	2 603	-	-	(2 156)	(2 224)	12 948
Furniture and fixtures	461	-	363	-	-	(164)	-	660
Motor vehicles	661	-	-	-	-	(336)	-	325
Office equipment	64	-	64	-	-	(23)	-	105
IT equipment	147	-	176	-	-	(146)	-	177
Computer software	1 115	-	-	(1 115)	-	-	-	-
Right of use motor vehicle	605	-	1 502	-	-	(186)	(78)	1 843
Office building	-	-	2 065	-	-	(63)	-	2 002

LEASEHOLD IMPROVEMENTS

Office equipment	93	-	-	-	-	(25)	-	68
Furniture and fixtures	395	-	320	-	-	(131)	-	584
Total	37 757	4 129	316 265	(1 115)	696	(4 606)	(2 302)	350 824

GROUP 2019

Figures in Rand thousands	Opening balance	Additions	Deprecia- tion	Reclassifi- cation to intangible assets	Impair- ments	Total
Assets under construction	10 090	9 401	-	-	-	19 491
Plant and machinery	16 710	-	(1 985)	-	-	14 725
Furniture and fixtures	554	32	(125)	-	-	461
Motor vehicles	988	-	(327)	-	-	661
Office equipment	71	10	(17)	-	-	64
IT equipment	125	117	(95)	-	-	147
Computer software	2 699	21	(310)	-	(1 295)	1 115
Finance lease motor vehicle	777	-	(172)	-	-	605
LEASEHOLD IMPROVEMENTS						
Office equipment	111	6	(24)	-	-	93
Furniture and fixtures	490	-	(95)	-	-	395
Total	32 615	9 587	(3 150)	-	(1 295)	37 757

NOTES TO FINANCIAL STATEMENTS

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT

COMPANY 2020

Figures in Rand thousands	Opening balance	Adoption of IFRS 16	Additions	Reclassification to intangible assets	Depreciation	Disposals	Total
Right-of-use asset	-	4 129	-	-	(1 376)	-	2 753
Furniture and fixtures	431	-	18	-	(124)	-	326
Office equipment	54	-	-	-	(17)	-	37
IT equipment	9	-	-	-	(9)	-	-
Computer software	1 059	-	-	(1 059)	-	-	-
Finance lease motor vehicle	605	-	-	-	(161)	(77)	367

LEASEHOLD IMPROVEMENTS

Office equipment	93	-	-	-	(25)	-	68
Furniture and fixtures	395	-	320	-	(131)	-	584
Total	2 646	4 129	338	(1 059)	(1 842)	(77)	4 135

COMPANY 2019

Figures in Rand thousands	Opening balance	Additions	Depreciation	Reclassification to intangible assets	Impairment loss	Total
Furniture and fixtures	525	24	(118)	-	-	431
Office equipment	70	-	(16)	-	-	54
IT equipment	21	-	(12)	-	-	9
Computer software	2 610	21	(277)	-	(1 295)	1 059
Finance lease motor vehicle	777	-	(172)	-	-	605

LEASEHOLD IMPROVEMENTS

Office equipment	111	6	(24)	-	-	93
Furniture and fixtures	490	-	(95)	-	(1 295)	395
Total	4 604	51	(714)	-	(1 295)	2 646

Borrowing costs

During the current year R51 million of project specific borrowing costs including interest on the DFC loan which has been capitalised to Assets under construction.

Classification of computer software

In the prior year computer software was classified as property, plant and equipment, in the current year it has been reclassified as intangible assets as it is a separable component from the computer.

Disposal of plant and equipment

During the current year Tetra4 received a credit from a supplier relating to a trailer that was faulty and did not meet the Company's specifications. The cost of R2.2 million was recognised previously and scrapped in the current year. The credit was applied against the supplier account. This transaction has no effect on profit or loss.

Scrapping of software

In the prior year computer software to the value of R1.3 million was written off as a result of the software not facilitating a suitable integrated risk management solution to the Group. In the current year, the system was subsequently scrapped.

Revalued property

Tetra4 acquired two farm properties Mond van Doornrivier 38 and Annex Glen 562 in the Free State province of South Africa on 22 November 2019. The two properties were revalued to their market value as at period end by an independent valuer as at 29 February 2020 using the comparable sales method. In determining the fair value of the two properties, level 3 inputs were used as per the fair value hierarchy requirements of IFRS 13. The comparable sales method assumes that the market value of property should be an average of similar properties that have been sold in the area.

The revalued amount equals to R700 000. The value of the two properties would amount to R3.8 million had the properties being accounted for under the Cost model.

Pledge of assets

Tetra4 (Pty) Ltd concluded a finance agreement with the DFC on 20 August 2019, one of the conditions precedent in the agreement is the Company ceding, in *securitatem debiti to DFC, certain property and rights* with a value of R390.7 million.

NOTES TO FINANCIAL STATEMENTS

4. INTANGIBLE ASSETS

GROUP							
Figures in Rand thousands	2020				2019		
	Cost	Accumulated amortisation	Disposal	Carrying value	Cost	Accumulated amortisation	Carrying value
Exploration and development costs	87 511	(32)	-	87 479	13 006	(32)	12 974
Molopo project mineral rights	-	-	-	-	57 479	-	57 479
Computer software	3 115	(474)	(938)	1 703	-	-	-
Domain	41	-	-	41	41	-	41
Total	90 667	(506)	(938)	89 223	70 526	(32)	70 494

COMPANY							
Figures in Rand thousands	2020				2019		
	Cost	Accumulated amortisation	Disposal	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	1 248	(310)	(938)	-	-	-	-
Domain	14	-	-	14	14	-	14
Total	1 262	(310)	(938)	14	14	-	14

RECONCILIATION OF INTANGIBLE ASSETS

GROUP 2020						
Figures in Rand thousands	Opening balance	Additions	Reclassification from property, plant and equipment	Amortisation	Disposal	Total
Exploration and development costs	70 453	17 026	-	-	-	87 479
Computer software	1 115	1 680	1 115	(154)	(938)	1 703
Domain	41	-	-	-	-	41
Total	71 609	18 706	1 115	(154)	(938)	89 223

GROUP 2019					
Figures in Rand thousands	Opening balance	Additions	Amortisation	Disposal	Total
Exploration and development costs	65 797	4 656	-	-	70 453
Domain	41	-	-	-	41
Total	65 838	4 656	-	-	70 494

COMPANY 2020						
Figures in Rand thousands	Opening balance	Additions	Reclassification from property, plant and equipment	Amortisation	Disposal	Total
Computer software	1 059	-	1059	(121)	(938)	-
Domain	14	-	-	-	-	14
Total	1 073	-	1059	(121)	(938)	14

COMPANY 2019					
Figures in Rand thousands	Opening balance	Additions	Amortisation	Disposal	Total
Domain	14	-	-	-	14
Total	14	-	-	-	14

Exploration and development costs

These are costs incurred in the exploration and development of natural gas reserves. Tetra4 (Pty) Ltd explores and develops natural gas in its exploration and production rights areas. The Group holds production and exploration rights through Tetra4 (Pty) Ltd, bearing reference 12/4/07 over land in the magisterial districts of Ventersburg, Welkom and Odendaalrus in the province of the Free State.

Exploration and development costs will be recovered through value in use as determined through the units of production and life of the mine. Amortisation commenced upon start of production. There was minimal production done for the year ended 29 February 2020. The production levels of the gas reserves were immaterial and thus no amortisation was raised.

NOTES TO FINANCIAL STATEMENTS

Exploration and development costs and Molopo Project Mineral Rights consolidation and Virginia Gas Project

In the prior year exploration and development costs and Molopo project rights balances were shown separately in this note. In the current year they have been consolidated as they both relate to costs incurred by Tetra4 in the exploration of natural gas.

Impairment of exploration and development costs

The recoverable amount was determined using the value-in-use calculation based on the expected cashflows from the remaining useful lives of the exploration and production rights.

MHA Petroleum Consultants LLC prepared gas reserve estimates for the Group signed off on 1 March 2019. Net reserve volumes of total Proved Plus Probable Helium and Methane Reserves measured at 142,4BCF. Reserve volumes have been reported on a Group net basis.

MHA Petroleum Consultants report indicates a net present value of R9.8 billion representing 2P proven and probable gas reserves at 15% discount. The recoverable amount of Tetra4's gas reserves exceed the carrying value of the exploration and development costs.

MHA from the United States of America (USA) has conducted an independent assessment of the unconventional methane and helium reserves and resources in the Tetra4 Virginia Gas Field. This evaluation is primarily an economic update based on analysis methodology that MHA has conducted using the technical and economic data supplied by Tetra4. This evaluation includes estimates of recoverable methane and helium volumes from proved developed non-producing wells, proved undeveloped locations, total proved, probable and possible reserves. The resource and reserve estimates and associated economics contained in the report are prepared in accordance with the Society of Petroleum Engineers, Petroleum Resources Management which provides guidance and provides a technical value. The estimates are also in accordance with the Australian Securities Exchange rules. The report is supplemented by MHA's corporate awareness of the current South African industry costs and best practices. The assessment is based on a 30-year period.

Computer software

These are costs incurred to purchase the Groups risk management system and the development costs incurred to develop the Group's ERP system. Internal salaries based on time spent on the development of the ERP system have been capitalised to this balance.

Computer software has a definite useful life and is amortised over 10 years. The ERP system is expected to ready for use in the second quarter of the new financial year.

Disposal of computer software

During the current year computer software to the value of R938 000 has been scrapped as a result of the software not facilitating business requirements for the Group.

This system relates to the Head Office reportable segment (refer to note 6).

Impairment of computer software

The new ERP system has been tested for impairment at period end as it is not ready for use. The asset is not considered to be impaired as its recoverable amount (fair value less costs to sell) is higher than its carrying value.

Domain

The Group purchased domains on which its websites are hosted. The domains have an indefinite useful life. The Group assessed the domains will be used for the lifetime of the Company.

Impairment of domain

The domains are tested for impairment annually as they have an indefinite useful life and were not considered impaired as the recoverable amount (based on value in use) is higher than the carrying amount.

5. INVESTMENT IN SUBSIDIARY

Figures in Rand Thousands	COMPANY			
	2020	2019	2020	2019
	% Holding	% Holding	Carrying amount	Carrying amount
Tetra4 (Pty) Ltd – Opening balance	100%	90%	594 848	594 528
Share-based payments			464	320
Cash paid to acquire additional shares in subsidiary			23 000	-
Loan settled by CD Sjoberg			5 500	-
Total			623 812	594 848

Renergen Limited has a 100% shareholding in Tetra4. This was the only subsidiary of the Group during the year.

Renergen acquired an additional 10% shareholding in Tetra4 on 17 December 2019 from a Tetra4 Non-executive Director CD Sjoberg after she settled the loan she had with Renergen to acquire her shareholding in Tetra4.

Shareholders of Renergen approved a Group bonus share scheme, where employees and Executive Directors of the Group will participate in scheme. The shares awarded to employees and executives in the scheme are Renergen shares. The investment in subsidiaries is increased by the allocation of shares to employees within the scheme annually.

NOTES TO FINANCIAL STATEMENTS

Changes in ownership

The table below depicts the effect on the equity attributable to the parent (Renergen) as a result of the change in Renergen's shareholding in Tetra4 with no loss of control:

	GROUP
	Equity attributable to owners of the parent
Figures in Rand Thousands	
Opening balance - 1 March 2019	180 634
Movement in equity up to the date of non-controlling interest buy-out	64 984
Equity attributable to non-controlling interest allocated owners of the parent	(16 401)
Non-controlling interest buy-out	(23 000)
Balance - 17 December 2019	206 217

Impairment testing of subsidiary

Tetra4's value lies in the gas reserves of the company. MHA Petroleum Consultants LLC prepared gas reserve estimates signed off on 1 March 2019. MHA Petroleum Consultants report indicates a net present value of helium and Methane reserves R9.8 billion representing 2P proven and probable gas reserves at 15% discount. The recoverable amount of Tetra4's gas reserves exceeds the carrying value of the investment held by Renergen in Tetra4.

The subsidiary has not been impaired in the current year.

6. ANALYSIS PER REPORTABLE SEGMENT

The operating segments are reported in a manner consistent with the Group. Renergen Limited has two operating segments.

a. Corporate head office

Corporate head office is a segment where all investment decisions are made. Renergen Limited is the investment holding company focused on investing in prospective green projects.

b. Tetra4 (Pty) Ltd

Tetra4 explores, develops and sells compressed natural gas to the South African market.

Analysis of reportable segments as at 29 February 2020 is set out below:

Figures in Rand thousands	2020				
	Corporate head office	Tetra4	Total	Consolidating adjustments	Consolidated
Revenue	21 129	2 635	23 764	(21 129)	2 635
External	-	2 635	2 635	-	2 635
Inter-segmental	21 129	-	21 129	(21 129)	-
Depreciation and amortisation	(1 963)	(2 797)	(4 760)	-	(4 760)
Interest income	(3 340)	(2 012)	(5 352)	-	(5 352)
Imputed interest	-	(4 442)	(4 442)	-	(4 442)
Interest expense	(883)	-	(883)	-	(883)
Taxation	732	13 927	14 659	-	14 659
Total loss after tax	(15 642)	(36 977)	(52 619)	-	(52 619)
Total assets	1 030 938	590 272	1 621 210	(994 719)	626 491
Total liabilities	11 727	738 441	750 168	(370 907)	379 261

NOTES TO FINANCIAL STATEMENTS

Analysis of reportable segments as at 28 February 2019 is set out below:

Figures in Rand thousands	2019				
	Corporate head office	Tetra4	Total	Consolidating adjustments	Consolidated
Revenue	16 487	2 987	19 473	(16 487)	2 987
External	-	2 987	2 987	-	2 987
Inter-segmental	16 487	-	16 487	(16 487)	-
Depreciation and amortisation	(714)	(2 436)	(3 150)	-	(3 150)
Interest income	1 484	120	1 604	-	1 604
Imputed interest	-	(3 953)	(3 953)	-	(3 953)
Interest expense	(185)	-	(185)	-	(185)
Taxation	306	3 266	3 572	-	3 572
Total loss after tax	(3 817)	(41 159)	(44 976)	-	(44 976)
Total assets	885 172	124 740	1 009 912	(784 802)	225 110
Total liabilities	8 330	237 432	245 762	(184 885)	60 877

The Group has one major customer with revenue amounting to R2.6 million (28 February 2019: R2.9 million) which amounts to more than 10% of the Group's revenue for the current and prior period. This revenue is reported under the Tetra4 operating segment.

7. LOANS TO GROUP COMPANIES

Figures in Rand thousands	GROUP		COMPANY	
	2020	2019	2020	2019
SUBSIDIARIES				
Tetra4	-	-	370 907	184 453

Renergen invests in the development of renewable energy projects. Loans to subsidiaries are subordinated.

The intercompany loan between Renergen and Tetra4 bears interest at 0% and is payable upon request of repayment by Renergen.

The Group determines the expected credit loss on loans to group companies and other loans based on different scenarios of probability of default and expected loss applicable to each material underlying balances. An assessment was made for excepted credit losses at period end and the impact on loans to group companies is not material.

8. DEFERRED TAX

	GROUP		COMPANY	
	2020	2019	2020	2019
Figures in Rand thousands				
DEFERRED TAX LIABILITY				
Property plant and equipment	(4 041)	(4 433)	(176)	(168)
Intangible assets	(2 123)	(1 740)	-	-
Put option contracts	(69)	-	-	-
Total deferred tax liability	(6 233)	(6 173)	(176)	(168)
DEFERRED TAX ASSET				
Unutilised tax losses	33 036	18 416	2 662	1 921
Total deferred tax asset	33 036	18 416	2 662	1 921
Deferred tax liability	(6 233)	(6 173)	(176)	(168)
Deferred tax asset	33 036	18 416	2 662	1 921
Net deferred tax asset	26 803	12 243	2 486	1 753

As at 29 February 2020, the Group's estimated tax losses were R425 million (28 February 2019: R217 million), these tax losses do not expire unless the tax entity concerned ceases to operate for a period longer than a year. These are available to be offset against future taxable profits. A Group net deferred taxation asset of R26.8 million (28 February 2019: R12.2 million) has been recognised due to the predictability of future profit streams. Estimated revenue growth rate of 73% in February 2021 from CNG sales due to the commissioning of the Mobile Refueling Unit on the N3 highway in Gauteng, South Africa, this has been adjusted for the uncertainty relating to the current COVID-19 pandemic. More than 100% from Feb 2022 from the sale of helium and LNG, growth rates costs were estimated at CPI of at 4.7%, South African Tax rate of 28% was utilised in calculating the deferred tax assets raised on probable future taxable profits.

NOTES TO FINANCIAL STATEMENTS

The Company considered Tetra4's operating cashflows over the next ten years (2021 to 2031). At present Tetra4 is in the enviable position that the current flow rates from the pilot site would enable an increase production from current levels without any intervention. Tetra4 has several customers in a competitive situation looking to finalise off-take agreements in the run-up to LNG becoming available in the February 2022 financial year. Once the pipeline reticulating all the wells is complete, the level of production will see revenue significantly exceed costs, and thus from February 2022, Tetra4 should be in a profit generating position owing to our low upstream cost of production and the high cost of energy in South Africa. Being a first mover in a premium product such as LNG also means that we can command better prices than would otherwise be available to gas suppliers.

9. RESTRICTED CASH

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
NON-CURRENT ASSETS				
Environmental rehabilitation guarantee cash	2 729	2 178	-	-
CURRENT ASSETS				
Debt Service Reserve account	10 161	-	-	-
	12 890	2 178	-	-

ENVIRONMENTAL REHABILITATION GUARANTEE CASH

The Group has exploration rights over land in Evander (Mpumalanga) and in Virginia (Free state). The Group has had to provide for its environmental management programme associated with the exploration activities for the rehabilitation and management of negative environmental impacts associated with the exploration activities. The Group has a rehabilitation provision of R4 million, refer to note 17. The cash portion of this guarantee is invested in a call account and has been ringfenced for the use towards environmental rehabilitation. The interest earned on the call account is capitalised to this balance. Due to this restriction the use of the cash is classified as a non-current asset.

DEBT SERVICE RESERVE ACCOUNT

As part of the DFC finance agreement (note 15) Tetra4 is required to reserve sum of all payments of principal, interest, and fees required to be made to the DFC in the next 6 months, at any given

date, in a dollar denominated bank account. Should Tetra4 default on any payments due and payable to the DFC, the DFC reserves the right to fund amounts due from this bank account. The bank account is restricted, and all interest earned accrues to Tetra4. The interest is recorded in other income on the Statement of Comprehensive Income.

10. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
FINANCIAL INSTRUMENTS				
Deposits	-	214	-	-
Other receivables	337	240	-	-
NON-FINANCIAL INSTRUMENTS				
VAT	4 853	708	221	-
Prepayments	343	3 320	343	311
Total trade and other receivables	5 533	4 482	564	311

Other receivables consist of a bursary repayment receivable and outstanding debtors' balances at period end.

Prepayments relate to prepaid costs for goods or services to be received in the next financial year.

CATEGORISATION OF TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
At amortised cost	337	454	-	-
Non-financial instruments	5 196	4 028	564	311
Total	5 533	4 482	564	311

NOTES TO FINANCIAL STATEMENTS

The Group applies a simplified approach to measure the loss allowance for trade receivables classified at amortised cost, using the lifetime expected loss provision. The expected credit loss on trade receivables is estimated using a provision matrix by reference to past default experience and credit rating, adjusted as appropriate for current observable data.

An assessment was made for expected credit losses at period end and the impact on trade and other receivables is not material

11. FINANCIAL ASSETS

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Loans and receivables	-	-	-	5 500
Put option contract at fair value	246	-	-	-
Total	246	-	-	5 500

LOAN RECEIVABLE

The loan granted to Cheryl Sjoberg (a Director in Tetra4) to purchase shares in Tetra4 was repaid as part of the share purchase transaction (note 5).

PUT OPTION CONTRACT

Tetra4 purchased 15 000 put option contracts at R550.37 (R8.3 million) on 14 August 2019, these options were exercised on 8 January 2020 for R13.7 million. R9.5 million of these proceeds was received by Tetra4 after R4.5 million was used to purchase 15 000 put options contracts at R299.58 on 27 January 2020. The put options grant Tetra4 the right to sell US dollars at a strike price of R14.55 and expire on 31 March 2020.

As at period end the options had a market-to-market fair value of R200 000. In determining the fair value of these options level 2 inputs were used as per the requirements of IFRS 13.

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Bank and cash on hand	140 972	97 956	29 022	95 646

13. STATED CAPITAL

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
AUTHORISED				
500 000 000 no par value shares (number)	500 000	500 000	500 000	500 000
RECONCILIATION OF NUMBER OF SHARES ISSUED				
Opening balance	100 135	81 035	100 135	81 035
Issue of shares - ordinary shares	17 292	19 100	17 292	19 100
	117 427	100 135	117 427	100 135
RECONCILIATION OF ISSUED STATED CAPITAL				
Opening balance	301 277	161 065	899 676	759 646
Issue of shares - ordinary shares issued for cash	159 746	146 760	159 746	146 760
Share issue costs	(8 769)	(6 548)	(8 769)	(6 548)
	452 254	301 277	1 050 653	899 676

Renergen issued 12.5 million shares on the ASX at AU\$0.80 (R103 million) per share on 6 June 2019 under specific share issue on ASX IPO. An additional 4.8 million shares were issued under the general share issue on the ASX in January 2020 at AU\$1.20 per share (R56.8 million).

NOTES TO FINANCIAL STATEMENTS

14. EQUITY SETTLED SHARE-BASE PAYMENT

EMPLOYEE BONUS SHARE SCHEME

Renergen granted shares to senior management and an executive Director after the approval of a Bonus Share Scheme by shareholders on 29 September 2017. Further shares were granted to senior management and general employees on 6 July 2018 and 17 May 2019. All shares vest after 36 months of employment with the Company, there are no other vesting conditions.

Fair value per share on grant date relates to the volume weighted average price (VWAP). In determining the fair value of the shares level 1 inputs were used as per the requirements of IFRS 13.

	GROUP					
	29 FEBRUARY 2020			28 FEBRUARY 2019		
	Number of shares awarded ('000)	Fair value per share at grant date	Value of shares (R'000)	Number of shares awarded ('000)	Fair value per share at grant date	Value of shares (R'000)
Opening balance - total shares awarded	108	-	1 095	81	-	825
ALLOCATION FOR THE PERIOD						
Executive Directors	144	8.17	1 176	-	-	-
Senior management	18	8.17	148	25	9.90	248
General employees	7	8.17	60	2	9.90	22
Total shares awarded to date	277		2 479	108		1 095

	COMPANY					
	29 FEBRUARY 2020			28 FEBRUARY 2019		
	Number of shares awarded ('000)	Fair value per share at grant date	Value of shares (R'000)	Number of shares awarded ('000)	Fair value per share at grant date	Value of shares (R'000)
Opening balance - total shares awarded	7	-	69	-	-	-
ALLOCATION FOR THE PERIOD						
Executive Directors	106	8.17	862	-	-	-
Senior management	9	8.17	71	7	9.90	69
General employees	-	-	-	-	-	-
Total shares awarded to date	122	-	1 002	7		69

SHARE OPTIONS GRANTED

Renergen granted share options to its ASX lead advisor, corporate advisor and Non-executive Director at ASX IPO on 6 June 2019.

250 000 Share options were granted to Dr David King, a Non-executive Director, for every year of service over 4 years, these share options vest after every year of completed service.

3.4 million and 1.7 million share options were granted to the lead manager and corporate advisor respectively, these share options vest after 4 years.

In determining the fair value of these options level 2 inputs were used as per the requirements of IFRS 13.

NOTES TO FINANCIAL STATEMENTS

GROUP

	29 FEBRUARY 2020			28 FEBRUARY 2019		
	Number of share options awarded ('000)	Fair value per option	Value of share options (R'000)	Number of share options awarded ('000)	Fair value per option	Value of share options (R'000)
Opening balance - total shares awarded	-	-	-	-	-	-
ALLOCATION FOR THE PERIOD						
Lead advisor	3 379	1.03	3 480	-	-	-
Corporate advisor	1 670	1.65	2 756	-	-	-
Non-executive Director	250	0.21	53	-	-	-
Total shares awarded to date	5 299		6 289	-	-	-

IMPACT OF SHARE-BASED PAYMENT ON THE FINANCIAL STATEMENTS

GROUP

	STATEMENT OF PROFIT AND LOSS		STATEMENT OF FINANCIAL POSITION	
Figures in Rand thousands	2020	2019	2020	2019
			Total opening balance share-base payment reserve	448
				114
			CURRENT YEAR MOVEMENT	
Executive	589	200	Executive	589
Senior management	151	129	Senior management	151
General employees	33	5	General employees	33
Lead advisor	3 483	-	Lead advisor	3 483
Corporate advisor	2 787	-	Corporate advisor	2 787
Non-executive Director	35	-	Non-executive Director	35
Current year share-base payment expense	7 078	334	Total opening balance share-base payment reserve	7 526
				448

COMPANY					
STATEMENT OF PROFIT AND LOSS			STATEMENT OF FINANCIAL POSITION		
Figures in Rand thousands	2020	2019		2020	2019
			Opening balance share-base payment reserve	11	-
			CURRENT YEAR MOVEMENT		
Executives	275	-	Executives	275	-
Senior management	30	11	Senior management	30	11
Lead advisor	3 483	-	Lead advisor	3 483	-
Corporate advisor	2 787	-	Corporate advisor	2 787	-
Non-executive Director	35	-	Non-executive Director	35	-
Current year share-based payment expense	6 610	11	Share-based payment reserve	6 621	11

15. FINANCIAL LIABILITIES

Figures in Rand thousands	GROUP		COMPANY	
	2020	2019	2020	2019
HELD AT AMORTISED COST				
Molopo Energy Limited	38 940	34 498	-	-
DFC, US International Development Corporation	312 242	-	-	-
Convertible notes	-	5 149	-	5 149
Total	351 182	39 647	-	5 149

MOLOPO ENERGY LIMITED

Tetra4 (Pty) Ltd entered into a R50 million loan agreement on 01 May 2013. This loan was part of the conditions of the sale of shares in Tetra4 (Pty) Ltd from Molopo Energy Limited to Windfall Energy (Pty) Ltd. The loan agreement is for the period from inception of the loan on 1 May 2013 until 31 December 2022. During this period, the loan is unsecured and interest free. The loan can only be repaid when Tetra4 (Pty) Ltd declares a dividend and 36% of distributable

NOTES TO FINANCIAL STATEMENTS

profits must be repaid before a dividend is declared. In the event that by 31 December 2022 the loan is not repaid, the loan shall bear interest at prime overdraft plus 2% and will have no repayment terms. Shareholders' loans can only be repaid after the loans from Molopo Energy Limited have been settled.

The loan is discounted to present value for the period that it is interest free, at a discount rate which is equal to the prime lending rate plus 2% which at 29 February 2020 is 11.75% (prime lending rate of 9.75% plus 2%). The imputed interest expense is included in profit and loss. The fair value of the loan amount outstanding at 29 February 2020 amounts to R38.9 million.

DFC, US INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (FORMERLY KNOWN AS OVERSEAS PRIVATE INVESTMENT CORPORATION)

Tetra4 (Pty) Ltd entered into a US\$40 million finance agreement with DFC on 20 August 2019. The first draw down of US\$20million took place in September 2019. Tetra4 shall repay the loan in approximately equal installments on each payment date beginning 1 August 2022 and ending no later than the thirty-sevenths payment date, 15 August 2031.

Interest payment

On each payment date, beginning on the payment date immediately following the first closing date (15 November 2019) and ending on the loan maturity date (15 August 2031), the Tetra4 shall pay to the order of DFC interest in arrears on the daily outstanding principal balance of each note, less any amount of principal on which interest is payable at the default rate accrued at a rate per annum, equal to the sum of the following the DFC note interest rate of 2.11%

Commitment fee

During the commitment period Tetra4 shall pay to DFC, in arrears, on each payment date beginning on the first payment date after the date of this agreement and on the last day of the commitment period, or, if earlier, the date this agreement is terminated, a commitment fee accruing on a daily basis at the rate of one half of one percent (0.50%) per annum, calculated for each day during the commitment period, on the undisbursed and uncanceled amount of the basic commitment.

Facility fee

The Tetra4 shall pay DFC a facility fee in the amount of \$350,000 (R4.8 million), less any unused balance of the retainer fee paid by the Tetra4, on or prior to the first disbursement.

Maintenance fee

Tetra4 shall pay to DFC an annual maintenance fee, to cover DFC's administrative costs and expenses (including, but not limited to systems infrastructure costs), in the amount of \$35,000 (R0.5 million), payable to DFC on the first anniversary of the payment date following the first closing date and on each anniversary of such payment date for so long as any portion of the loan remains outstanding.

CONVERTIBLE NOTE INSTRUMENT

Renergen issued convertible notes at face value AU\$500 000 (R5 .1 million) in December 2018. The notes carried interest at 15% per annum and were convertible into shares at an equivalent of AU\$0.74 (R7.84) per share.

The note holders elected not to redeem the notes into shares on 20 June 2019, the notes including the capitalised interest was settled on 17 September 2019 for AU\$545 011.72 (R5.5 million).

16. LEASE LIABILITY

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
MINIMUM LEASE PAYMENTS DUE				
within one year	3 039	365	2 092	365
in second to fifth year inclusive	3 079	240	1 587	240
	6 118	605	3 679	605
less: future finance charges	(606)	(59)	(309)	(59)
Present value of minimum lease payments	5 512	546	3 370	546
Non-current liabilities	2 963	208	1 576	208
Current liabilities	2 549	338	1 794	338
	5 512	546	3 370	546

The lease liability relates to the lease of certain motor vehicles, head office building and the new Luxi Skid. At the end of the lease term, the Group will take ownership of the motor vehicles. The carrying value of the right of use assets as at 29 February 2020 is R7 million

NOTES TO FINANCIAL STATEMENTS

(28 February 2019 is R0.6 million). The average lease term is four years and the average effective borrowing rate is 11.75% (28 Feb 2019: 10.5%)

There were no breaches or defaults in contracts during the current or comparative period.

The expenses relating to lease payments not included in the measurement of the lease liability is as follows:

Figures in Rand thousands	2020	2019	2020	2019
Short term leases	59	-	-	-
Leases of low value assets	84	-	-	-
Total	143	-	-	-

As 29 February 2019 the Group was committed to leases of low value assets and total commitment at that date was R180 000. There was no impact in the Company financial results.

17. PROVISIONS

RECONCILIATION OF PROVISIONS

Figures in Rand thousands	GROUP					
	2020			2019		
	Opening balance	Additions/ reversals	Total	Opening balance	Additions/ reversals	Total
NON-CURRENT LIABILITIES						
Environmental rehabilitation	4 000	-	4 000	3 100	900	4 000
CURRENT LIABILITIES						
Provision for IDC costs	5 829	(3 649)	2 180	-	5 829	5 829
Total	9 829	(3 649)	6 180	3 100	6 729	9 829

The Group has one production right and five exploration rights over land in the magisterial districts of Ventersburg, Welkom and Odendaalsrus in South Africa. Provision for rehabilitation is provided by Lombard Insurance and amounts to R4 million allocated toward rehabilitation of land impacted on by Tetra4 activity. The amount provided is based on an estimate of the amount required to restore the environment resulting from Tetra4's drilling activities. The current amount of R4 million rand is allocated for:

- The rehabilitation and closure of 16 existing wells.
- The rehabilitation and closure of 4 new/planned wells.
- The rehabilitation of 18 383 m of disturbance from pipeline placement.
- Monitoring and maintenance of rehabilitation along pipelines.

IDC PROVISION

The Group entered into a loan agreement with the IDC on 31 March 2017 for an amount equal to R218 million to fund the acquisition and/or construction of the pipeline and associated installation costs, compression stations, and the power steam and plant in Virginia in the Free State province. The loan agreement was cancelled during the 2019 financial year, a provision of R5,8 million was raised by the Group as at 28 February 2019 for commitment and administration fees incurred on the IDC funding agreement, as agreed with the IDC the provision was reduced during the current year to 1% of the amount that would have been advanced. These estimated costs incurred are payable on the earlier of a date specified by the IDC: drawdown date, effective date or cancellation date; the timing and amount of the outflows relating to this obligation is uncertain.

NOTES TO FINANCIAL STATEMENTS

18. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2020	2019	2020	2019
Figures in Rand thousands				
FINANCIAL INSTRUMENTS				
Trade payables	1 309	8 239	329	1 245
Accrued bonus	7 976	423	4 872	71
Accrued expense	2 692	758	1 687	758
NON-FINANCIAL INSTRUMENTS				
Accrued leave pay	4 410	1 369	1 461	493
VAT	-	66	-	65
	16 387	10 855	8 349	2 632

19. REVENUE

	GROUP		COMPANY	
	2020	2019	2020	2019
Figures in Rand thousands				
REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of CNG	2 635	2 987	-	-
Management fees	-	-	21 129	16 487
	2 635	2 987	21 129	16 487

The Group disaggregates revenue from customers as follows:

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
SALE OF GOODS				
Sale of CNG	2 635	2 987	-	-
OTHER REVENUE				
Management fees	-	-	21 129	16 487
Total revenue from contracts with customers	2 635	2 987	21 129	16 487

20. COST OF SALES

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Employee costs	659	1 057	-	-
Plant and depreciation	2 081	1 985	-	-
Repairs and maintenance	515	155	-	-
Electricity	47	-	-	-
	3 302	3 197	-	-

21. OTHER OPERATING INCOME

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Other rental income	-	-	1 521	1 123
Other income	81	851	34	144
	81	851	1 555	1 267

Other income relates to SETA refunds.

NOTES TO FINANCIAL STATEMENTS

22. LOSS ON DISPOSAL

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Intangible assets	938	-	938	-
Property, plant and equipment	-	1 295	-	1 295
	938	1 295	938	1 295

DISPOSAL OF COMPUTER SOFTWARE

During the year, an accounting software to the value of R0.9 million was written off as result of the software not facilitating an effective and efficient accounting package for the Group. This software will be replaced with a more comprehensive ERP system in the second quarter of the new financial year.

During the prior year, software to the value of R1.3 million was written off as a result of the software not facilitating a suitable integrated risk management solution for the Group.

23. OPERATING LOSS

Operating loss for the year is stated after charging the following, amongst others:

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
OPERATING EXPENSES BY NATURE				
Consulting and advisory fees	2 342	18 573	2 141	743
Listing cost	6 388	-	6 388	6 301
Employee costs**	12 970	3 073	959	3 260
Operating lease charges	-	983	-	895
Depreciation*, amortisation and impairment	3 542	1 165	2 901	713
Net foreign exchange losses	15 048	-	2 821	-
Other operating costs	6 024	11 743	8 827	2 600

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Directors fees - Non-executives	2 581	1 470	2 581	1 495
Directors fees - Executives	9 808	8 019	7 349	5 862
	58 703	45 026	33 967	21 869

* Depreciation of plant and machinery amounting to R2.1 million (28 February 2019: R1.9 million), is included in the Group cost of sales and excluded from this balance.

** Employee costs relating to manufacturing of gas sold is included in the Group cost of sales and excluded from this balance.

24. INTEREST EXPENSE AND IMPUTED INTEREST

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Interest expense	883	185	883	185
Imputed interest expense	4 442	3 953	-	-
	5 325	4 138	883	185

NOTES TO FINANCIAL STATEMENTS

25. TAXATION

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
MAJOR COMPONENTS OF THE TAX INCOME				
<i>Deferred</i>				
Originating and reversing temporary differences	14 659	3 572	732	306
RECONCILIATION OF THE TAX EXPENSE				
Accounting loss	(67 278)	(48 548)	(16 375)	(4 178)
Tax at the applicable tax rate of 28% (2019: 28%)	18 838	13 593	4 585	1 170
TAX EFFECT OF ADJUSTMENTS ON TAXABLE INCOME				
Non-deductible expenses	(15 298)	(1 822)	(3 710)	-
Share-based payment expense	(1 982)	(93)	(1 851)	(3)
Social labour plan	(81)	(63)	-	-
Deposits written off	(40)	-	-	-
SARS interest and penalties	-	(24)	-	(24)
Donations	(4)	(5)	(2)	(2)
Loss on disposal of intangible assets	(263)	-	(263)	-
Impairment loss	-	(401)	-	(401)
Imputed interest on loan (Molopo loan)	(1 244)	(1 107)	-	-
Annual leave	(852)	(129)	(271)	(52)
Legal expenses	(107)	-	-	-
Right of use interest and depreciation	(506)	-	(506)	-
Foreign exchange losses	(9 695)	-	(802)	-
Depreciation - vehicle finance lease	(9)	-	(9)	-
Market to market movement - option contracts	(509)	-	-	-
Finance charges - vehicle finance lease	(6)	-	(6)	-

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Non-deductible expenses of capital nature	(613)	(1 833)	(9)	(1 833)
Leasehold improvements	(9)	(32)	(9)	(32)
Depreciation – plant and equipment	(604)	-	-	-
Transaction costs on sale of investment	-	(34)	-	(34)
Capital raising costs	-	(1 764)	-	(1 764)
Deductible	45 024	1 128	433	108
Oil and gas tenth schedule allowances	37 591	1 020	-	-
Operating lease expense	412	90	412	90
Finance lease expense	21	18	21	18
Premium to acquire put option contracts	3 570	-	-	-
Project salary costs capitalised	2 792	-	-	-
Interest on long-term loan (DFC loan)	638	-	-	-
Non-taxable income	7 608	-	12	1 767
Capital raising fee	-	-	-	1 767
Foreign exchange gain	6 507	-	12	-
Interest received – put option contracts	87	-	-	-
IDC provision reversal	1 014	-	-	-
Taxable income				
Proceeds on exercise of put options	(3 845)	-	-	-
Recoupment of computer software disposed	(87)	(63)	(87)	(63)
Assessed losses carried forward	(36 968)	(7 431)	(492)	(364)
Taxation	14 659	3 572	732	306

NOTES TO FINANCIAL STATEMENTS

26. REVALUATION RESERVE

Other comprehensive income is made up on the revaluation of the two properties owned by Tetra4 in Virginia, South Africa. The breakdown of other comprehensive income is shown below:

Figures in Rand thousands	GROUP		COMPANY	
	2020	2019	2020	2019
Revaluation reserve opening carrying value	-	-	-	-
Current year movement	598	-	-	-
Closing balance on reserves	598	-	-	-
Transferred through profit and loss	-	-	-	-
Closing balance on reserves	598	-	-	-

27. CASH (USED IN) GENERATED FROM OPERATIONS

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
Loss before taxation	(67 278)	(48 548)	(16 374)	(4 122)
CASH ADJUSTMENTS				
Interest received	(5 352)	(1 604)	(3 340)	(1 484)
Cash interest paid	187	185	187	185
Capitalised interest on convertible notes	264	-	264	-
Allocation of restricted cash	(551)	(555)	-	-
NON-CASH ADJUSTMENTS				
Imputed interest	4 442	3 953	-	-
Right of use liability – interest expense	430	-	434	-
Depreciation and amortisation	4 760	3 150	1 963	-
Loss on disposal of intangible assets	938	-	938	-
Impairment loss	-	1 295	-	1 295
Net fair value gains on put option contracts	(3 661)	-	-	-
Share-based payment expense	7 078	334	6 610	11
Deposits written off	143	-	-	-
Loss on disposal of leased vehicle	78	-	77	-
Provision for IDC (reversal)/expense	(3 649)	5 829	-	-
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS				
Net foreign exchange losses	15 048	-	2 821	-
CHANGES IN WORKING CAPITAL				
Trade and other receivables	(1 050)	(2 015)	(257)	237
Trade and other payables	5 537	(312)	5 726	(839)
	(42 636)	(38 287)	(951)	(4 003)

NOTES TO FINANCIAL STATEMENTS

28. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

GROUP 2020

	Opening balance	Additions	Adop- tion of IFRS 16	Settle- ments	Lease payments	Lease payments non-cash movements: imputed interest expense and foreign exchange losses	Closing balance
Financial liabilities	39 647	305 918	-	(5 452)	-	11 069	351 182
Finance lease	546	3 175	4 129	-	(2 338)	-	5 512
Total liabilities from financing activities	40 193	309 093	4 129	(5 452)	(2 338)	11 069	356 694

GROUP 2019

	Opening balance	Additions	Interest expense	Lease capital re-payment	Lease payments non- cash movements: imputed interest expense & foreign exchange losses	Closing balance
Financial liabilities	30 545	5 063	86	-	3 953	39 647
Finance lease	777	-	-	(231)	-	546
Total liabilities from financing activities	31 322	5 063	86	(231)	3 953	40 193

COMPANY 2020

	Opening balance	Adoption of IFRS 16	Settlement	Lease payments	Interest	Closing balance
Financial liabilities	5 149	-	(5 452)	-	303	-
Finance lease	546	4 129	-	(1 737)	432	3 370
Total liabilities from financing activities	5 695	4 129	(5 452)	(1 737)	735	3 370

COMPANY 2019

	Opening balance	Additions	Interest expense	Lease payments	Non-cash movements: imputed interest expense & foreign exchange losses	Closing balance
Financial liabilities	-	5 063	86	-	-	5 149
Finance lease	777	-	-	(231)	-	546
Total liabilities from financing activities	777	5 063	86	(231)	-	5 695

29. COMMITMENTS

CONTINGENT LIABILITIES

There are no contingent liabilities in the Annual Financial Statements for 29 February 2020.

CAPITAL COMMITMENTS

The Board has approved total project value of R750 million with capital equipment expenditure of R512 million to spend on the new plant and R238 million on other costs linked to the project. As at the end of the reporting period the Group has executed construction and drilling contracts, the spend of the approved project value to date is disclosed on the next page.

NOTES TO FINANCIAL STATEMENTS

Figures in Rand thousands	APPROVED	SPENT TO DATE	COMMITTED BUT NOT SPENT	UNCOMMITTED
Capital equipment	512 000	231 796	268 557	11 647
Other	238 000	97 644	84 694	55 661
Total	750 000	329 440	353 251	67 308

30. RELATED PARTIES

RELATIONSHIPS

Subsidiary	Renegergen has one subsidiary in which it holds 100%, Tetra4.
Shareholder with significant influence	CRT Investments (Pty) Ltd
	MATC Investment Holdings (Pty) Ltd
Companies controlled by Directors	CRT Investments (Pty) Ltd
	MATC Investment Holdings (Pty) Ltd
	Luhuhi Investments (Pty) Ltd
	There were no transactions with companies controlled by Directors in the current year.

Key management personnel: Executive, Non-executive Directors and members of the executive Committee are key management personnel. Refer to the Directors report.

RELATED PARTY BALANCES

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
LOANS FROM PARENT COMPANY TO SUBSIDIARY				
Beginning of the year	-	-	184 453	135 071
Loans advanced	-	-	180 685	49 382
Balance at year end	-	-	365 138	184 453

RELATED PARTY TRANSACTIONS

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
COSTS CHARGED TO SUBSIDIARY BY PARENT COMPANY				
Office rental	-	-	1 332	907
Management fees	-	-	21 129	16 487
Vehicle rental	-	-	189	216
Total costs	-	-	22 650	17 610

Management fees are paid monthly by Tetra4 to Renergen for consulting services performed by Renergen.

	GROUP		COMPANY	
Figures in Rand thousands	2020	2019	2020	2019
COMPENSATION TO DIRECTORS AND OTHER KEY MANAGEMENT				
Short-term employee benefits	18 413	11 157	14 496	11 393
Share-based payment	1 246	334	1 148	67
Balance	19 659	11 491	15 644	11 460

Details of Director's remuneration are disclosed in note 31.

NOTES TO FINANCIAL STATEMENTS

31. DIRECTORS' AND PRESCRIBED OFFICERS EMOLUMENTS

EXECUTIVES

	2020				2019			
	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total
Stefano Marani	3 675	533	533	4 741	2 931	366	-	3 297
Fulu Ravele	2 459	216	216	2 891	2 157	269	-	2 426
Nick Mitchell	3 675	328	328	4 331	2 931	366	-	3 297
	9 809	1 077	1 077	11 963	8 019	1 001	-	9 020

In the current year the Group granted the Executive Directors the following number of bonus shares with a fair value of R8.17 per share, the shares vest after 36 months of service from grant date 17 May 2019:

Stefano Marani	40 200 bonus shares
Fulu Ravele	65 325 bonus shares
Nick Mitchell	26 411 bonus shares

In the 2018 financial year the Group granted Fulu Ravele 58 734 bonus shares that vest after 36 months of service from grant date (5 October 2017), the shares had a fair value of R10.22 per share.

NON-EXECUTIVES

	2020			2019		
	Directors' board fees	Committees fees	Total	Directors' board fees	Committees fees	Total
Brett Kimber	749	92	841	238	112	350
Mbali Swana	292	245	537	216	99	315
Luigi Matteucci	292	255	547	216	210	426
Bane Maleke	262	184	446	216	163	379
David King	210	-	210			
	1 805	776	2 580	886	584	1 470

Francois Olivier appointed as a non- executive Director in November 2019 to represent Mazi Capital (one of Renergen's shareholders) does not earn Directors fees.

Dr David King was appointed as an Australian Non-executive Director on 4 June 2019 as part of the ASX listing. In addition to Board fees he was granted 1,000,000 share options with a fair value of AU\$0.02 (R0.21) per option on 6 June 2019. R37 794 was expensed during the current financial year.

The options will mature at a rate of 250 000 per annum at each anniversary of his appointment to the Board. This was approved by shareholders at the General Meeting held on Tuesday, 19 March 2019.

PREScribed OFFICERS

	2020				2019			
	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total
Johann Weideman	1 569	-	-	1 569	196	-	-	196
Khalid Patel	1 233	98	98	1 429	1 134	97	97	1 328
Mandy-Leigh Stuart	959	71	71	1 101	837	67	67	970
Muhammed Khan	1 019			1 019	-	-	-	-
	4 780	169	169	5 118	2 167	164	164	2 494

32. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

CATEGORIES OF FINANCIAL INSTRUMENTS

Categories of financial assets

		GROUP					
Notes		2020			2019		
		Amortised cost	Total	Fair value	Amortised cost	Total	Fair value
Restricted cash	9	12 890	12 890	12 890	2 178	2 178	2 178
Trade and other receivables	10	5 533	5 533	5 533	454	454	454
Other financial assets	11	246	246	246			
Cash and cash equivalents	12	140 972	140 972	140 972	97 956	97 956	97 956
		159 641	159 641	159 641	100 588	100 588	100 558

NOTES TO FINANCIAL STATEMENTS

COMPANY

	Notes	2020			2019		
		Amortised cost	Total	Fair value	Amortised cost	Total	Fair value
Loans to group companies	7	370 907	370 907	370 907	184 453	184 453	184 453
Cash and cash equivalents	12	29 022	29 022	29 022	95 646	95 646	95 646
Other financial assets					5 500	5 500	5 500
		399 929	399 929	399 929	285 599	285 599	285 599

Categories of financial liabilities

GROUP 2020

	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	18	16 387	-	16 387	16 387
Financial liabilities	15	351 182	-	351 182	351 182
Lease liabilities	16	-	5 512	5 512	5 512
		367 569	5 512	373 081	373 081

GROUP 2019

	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	18	9 419	-	9 419	9 419
Financial liabilities	15	39 647	-	39 647	39 647
Finance lease obligations	16	-	546	546	546
		49 066	546	49 612	49 612

COMPANY 2020					
	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	18	8 350	-	8 350	8 350
Lease liabilities	16	-	3 370	3 370	3 370
		8 350	3 370	11 720	11 720

COMPANY 2019					
	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	18	2 074	-	2 074	2 074
Financial liabilities	15	5 149	-	5 149	5 149
Finance lease obligations	16	-	546	546	546
		7 223	546	7 769	7 769

PRE-TAX GAINS AND LOSSES ON FINANCIAL INSTRUMENTS

Gains and losses on financial assets

GROUP					
	Notes	2020		2019	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income		5 352	5 352	1 604	1 604

COMPANY					
	Notes	2020		2019	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income		3 340	3 340	1 484	1 484

NOTES TO FINANCIAL STATEMENTS

Gains and losses on financial liabilities

		GROUP			
		2020		2019	
	Notes	Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Gains (losses) on foreign exchange	23	(15 048)	(15 048)	(185)	(185)
Interest expense	24	(883)	(883)	(69)	(69)
Gains (losses) on valuation adjustments	24	(4 442)	(4 442)	(3 953)	(3 953)
Gains (losses) on mark-to-market movements		3 661	3 661		
Net gains (losses)		(16 712)	(16 712)	(4 207)	(4 207)
		COMPANY			
		2020		2019	
	Notes	Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest expense	24	(883)	(883)	(185)	(185)
Gains (losses) on foreign exchange	23	(2 821)	(2 821)	-	-
		3 704	3 704	(185)	(185)

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholder and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of financial liabilities (excluding derivative financial liabilities) are disclosed in notes 15, cash and cash equivalents are disclosed in note 12, and equity as disclosed in the consolidated statement of financial position and note 13.

There are no externally imposed capital requirements.

FINANCIAL RISK MANAGEMENT

Overview

The Group is exposed to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company and Group's financial performance.

The principles for financial management are included in the Group's treasury policy and cover specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit risk

Credit risk is managed on a group basis as well as individual company basis. Credit risk consists mainly of cash deposits, cash equivalents, trade debtors and related party loans. The Company, and Group, only deposit cash with major banks with high-quality credit standing and limits exposure to any one counterparty. Trade receivables comprise a prepaid expense from regular suppliers of the Company and Group. Risk control assesses the credit quality of the supplier by considering its financial position, experience and other factors. The maximum credit risk the Company and Group are exposed to is the receivable balance on the trade receivables and related party loans as disclosed in note 10 and 33 respectively.

NOTES TO FINANCIAL STATEMENTS

		GROUP					
Figures in Rand thousands		2020			2019		
	Notes	Gross carrying amount	Credit loss allowance	Amor-tised cost/fair value	Gross carrying amount	Credit loss allowance	Amor-tised cost/fair value
Other receivables		-	-	-	454	-	454
Cash and cash equivalents	12	140 972	-	140 972	97 956	-	97 956
		140 972	-	140 972	98 410	-	98 410

		COMPANY					
Figures in Rand thousands		2020			2019		
	Notes	Gross carrying amount	Credit loss allowance	Amor-tised cost/fair value	Gross carrying amount	Credit loss allowance	Amor-tised cost/fair value
Loans to group companies	7	370 907	-	370 907	184 453	-	184 453
Cash and cash equivalents	12	29 022	-	29 022	95 646	-	95 646
		399 929	-	399 929	280 099	-	280 099

Liquidity risk

Management manages cash flow on a group basis through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared, and spending is monitored for compliance with internal targets.

GROUP 2020						
	Notes	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES						
Financial liability	15	6 588	145 389	234 569	386 546	351 182
Lease liabilities	16	-	3 921	-	3 921	2 962
CURRENT LIABILITIES						
Trade and other payables	18	16 387	-	-	16 387	7 238
Lease liabilities	16	2 439	-	-	2 439	1 129
		25 414	149 310	234 569	409 293	362 511
GROUP 2019						
	Notes	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES						
Financial liability	15	-	39 647	-	39 647	39 647
Lease liabilities	16	-	208	-	208	208
CURRENT LIABILITIES						
Trade and other payables	18	9 419	-	-	9 419	9 419
Lease liabilities	16	338	-	-	338	338
Total		9 757	39 721*	-	49 478*	49 478*

* An error in prior year total 2 to 5 years, the correct total is R39 855 and an error in total liabilities and carrying amount R49 612 respectively. The error is deemed immaterial and will not result in restatement of prior year numbers.

NOTES TO FINANCIAL STATEMENTS

COMPANY 2020

	Notes	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES						
Lease liabilities	16	-	2 534	-	2 534	2 534
CURRENT LIABILITIES						
Trade and other payables	18	8 350	-	-	8 350	8 350
Lease liabilities	16	1 684	-	-	1 684	1 684
		10 034	2 534	-	12 568	12 568

COMPANY 2019

	Notes	Less than 1 year	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES						
Financial liability	15	-	5 149	-	5 149	5 149
Finance lease liabilities	16	-	208	-	208	208
CURRENT LIABILITIES						
Trade and other payables	18	2 074	-	-	2 074	2 074
Finance lease liabilities	16	338	-	-	338	338
		2 412	5 357	-	7 769	7 769

Foreign currency risk

The Company and Group procure services, operating equipment and machinery, raises capital and incurs capital raising costs internationally and is exposed to foreign exchange risk arising primarily with respect to EUR, USD and AUD. Foreign exchange risk arises from future commercial transactions and liabilities. Management is of the view that only the USD poses a significant foreign exchange risk given its volatility against the ZAR. The Group entered into foreign currency options to hedge the Company against unfavorable ZAR: USD exchange movement. The Company and Group review its foreign currency exposure, including

commitments on an ongoing basis.

The Group's exposure to foreign currency risk, arising on financial instruments denominated in a currency different from the functional currency of the entity holding the instruments was as follows:

ZAR	Notes	2020	2019
		USD	USD
Cash and cash equivalents – DFC loan	15	312 242	-
Restricted cash – DFC loan	9	10 161	-
Exposure to currency risk at 29 February 2020		322 402	-

At 29 February 2020, if the ZAR had moved against the USD with all other variables held constant, post tax profits for the year would have been:

ZAR	2020	2019
	USD	USD
If the ZAR had weakened against the USD by 10%	(32 240)	-
If the ZAR strengthened against the USD by 10%	32 240	-

Interest rate risk

The Company and Group's operating cash flows are independent of changes in market interest rates. The Company and Group's interest rate risk arises from long-term debt. The Molopo loan has variable rates which exposes the Company and Group to cash flow interest rate risk. The debt with variable interest rate is not repayable until December 2022 or on declaration of dividends by Tetra4. Interest charge on the debt is only effective in December 2022. The interest on the DFC loan is fixed. Refer to note 15.

No sensitivity analysis has been prepared as the variable interest on the Molopo loan is not payable until December 2022.

NOTES TO FINANCIAL STATEMENTS

33. LOSS PER SHARE

Figures in Rand thousands	GROUP	
	2020	2019
BASIC LOSS		
Loss from continuing operations attributable to equity owners of the parent	(52 619)	(40 860)
Weighted average number of shares	109 799	86 889
Basic loss per share (cents)	(47.92)	(47.03)
RECONCILIATION OF DILUTED LOSS		
Basic loss	(52 619)	(40 860)
Weighted average number of shares	109 799	86 889
Diluted Loss per share (cents)	(47.92)	(47.03)
RECONCILIATION OF BASIC LOSS TO HEADLINE LOSS		
Basic loss attributable to equity owners of parent	(52 619)	(40 860)
Loss on disposal of intangible assets	938	
Impairment loss		1 295
Tax effects of disposal and impairment	(263)	(363)
Headline loss	(51 944)	(39 928)
Headline loss per share (cents)	(47.31)	(45.95)*
RECONCILIATION OF BASIC HEADLINE LOSS TO DILUTED HEADLINE LOSS		
Headline loss	(51 944)	(39 928)
Adjustments	-	-
Diluted headline loss (cents)	(51 944)	(39 928)
Diluted weighted average number of shares	109 799	86 997
Diluted headline loss per share	(47.31)	(45.95)*
Number of shares in issue ('000)	117 427	100 135

* Headline loss per share and diluted headline loss per share were incorrectly disclosed as 47.03 cents in the prior year, the correct figure is 45.95 cents.

34. NET ASSET VALUE PER SHARE

Figures in Rand thousands	GROUP	
	2020	2019
Number of shares in issue ('000)	117 427	100 135
Net assets	247 230	164 233
Tangible net assets	158 007	93 739
Net asset value per share	210.54	164.01
Tangible net assets value per share	134.56	93.61

35. EVENTS AFTER THE REPORTING PERIOD

On 10 March 2020, Renergen released a SENS announcement on the drilling update. Since the announcement on 17 December 2019 of strong gas flows with high (up to 12%) helium, drilling and other technical issues have necessitated significant changes from the original horizontal well design. The sections penetrated by several side-tracks have provided valuable encouraging data for future development drilling.

On 18 March 2020, Renergen released a SENS announcement on the safety measures taken by the Group in response to novel Coronavirus. On 15 March 2020, President Cyril Ramaphosa declared the COVID-19 outbreak a national disaster, to allow the government to begin taking measures in counteracting the virus. The Company took swift and decisive measures to limit the impact of the virus to staff. From 18 March all staff in the Johannesburg office have been working from home in self isolation and with the Company continuing with “business as usual” under unusual times. The country went into a national shutdown on 26 March 2020, management continues to assess the requirements of the Company and balance those with the expectations of our stakeholders namely, employees and customers. Both the CNG pilot project in Virginia, South Africa and the project construction have been halted due to the COVID-19 crisis.

Management has successfully applied to the Government to register Tetra4 as an essential service and is authorised to commence activity when management determines it is appropriate to do so.

As at the date of approving these Annual Financial Statements, management have assessed that there is no material impact on the financial statements for the year ended 29 February 2020. After the reporting period, there have been significant fluctuations in the foreign currencies that the Group trades in. During the year, the Group has entered into put option contracts to hedge

NOTES TO FINANCIAL STATEMENTS

the Group against ZAR: USD foreign exchange fluctuations. The devaluation of the ZAR against the USD is continually being evaluated under IFRS. These are non-adjusting events in respect of the year ended 29 February 2020, as they are events that occurred after the reporting period. It was concluded that the declaration of the COVID-19 pandemic as a national disaster and the national lockdown are such events.

On 17 April 2020, Renergen announced the completion of the pipeline design. The milestone was achieved eight days behind schedule, which under current conditions is an achievement. This milestone is not considered to be critical to the completion date, and therefore the Company does not anticipate that missing this milestone will lead to delays in the final project completion given the pipeline is intended to be complete well before the liquefiers are intended to be delivered in South Africa. Based on the current circumstances, management has no reason to believe there will be any material delays on our scheduled turn on date of the new LNG and LHe plant project.

Management has made an assessment on the impact of COVID-19 on the pilot project and the impact is deemed to be immaterial in the new financial year.

The Directors are not aware of any material events that occurred after the reporting period and up to the date of this report.

36. GOING CONCERN

The consolidated and separate financial statements have been prepared assuming the Group will continue as a going concern, which contemplates the realisation of assets and settlement of liabilities in the normal course of business for the foreseeable future. The Group's ability to achieve profitability is dependent on the capital spend of proceeds raised from the currently underway capital raise. The Directors have reviewed the Group's forecasts for the next twelve months and are satisfied that the Group has adequate financial resources to continue as a going concern, including with specific consideration of the risk associated with COVID-19.

The Group has received a funding commitment of US\$40 million from the DFC to spend towards the new plant project as well as a secondary listing on the Australian Securities Exchange wherein the Group raised an additional AU\$15.7 million in the current financial year. The DFC commitment will not be affected by the COVID-19 pandemic and the Group has made its first draw down on the loan in the current year. The construction of the new plant commenced in October 2019 and is on track for commissioning in the 2022 financial year. The Group has entered into off take agreements for the sale of both LNG and helium.



SHAREHOLDER INFORMATION

ANALYSIS OF SHAREHOLDERS

	NO. OF SHAREHOLDINGS		%	NO. OF SHARES		%
SHAREHOLDER SPREAD						
1 - 1 000 shares	550	38.43		172 826		0.15
1 001 - 10 000 shares	588	41.09		2 445 185		2.08
10 001 - 100 000 shares	206	14.40		6 520 213		5.55
100 001 - 1 000 000 shares	73	5.10		23 860 066		20.32
1 000 001 shares and over	14	0.98		84 429 129		71.90
Totals	1 431	100.00		117 427 419		100.00
DISTRIBUTION OF SHAREHOLDERS						
Banks/Brokers	23	1.61		5 097 529		4.34
Close Corporations	7	0.49		37 549		0.03
Endowment Funds	5	0.35		230 716		0.20
Individuals	1 128	78.83		9 922 166		8.45
Insurance Companies	10	0.70		2 733 457		2.33
Investment Companies	2	0.14		26 224		0.02
Medical Schemes	3	0.21		441 364		0.38
Mutual Funds	19	1.33		6 765 198		5.76
Other Corporations	6	0.42		15 589		0.01
Private Companies	150	10.48		55 331 260		47.12
Public Companies	6	0.42		8 136 606		6.93
Retirement Funds	50	3.49		28 377 233		24.17
Trusts	22	1.54		312 528		0.27
Totals	1 431	100.00		117 427 419		100.00
PUBLIC/NON - PUBLIC SHAREHOLDERS						
Non - Public Shareholders	9	0.63		52 044 022		44.32
Directors, Associates and Prescribed Officers of the Company	7	0.49		17 591 534		14.98
Strategic Holder more than 10%	3	0.21		34 462 220		29.35
Public Shareholders	1 421	99.30		65 373 665		55.67
Totals	1 431	100.00		117 427 419		100.00

	NO. OF SHAREHOLDINGS	%	NO. OF SHARES	%
BENEFICIAL SHAREHOLDERS HOLDING 5% OR MORE				
Tamryn Investment Holding (Pty) Ltd			34 462 220	29.35
Government Employees Pension Fund			14 590 095	12.42
MATC Investments (Pty) Ltd			8 708 806	7.42
CRT Investments (Pty) Ltd			8 600 269	7.32
Notable Pioneer Ltd			7 950 000	6.77
Totals			74 311 390	63.28
TOP 3 SOUTH AFRICAN INSTITUTIONAL SHAREHOLDERS				
Mazi Capital			25 809 837	21.98
Mergence Investment Managers			9 117 552	7.76
Sanlam Investment Management			2 282 651	1.94
Totals			37 210 040	31.69

BREAKDOWN OF NON-PUBLIC HOLDINGS

	NO. OF SHARES	%
DIRECTORS AND ASSOCIATES		
Olivier, F		
Olivier Family Trust	9 732	0.00
Marani, S		
MATC Investments (Pty) Ltd	8 708 806	7.42
Marani, S	258 800	0.22
Mitchell, N		
CRT Investments (Pty) Ltd	8 600 269	7.32

BREAKDOWN OF NON-PUBLIC HOLDINGS

	NO. OF SHARES	%
PRESCRIBED OFFICERS OF THE COMPANY		
Weideman, JHJ	7 500	0.01
Patel, K	6 085	0.01
Stuart, ML	342	0.00
Totals	17 591 534	14.98
STRATEGIC HOLDER MORE THAN 10%		
Tamryn Investment Holding (Pty) Ltd	34 462 220	29.35

BREAKDOWN OF BENEFICIAL SHAREHOLDERS HOLDING 3% OR MORE

	NO. OF SHARES	%
BENEFICIAL SHAREHOLDERS		
Tamryn Investment Holding (Pty) Ltd	34 462 220	29.35
Government Employees Pension Fund	14 590 095	12.42
Government Employees Pension Fund - Mazi	9 946 769	8.47
Government Employees Pension Fund - Mergence	4 643 326	3.95
MATC Investments (Pty) Ltd	8 708 806	7.42
CRT Investments (Pty) Ltd	8 600 269	7.32
Notable Pioneer Ltd	7 950 000	6.77
Totals	66 361 390	56.51

NOTICE OF ANNUAL GENERAL MEETING

RENERGEN LIMITED

Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
(Share code: REN ISIN: ZAE000202610)
(Renergen or the Company)

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 29 FEBRUARY 2020

In terms of section 59(1) of the Companies Act No.71 of 2008 (the Companies Act), as amended, notice is hereby given that the Annual General Meeting (AGM) of the shareholders of Renergen will be held at 12:00 on Friday, 7 August 2020, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions set out hereafter.

In light of COVID-19 measures put in place by the South African Government, shareholders are advised that Renergen's Annual General Meeting will be held online only by utilising the Zoom facility. Zoom is the leader in modern enterprise video communications, with an easy, reliable cloud platform for video and audio conferencing, chat, and webinars.

ONLINE PARTICIPATION AT THE ANNUAL GENERAL MEETING

Shareholders are encouraged to email info@renergen.co.za at least 48 hours prior to the AGM, and those shareholders will be sent an email invitation to join the online AGM using the Zoom platform.

Please note for this option there are zero call charges (should you opt to dial into the voice call) to the shareholder, however, if you are not in a Wi-Fi area, you will use your data. In-person registration of meeting participants will not be carried out at the registered office of the Company, as the offices are currently closed. Shareholders will be liable for their own network charges in relation to online participation at the Annual General Meeting. Any such charges will not be for the account of Renergen or the Transfer Secretaries.

Neither Renergen, nor its Transfer Secretaries (Computershare) can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in the Annual General Meeting.

VOTING

Certificated shareholders and dematerialised shareholders, who wish to vote, are hereby requested to vote at least 48 hours prior to the AGM, by submitting their duly completed forms of proxy to the Company's Transfer Secretaries by email to: proxy@computershare.co.za as soon as possible, but no later than Wednesday, 5 August 2020 for voting purposes.

COMMUNICATE WITH US

Shareholders are encouraged to submit any questions to info@renergen.co.za. These questions will be addressed at the Annual General Meeting or will be responded to via email.

RECORD DATES

In terms of section 62(3)(a), read together with section 59 of the Companies Act, the following dates apply to the AGM:

	2020
Record date for determining those shareholders entitled to receive this notice	Thursday, 21 May 2020
Last day to trade in order to be eligible to participate in and vote at the AGM	Tuesday, 28 July 2020
Record date (for voting purposes at the AGM)	Friday 31 July 2020

ACTION BY SHAREHOLDERS

Shareholders entitled to attend and the AGM may appoint one or more proxies to attend and speak thereat in their stead. A proxy need not be a shareholder of Renergen. A form of proxy which provides instructions for its completion is hereby inserted. Completion of a form of proxy will not preclude such shareholder from attending (in preference to that shareholder's proxy) the AGM.

Proxy forms must be completed by certificated shareholders or "own name" registered dematerialised shareholders who wish to be represented at the AGM.

Dematerialised shareholders (not with "own name" registration) must notify their Central Securities Depository Participant (CSDP) or broker of their intention to attend the AGM in order for such CSDP or broker to be able to issue them with the necessary letter of representation to enable them to attend the AGM, or, alternatively, should the dematerialised shareholder not wish to attend the AGM, they should provide their CSDP or broker with their voting instructions.

Forms of proxy must reach the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, by emailing proxy@computershare.co.za, to be received by them by no later than 12:00 on Wednesday, 5 August 2020 (or 48 (forty- eight) hours before any adjournments of the AGM which date, if necessary, will be notified on SENS).

AGM participants may be required to provide identification to the reasonable satisfaction of the Chairperson of the AGM. An official identification document issued by the South African Department of Home Affairs, a driving license or a valid passport will be accepted as sufficient identification.

Shareholders who have any doubt as to what action they are required to take in respect of the following resolutions, should consult their CSDP, broker, banker, attorney, accountant or other professional adviser immediately.

On a poll, ordinary shareholders will have one vote (prior to the AGM) in respect of each share held.

NOTES TO ANNUAL GENERAL MEETING

AGENDA

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The Company's summarised consolidated financial statements (as approved by the Board of Directors (the Board) for the year ended 29 February 2020 have been distributed and accompany this notice of AGM (refer to page 108) as required and will be presented to shareholders at the AGM together with the reports of the Directors and the Audit, Risk and IT Committee.

The Letter to shareholders accompanying this notice of AGM contains details of where copies of the Integrated Annual Report and Annual Financial Statements can be downloaded from the Company's website **www.renergen.co.za**

REPORT FROM GOVERNANCE, ETHICS, SOCIAL, TRANSFORMATION AND COMPENSATION COMMITTEE

In accordance with Regulation 43(5)(c) of the Companies Act, the Chairperson of the Governance, Ethics, Social, Transformation and Compensation Committee or, in his absence, any member of the Committee, will present the Social and Ethics report to shareholders at the AGM.

ORDINARY RESOLUTIONS

To consider and, if deemed fit, to pass, with or without modification, all of the ordinary resolutions relating to the business set out below. Unless otherwise indicated, in order for each ordinary resolution to be adopted the support of more than 50% of the voting rights exercised on the resolutions by shareholders, represented by proxy at the AGM and entitled to exercise voting rights on the resolution, is required.

ORDINARY RESOLUTION NUMBER 1: RE-ELECTION OF DIRECTOR

L Matteucci will retire at the AGM in accordance with Renergen's memorandum of incorporation (MOI) and, being eligible, offers himself for re-election.

"Resolved that the re-election of L Matteucci, as an independent Non-executive Director who, in terms of Article 5.1 of the Company's MOI retires by rotation at this AGM but, being eligible to do so, offers himself for re-election, is hereby confirmed with effect from 7 August 2020."

Rationale: Renergen's MOI and, to the extent applicable, the Companies Act require that one third of Renergen's Non-executive Directors rotate at the AGM and can be eligible for re-election.

L Matteucci's abbreviated curriculum vitae appears on page 63 of the Integrated Annual Report to which this notice is attached.

ORDINARY RESOLUTION NUMBER 2: RE-ELECTION OF DIRECTOR

B Maleke will retire at the AGM in accordance with Renergen's memorandum of incorporation (MOI) and, being eligible, offers himself for re-election.

"Resolved that the re-election of B Maleke, as an independent Non-executive Director who, in terms of Article 5.1 of the Company's MOI retires by rotation at this AGM but, being eligible to do so, offers himself for re-election, is hereby confirmed with effect from 7 August 2020."

Rationale: Renergen's MOI and, to the extent applicable, the Companies Act require that one third of Renergen's Non-executive Directors rotate at the AGM and can be eligible for re-election.

B Maleke's abbreviated curriculum vitae appears on page 64 of the Integrated Annual Report to which this notice is attached.

ORDINARY RESOLUTION NUMBER 3: ELECTION OF CHAIRPERSON AND MEMBERS OF THE AUDIT, RISK AND IT COMMITTEE

To consider and, if deemed fit, elect the following Independent Non-executive Directors as members of Renergen's Audit, Risk and IT Committee, with effect from the end of this AGM. Shareholders elect, by way of a separate vote (prior to the AGM), each of the following:

Ordinary resolution number 3.1

"Resolved that, subject to the passing of ordinary resolution number 1, L Matteucci be and is hereby elected as a member and Chairperson of Renergen's Audit, Risk and IT Committee."

Ordinary resolution number 3.2

"Resolved that M Swana be and is hereby elected as a member of Renergen's Audit, Risk and IT Committee."

Ordinary resolution number 3.3

"Resolved that, subject to the passing of ordinary resolution number 2, B Maleke be and is hereby elected as a member of Renergen's Audit, Risk and IT Committee."

Rationale: In terms of the Companies Act Renergen, as a public company, must appoint an Audit Committee and the members of such audit Committee must be appointed or reappointed, as the case may be, at each AGM of Renergen.

An abbreviated curriculum vitae in respect of each member of the Audit, Risk and IT Committee appears on pages 62 to 66 of the Integrated Annual Report to which this notice is attached.

ORDINARY RESOLUTION NUMBER 4: APPOINTMENT OF EXTERNAL AUDITOR

“Resolved that Mazars be appointed, on the recommendation of the current Audit, Risk and IT Committee, as Renergen’s independent registered auditor, with Shaun Vorster being the individual designated auditor who will undertake the audit during the financial year ending 28 February 2021, and to authorise the Directors to determine the auditor’s remuneration.”

Rationale: In terms of the Companies Act Renergen, as a public company, must have its financial results audited and such an auditor must be appointed or reappointed each year at Renergen’s AGM.

ORDINARY RESOLUTION NUMBER 5: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

“Resolved that, subject to the Companies Act and the Johannesburg Stock Exchange Limited Listings Requirements (JSE Listings Requirements), the Board is hereby given a general authority to allot and issue the unissued ordinary shares in the capital of Renergen (or options to subscribe for, or securities that are convertible into such ordinary shares) as an issue for cash as and when suitable situations arise, and on such terms and conditions as they deem fit, subject to the following:

- The authority shall be valid until the date of the next Renergen AGM, provided that it shall not extend beyond 15 months from the date of this AGM.
- Issues in terms of this authority will not, in any financial year, in aggregate, exceed 5% of the number of ordinary shares in Renergen - issued share capital as at the date of this notice of AGM (5% amounts to 5 631 787 shares) and in the event of a sub-division or consolidation of issued equity securities, this authority must be adjusted accordingly to represent the same allocation ratio.
- The shares, which are the subject of the issue for cash, must be of a class already in issue or, where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue.
- The shares must be issued only to public shareholders (as defined in the JSE Listings Requirements) and not to related parties.
- The maximum discount at which such shares may be issued is 10% of the weighted average traded price of Renergen shares over the 30 business days prior to the date that the price of the issue is agreed between Renergen and the party subscribing for the securities.
- Upon any issue of shares for cash which, on a cumulative basis within the validity period of this general authority, constitute 5% or more of the number of shares of the class in issue as at the date of this AGM, Renergen shall by way of an announcement on Stock Exchange News Service (SENS), give full details thereof in compliance with the JSE Listings Requirements.

This resolution and the restrictions contained herein do not apply to any pro rata rights offered to shareholders.

In terms of the JSE Listings Requirements, this resolution requires more than 75% of the voting rights in favour thereof to be adopted.”

Rationale: subject to Renergen’s MOI, the requirements of the Companies Act and the JSE Listings Requirements, the Board requires authority from shareholders to issue ordinary shares for cash in Renergen. Once granted, the general authority allows the Board, from time to time and when appropriate, to issue ordinary shares as may be required, inter alia, in terms of capital-raising exercises, and to maintain a healthy capital adequacy ratio.

ORDINARY RESOLUTION NUMBER 6: ADVISORY ENDORSEMENT OF REMUNERATION POLICY AND IMPLEMENTATION REPORT

Ordinary resolution number 6.1

“Resolved that Renergen’s Remuneration Policy, as set out on page 78 of the Integrated Annual Report, be and is hereby endorsed, by way of a non-binding advisory vote for the period 29 February 2020 to 28 February 2021, on the same basis as set out in the audited Annual Financial Statements, escalated as being reasonable by Renergen’s Governance, Ethics, Social, Transformation and Compensation Committee.”

Ordinary resolution number 6.2

“Resolved that the Remuneration Implementation Report, as set out on page 80 of the Integrated Annual Report, be and is hereby endorsed by way of a non-binding advisory vote.”

Note: Failure to pass these resolutions will not have legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when assessing Renergen’s remuneration policy.

Rationale: King IV requires companies to table their remuneration policy and implementation report each year to shareholders for separate non-binding advisory votes at the AGM.

ORDINARY RESOLUTION NUMBER 7: SIGNATURE OF DOCUMENTS

“Resolved that each Director of Renergen be and is hereby individually authorised to sign all such documents and do all such things as may be necessary for, or incidental to, the implementation of the resolutions set out in this notice of AGM, at which this ordinary resolution is to be considered and approved.”

SPECIAL RESOLUTIONS

To consider and, if deemed fit, to pass, with or without modification, all of the special resolutions relating to the business set out below. More than 75% of the voting rights exercised on each individual resolution must be exercised in favour of these resolutions.

SPECIAL RESOLUTION NUMBER 1: NON-EXECUTIVE DIRECTORS' REMUNERATION

“Resolved that, in terms of the provisions of sections 66(9) of the Companies Act, the annual remuneration payable to the Non-executive Directors of the Company for their services as Directors of the Company for the financial year ending 28 February 2021, be and is hereby approved as follows: ”

TYPE OF FEE	FEE FOR THE YEAR ENDED 29 FEBRUARY 2020	FEE FOR THE YEAR ENDED 28 FEBRUARY 2021
	R	R
ANNUAL RETAINER		
<i>Board</i>		
Chairperson	R564 806	R536 551
Member	R213 413	R197 758
<i>Audit, Risk and IT Committee</i>		
Chairperson	R108 458	R38 078
Member	R61 413	R19 951
<i>GESTC Committee</i>		
Chairperson	R108 458	R56 685
Member	R61 413	R39 302
PER MEETING FEES		
<i>Board</i>		
Chairperson	R35 300	R36 924
Member	R13 338	R13 952
<i>Audit, Risk and IT Committee</i>		
Chairperson	R18 076	R18 908
Member	R10 236	R10 706
<i>GESTC Committee</i>		
Chairperson	R27 115	R18 907
Member	R15 353	R10 707
AD HOC TELECONFERENCE FEES		
<i>Board</i>		
Chairperson	R4 000	R4 000
Member	R4 000	R4 000
<i>Committees</i>		
Chairperson	R4 000	R4 000
Member	R4 000	R4 000

Rationale: The Companies Act requires that Directors' fees be authorised by shareholders by way of a special resolution. The passing of this special resolution will have the effect of approving the remuneration of each of the Directors of Renergen for the year ending 28 February 2021, in accordance with section 66(9) of the Companies Act.

SPECIAL RESOLUTION NUMBER 2: GENERAL AUTHORITY TO REPURCHASE SECURITIES

"Resolved that an acquisition by Renergen and/or any subsidiary of Renergen is hereby authorised, by way of a general authority, from time to time, to repurchase any of the shares issued by Renergen, upon such terms and conditions and in such amounts as the Board may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MOI of Renergen and/or the subsidiary company and the JSE Listings Requirements, which may be amended from time to time, and provided that acquisitions by Renergen of its own shares may not, in the aggregate, exceed in any one financial year 20% of its issued share capital of that class of shares acquired from the date of the grant of this general approval, and in respect of any subsidiary, such acquisition of Renergen shares may not exceed 10%, provided that:

- The repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between Renergen and the counterparty (reported trades are prohibited).
- This general authority shall be valid only until the next AGM or for 15 months from the date of this resolution, whichever period is shorter.
- Repurchases may not be made at a price greater than 10% above the weighted average of the market value for the securities for the 5 business days immediately preceding the date on which the transaction is effected.
- At any point in time, Renergen may only appoint one agent to effect any repurchase on its behalf.
- Neither Renergen nor its subsidiaries may repurchase securities during a prohibited period, as defined in the JSE Listings Requirements, unless a repurchase programme is in place in terms of which the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of which programme have been submitted to the JSE in writing prior to the commencement of the prohibited period. Renergen will instruct an independent third party, which makes its investment decisions in relation to Renergen's securities independently of, and uninfluenced by, Renergen, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.
- The Board authorises the repurchase and has resolved that Renergen has satisfied the solvency and liquidity test as defined in the Companies Act, and that there have been no material changes to the financial position of Renergen.
- An announcement will be published on SENS as soon as Renergen, or any of its subsidiary companies, have acquired securities constituting, on a cumulative basis, 3% of the number of securities in issue and for each 3% in aggregate of the initial number acquired thereafter."

Although there is no immediate intention to effect a repurchase of Renergen securities, the Board would utilise this general authority to repurchase securities as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

The Board undertakes that, after considering the maximum effect of securities which may be repurchased and the price at which the repurchases may take place pursuant to this general authority, for a period until the next AGM or 15 months (whichever is shorter), after the date of notice of this AGM:

- Renergen will be able to repay its debts in the ordinary course of business.
- The consolidated assets of Renergen, fairly valued in accordance with International Financial Reporting Standards (IFRS) and on a basis consistent with Renergen's previous financial year, will exceed Renergen's consolidated liabilities.
- Renergen's working capital, stated capital and reserves will be adequate for its ordinary business purpose.
- A resolution by the Board will be passed confirming that it has authorised the repurchase, that Renergen has passed the solvency and liquidity test and, since the test was performed, there have been no material changes to Renergen's financial position.

The following additional information is provided in terms of the JSE Listings Requirements for purposes of this general authority:

- Major shareholders of Renergen – page 182 of the Integrated Annual Report.
- Litigation statement of Renergen – page 83 of the Integrated Annual Report.
- Share capital of Renergen – page 103 of the Integrated Annual Report.

Material changes

There have been no material changes in the affairs or financial position of Renergen since its financial year-end and the date of this notice.

Directors' responsibility statement

The Directors, whose names are given on pages 62 to 64 of the Integrated Annual Report to which this notice is attached, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that, to the best of their knowledge and belief:

- There are no facts in relation to this special resolution number 2 that have been omitted which would make any statement in relation hereto false or misleading.
- That all reasonable enquiries to ascertain such facts have been made.
- That this special resolution number 2, together with the notice of AGM, contains all information required by law and the JSE Listings Requirements in relation hereto.

Rationale: The reason and effect of this special resolution number 2 is to grant Renergen's Board a general authority in terms of its MOI and the JSE Listings Requirements for the acquisition by Renergen of shares issued by it on the basis reflected in the special resolution.

SPECIAL RESOLUTION NUMBER 3: FINANCIAL ASSISTANCE FOR SUBSCRIPTION OF SECURITIES

"Resolved that, in terms of section 44 of the Companies Act, the shareholders of Renergen hereby approve of Renergen providing, at any time and from time to time during the period of two years commencing on the date of this special resolution number 3, financial assistance by way of a loan, guarantee, the provision of security or otherwise, as contemplated in section 44 of the Companies Act, to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by Renergen, or a related or inter-related company, or for the purchase of any securities of Renergen, or a related or inter-related company, provided that:

- The Board, from time to time, determines (i) the specific recipient, or general category of potential recipients of such financial assistance; (ii) the form, nature and extent of such financial assistance; (iii) the terms and conditions under which such financial assistance is provided
- The Board may not authorise Renergen to provide any financial assistance pursuant to this special resolution number 3 unless the Board meets all of those requirements of section 44 of the Companies Act which it is required to meet in order to authorise Renergen to provide such financial assistance."

Rationale: The purpose of this special resolution number 3 is to grant the Board the authority to authorise Renergen to provide financial assistance to any person for the purpose of, or in connection with, the subscription for any option or securities issued or to be issued by Renergen or a related or inter-related company.

SPECIAL RESOLUTION NUMBER 4: FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES

"Resolved that shareholders hereby approve, in terms of section 45 of the Companies Act, of the provision by Renergen of direct or indirect financial assistance to any of its present or future subsidiaries."

Special resolution 4 is hereby approved provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of the special resolution and provided that:

- The recipient(s) of such financial assistance, the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the Board from time to time.
- The Board may not authorise Renergen to provide any financial assistance pursuant to this special resolution unless the Board meets all of the requirements set out in section

45 of the Companies Act, which it is required to meet in order to authorise Renergen to provide such financial assistance.

- Such financial assistance to a recipient thereof is, in the opinion of the Board, required for the purpose of meeting all or any of such recipient's operating expenses (including capital expenditure), and/or funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or funding such recipient for any other purpose which, in the opinion of the Board, is directly or indirectly in the interests of Renergen.

Section 45 of the Companies Act provides, *inter alia*, that any financial assistance to related or inter-related companies and corporations, including, *inter alia*, to subsidiaries of the Company, must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category, and the Board must be satisfied that:

- Immediately after providing the financial assistance, Renergen will satisfy the solvency and liquidity test, as defined in section 4 of the Companies Act.
- The terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.
- Any conditions or restrictions in respect of the granting of financial assistance set out in Renergen's MOI have been satisfied.

As part of the ordinary conduct of the business of Renergen, where necessary, Renergen may provide guarantees and other support undertakings to third parties which enter into financial agreements with its subsidiaries and joint ventures in which Renergen and its shareholders have an interest.

In the circumstances and in order to, *inter alia*, ensure that Renergen and its subsidiaries, or other related and inter-related companies, continue to have access to financing for purposes of refinancing existing facilities and funding their corporate and working capital requirements, it is necessary to obtain approval of the shareholders as set out in this special resolution.

OTHER BUSINESS

To transact such other business as may be transacted at an AGM or raised by shareholders with or without advance notice to Renergen.

By order of the Board



Acorim Proprietary Limited
Company Secretary

28 May 2020
Johannesburg

FORM OF PROXY

RENERGEN LIMITED

Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
(Share code: REN ISIN: ZAE000202610)
(Renergen or the Company)

For use only by ordinary shareholders who:

1. Hold ordinary shares in certificated form (certificated ordinary shareholders); or
2. Have dematerialised their ordinary shares (dematerialised ordinary shareholders) and are registered with “own name” registration,

at this Annual General Meeting (AGM) of shareholders of Renergen to be held online at 12:00 on Friday, 7 August 2020, utilising the Zoom facility, and any adjournment thereof.

Dematerialised ordinary shareholders holding ordinary shares other than with “own name” registration who wish to participate at the AGM must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend the AGM and request their CSDP or broker to issue them with the relevant letter of representation to attend the AGM in person or by proxy. If they do not wish to attend the AGM in person or by proxy, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered between them and the CSDP or broker. These ordinary shareholders must not use this form of proxy.

Name of beneficial shareholder:

Name of registered shareholder:

Address:

Telephone: work ()

home ()

Cell: ()

being the holder/custodian of

ordinary shares in the Company, hereby
appoint (see Note):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairperson of the meeting

as my/our proxy to attend and act for me/us on my/our behalf at the AGM of Renergen convened for purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat (resolutions) and at each

postponement or adjournment thereof and to vote for and/or against such resolutions, and/or abstain from voting, in respect of the ordinary shares in the issued share capital of Renergen registered in my/our name/s in accordance with the following instructions:

		NUMBER OF ORDINARY SHARES		
		FOR	AGAINST	ABSTAIN
1.	Ordinary Resolution 1: Re-election of L Matteucci as an Independent Non-executive Director			
2.	Ordinary Resolution 2: Re-election of B Maleke as an Independent Non-executive Director			
3.	Ordinary Resolution 3: Election of Chairperson and members of the Audit, Risk and IT Committee			
3.1	Election of L Matteucci as a member and Chairperson of the Audit, Risk and IT Committee			
3.2	Election of M Swana as a member of the Audit, Risk and IT Committee			
3.3	Election of B Maleke as a member of the Audit, Risk and IT Committee			
4.	Ordinary Resolution 4: Appointment of external auditor			
5.	Ordinary Resolution 5: General authority to issue shares for cash			
6.	Ordinary Resolution 6: Advisory endorsement of Remuneration Policy and Remuneration Implementation Report			
6.1	Endorsement of Remuneration Policy			
6.2	Endorsement of Remuneration Implementation Report			
7.	Ordinary Resolution 7: Signature of documents			
8.	Special Resolution 1: Non-executive Directors' remuneration			
9.	Special Resolution 2: General authority to repurchase securities			
10.	Special Resolution 3: Financial assistance for subscription of securities			
11.	Special Resolution 4: Financial assistance to related or inter-related companies			

Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

A member entitled to attend and vote at the AGM may appoint one or more proxies to attend and act in his/her stead. A proxy so appointed need not be a shareholder of Renergen.

Signed at _____ on _____ 2020

Signature _____

Assisted by (if applicable) _____

NOTES TO THE FORM OF PROXY _____

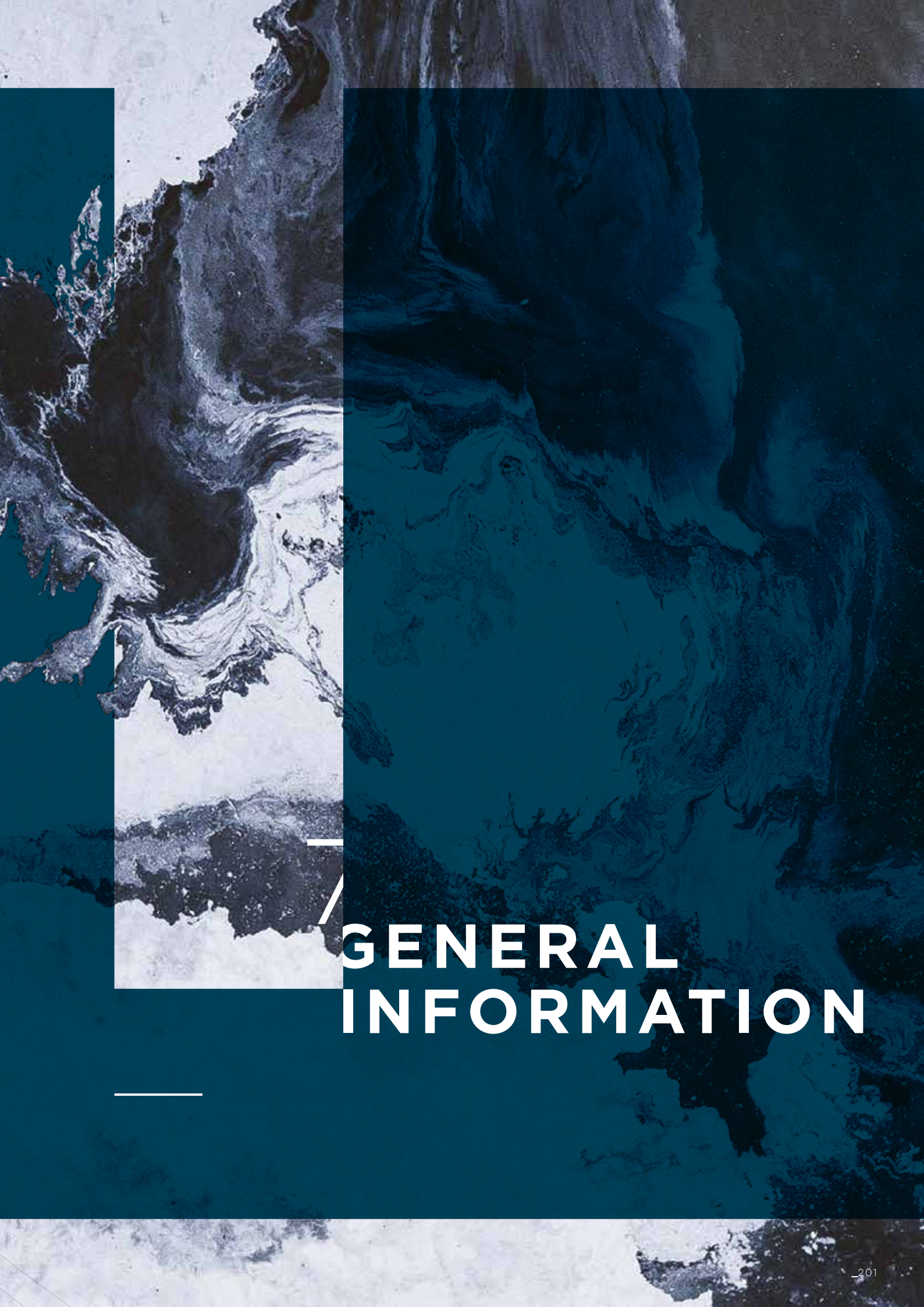
1. The form of proxy must only be completed by shareholders who hold shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
2. All other beneficial owners who have dematerialised their shares through a CSDP or broker and wish to attend the AGM must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.
3. A shareholder entitled to attend the AGM may insert the name of a proxy or the names of two alternate proxies (none of whom need be a shareholder of the Company) of the shareholder's choice in the space provided, with or without deleting "the Chairperson of the meeting". The person whose name stands first on this form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those proxy(ies) whose names follow. Should this space be left blank, the proxy will be exercised by the Chairperson of the meeting.
4. A shareholder is entitled to one vote and, on a poll, one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholders' votes exercisable thereat. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
5. A vote given in terms of an instrument of proxy shall be valid in relation to the AGM notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall or have been received by the transfer secretaries not less than 48 (forty-eight) hours before the commencement of the Annual General Meeting.
6. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the AGM be proposed, such proxy shall be entitled to vote as he/she thinks fit.
7. The Chairperson of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
8. A shareholder's authorisation to the proxy, including the Chairperson of the AGM, to vote on such shareholder's behalf shall be deemed to include the authority to vote on procedural matters at the AGM.

9. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
10. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the Chairperson of the AGM.
11. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the transfer secretaries of the Company.
12. Where there are joint holders of ordinary shares:
 - Any one holder may sign the form of proxy.
 - The vote(s) of the senior ordinary shareholders (for that purpose seniority will be determined by the order in which the names of ordinary shareholders appear in the Company's register of ordinary shareholders) who tender a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. Forms of proxy should be emailed to Computershare Investor Services Proprietary Limited at proxy@computershare.co.za. No hand deliveries or postal deliveries will be permitted in light of COVID-19 lockdown measures put in place by the South African Government.

Forms to be received by no later than 12:00 on Wednesday, 5 August 2020 (or 48 (forty-eight) hours before any adjournment of the AGM which date, if necessary, will be notified on SENS.
14. A deletion of any printed matter and the completion of any blank space need not be signed or initialed. Any alteration or correction must be signed and not merely initialed.
15. Summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act:
 - A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant shareholders' meeting.
 - A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
 - The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.
 - The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation

of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:

- a. The date stated in the revocation instrument, if any.
 - b. The date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph.
- If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder, must be delivered by the Company to:
 - a. The shareholder; or
 - b. The proxy or proxies, if the shareholder has (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.
 - The completion of a form of proxy does not preclude any shareholder from attending the AGM.



GENERAL INFORMATION

GLOSSARY OF TERMS AND ACRONYMS

A\$	Australian dollar	EIA	Environmental Impact Assessment
AGM	Annual General Meeting	ERM	Enterprise Risk Management
AltX	AltX is an alternative public equity exchange for small and medium-sized companies in South Africa operated in parallel with and wholly owned by the JSE Securities Exchange	ERP	Enterprise Resource Planning
ASX	Australian Securities Exchange	Exco	Executive Committee
A2X	A2X Markets	FCTR	Foreign currency translation reserve
Bcf	Billion cubic feet	FEED	Front End Engineering and Design
BOP	Balance of Payments. The record of all international financial transactions made by a country's resident	FVTOCI	Fair value through other comprehensive income
BSP	Bonus Share Plan	GETSC	Governance, Ethics, Transformation, Social and Compensation Committee
CEO	Chief Executive Officer	GJ	Gigajoules
CFO	Chief Financial Officer	GRI	Global Reporting Initiatives
CH₄	Methane	Group	Refers to Renergen and its subsidiary, Tetra4
CNG	Compressed natural gas, made by compressing natural gas and primarily used as a fuel which can be used in place of petrol, diesel and liquid petroleum gas	HDSA	Historically Disadvantaged South Africans
Company	Refers to Renergen only	He	Helium
COO	Chief Operating Officer	IAS	International Accounting Standard
DFC	The US International Development Finance Corporation	IDC	Industrial Development Corporation
Downstream	Downstream, commonly referred to as petrochemical, is the refining of petroleum crude oil and the processing and purifying of raw natural gas, as well as the marketing and distribution of products made from crude oil and natural gas	IFRS	International Financial Reporting Standards
EBIT	Earnings before interest and taxes	IIRC	International Integrated Reporting Council's International <IR> Framework
		INED	Independent Non-executive Directors
		IRBA	Independent Regulatory Board for Auditors
		IT	Information technology

JSE	Johannesburg Stock Exchange	SCF	Standard cubic feet
Kg	Kilogram	SENS	Stock Exchange News Service
King IV	King IV Report on Corporate Governance for South Africa	SPAC	Special purpose acquisition company
LNG	Liquefied natural gas. A gas which has been cooled to liquid form for ease and safety of non-pressurised storage or transport	STI	Short term incentive
LPG	Liquid Petroleum Gas	Tetra4	A subsidiary of Renergen
LTI	Long term incentive	UNGC	United Nations Global Compact
Mid-stream	Midstream involves the transportation (by pipeline, rail, ship, oil tanker or truck), storage, and sale marketing of crude or refined petroleum products	Up-stream	The upstream part of the gas industry refers to searching for potential underground or underwater crude oil and natural gas fields and drilling/operating the wells that bring the crude oil and/or raw natural gas to the surface
MRI	Magnetic Resonance Imaging	US dollar	United States Dollar (\$)
NED	Non-executive Directors	Windfall	Windfall Energy Proprietary Limited
NG	Natural gas		
OECD	Organisation for Economic Co-operation and Development		
OPIC	The US government's Overseas Private Corporation (now known as the Development Finance Corporation, or DFC)		
PASA	Petroleum Agency of South Africa		
Probable	Probable reserves, 50% certainty of commercial extraction		
Proven	Proved reserves, 90% certainty of commercial extraction		
R	South African rand		
RoD	Record of Decision		
ROI	Return on Investment		
SAICA	The South African Institute of Chartered Accountants		

CORPORATE INFORMATION

RENERGEN LIMITED

Date of incorporation: 30 September 2014

Place of incorporation: South Africa

COMPANY SECRETARY AND REGISTERED ADDRESS

ACORIM PROPRIETARY LIMITED

(Registration number 2014/195093/06)

13th Floor, Illovo Point
68 Melville Road, Illovo
Sandton, 2196
Gauteng, South Africa

Postnet Suite 610
Private Bag x10030
Randburg, 2125

DESIGNATED ADVISER

PSG CAPITAL

(Registration number 2006/015817/07)

2nd Floor, Building 3
11 Alice Lane,
Sandton, 2196
Gauteng, South Africa

PO Box 650957
Benmore, 2010

CORPORATE COMMUNICATIONS FIRM (AUSTRALIA)

Citadel-MAGNUS

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AUDITORS

MAZARS

Mazars is a partnership, not a registered company. IRBA membership number 888648 and IRBA practice number 900222

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ATTORNEYS

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TRANSFER SECRETARIES

COMPUTERSHARE INVESTOR SERVICES PROPRIETARY LIMITED (South Africa)

(Registration number 2004/003647/07)

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