RENERGEN

FUTURE ENERGY, TODAY

RENERGEN LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
Share code: REN ISIN: ZAE000202610
("Renergen" or "the Company" or "the Group")

Provisional condensed consolidated financial results for the year ended 28 February 2018

Key Features

- Conclusion of South Africa's first commercial Liquified Natural Gas ("LNG") sales agreement with The South African Breweries (Pty) Ltd ("SAB")
- Positive record of decision granted to Tetra4's Environmental Impact Assessment ("EIA")
- Enhanced design of proposed plant from Compressed Natural Gas ("CNG") to LNG, thus increasing of natural gas liquefiers in 2018
- Announcement of proven, recoverable helium reserves of over 6 billion cubic feet, or around 20% more than the United States' stated Helium Reserve
- The continued success of the pilot project with Megabus; the buses have now completed more than 1,000,000 incident free kilometres
- Significant savings during trials on two dual-fuel European brand trucks; in advanced discussions with several large fleet operators

About Renergen

Renergen is an integrated alternative and renewable energy business that invests in early stage energy projects across Africa and emerging markets. Through our investment in Tetra4, we are the company with the first onshore petroleum production right in South Africa, and the only one with an environmental authorisation to commence full-scale production.

COMMENTARY

Operational overview

Renergen received a positive environmental authorisation or record of decision ("RoD") on Tetra4's Environmental Impact Assessment ("EIA") by the Petroleum Agency of South Africa ("PASA") on 29 September 2017, a process which has taken over two years and involved multiple rounds of public participation.Tetra4 has also announced that it will become the first company to produce LNG in the country and among the first to sell LNG locally, resulting in significant financial savings to the end-user. Gas in liquid form overcomes the challenges of size and weight of vessels to hold the gas as well as the high pressures associated with the gas. Further to the announcement of the switch in business model from CNG to LNG, the Company has managed to secure its first off-take agreement with SAB for a significant number of its trucks. This will help SAB in its quest to reduce carbon footprint by substituting clean LNG over diesel but will also help reduce their cost of operation on the fleet side. We see this as the catalyst to convince other companies to become early adopters of this disruptive technology which is growing rapidly in Europe and China.

"This agreement with SAB marks the second large scale South African trucking operation to use new age fuels. The use of LNG not only drastically reduces carbon emissions but has the added advantage of improving the vehicle's lifecycle maintenance and reduces the operator's cost significantly. SAB remains a pioneer in sustainability, and Renergen is proud to be associated with SAB in such a landmark agreement," said Renergen CEO Stefano Marani.

MHA Petroleum Consultants LLC performed an evaluation of Tetra4 natural gas reserves. The Reserve Review performed by Venmyn Deloitte had previously estimated the valuation of the Virginia Project at R6.6bn using 10% discount rate on 1P and 20% discount rate on 2P. MHA Petroleum Consultants report using a blended 15% discount for 2P shows a new valuation of R8.4bn, or an increase of 27%. This increase is made up of numerous contributors, including a more favourable oil price, a more formal evaluation of the helium reserves and USD/ZAR exchange rate. Helium reserves volumes are estimated to be 6.21 billion cubic feet on a discovered commercial basis, or 3P. The contingent resources, or 3C amount to 24.6 billion cubic feet, which now makes Tetra4's helium project important from a global perspective. These reserve estimates were signed off by a qualified reserves evaluator, Mr Jeffrey B. Aldrich, and are based on assumptions including USD/ZAR of 12 and a gas sales price of ZAR 227/GJ.

Tetra4, which is the first and only South African company which holds a petroleum production license, is now included as part of a small group of companies that has the capacity to help South Africa become a net exporter of helium. Helium is important in the use of space exploration and high-level science and plays an important role in the use of magnetic resonance imaging (MRI's) and the manufacturing of semiconductors.

Côte d'Ivoire Hydro is a hydroelectric project managed by Mega Power Renewables (a subsidiary of Renergen) in Côte d'Ivoire (in the west of the African continent) which reached a critical point where management had to take a decision on whether to continue to fund it or write off the investment to date. The studies have shown that the tariff required to deliver reasonable investment returns to Renergen are above the norm, and Renergen would benefit more from deploying that investment to developing Tetra4's Evander gas field as well as bringing a second operation online. Management has decided not to continue funding the Ivory Coast hydro-electric projects further and will concentrate exclusively on the South African natural gas market for the time being. Renergen disposed of Mega Power Renewables on 23 February 2018.

Email investor queries to investorrelations@renergen.co.za.

Financial review

Total loss of the Group was R40.6 million (28 February 2017: R18.7 million) after taxation of R 2.4 million (28 February 2017: R6.2 million).
Major investing activities were:

- R9.6 million spent on plant, machinery and equipment on engineering of Tetra4's Virginia operating plant expansion
- R2.8 million on a financial business system as well as integrated health, safety and environmental quality software system

The feasibility and pre-feasibility studies of the hydroelectric project in Cote d'Ivoire, were funded by Renergen. Renergen has funded all costs incurred to date in the form of a loan to Mega Power Renewables. The hydroelectric project of R12.2 million has been impaired as no economic benefits are expected to be recovered.

Provisional Consolidated Statement of financial position

The statement of financial position of the Group as at 28 February 2018 are set out below:

Figures in R'000	Notes	Reviewed 28 February 2018	Audited 28 February 2017
Assets			
Non - Current Assets			
Property Plant and Equipment	**4**	32 615	21 756
Intangible Assets #	**3**	65 838	76 555
Deferred tax asset		8 671	6 234
Restricted cash #	**5**	1,632	-
Total non-current assets		**108,756**	**104,545**
Current Assets			
Trade and other receivables		2,459	8,933
Cash and cash equivalents		3,037	11,299
Total current assets		**5,496**	**20,232**
Total Assets		**114,252**	**124,777**
Equity and Liabilities			
Equity			
Stated capital	**6**	161,065	137,585
Accumulated loss		(80,231)	(42,551)
Foreign currency translation reserve		-	3,389
Share based payment reserve	**13**	114	-
Equity attributable to parent		**80,948**	**98,423**
Non-controlling interest		(12,285)	(9,262)
Total Equity		**68,663**	**89,161**
Liabilities			
Non-Current Liabilities			
Other financial liabilities		30,545	27,013
Finance lease obligation		511	137
Provisions		3,100	3,100
Total non-current liabilities		**34,156**	**30,250**
Current Liabilities			
Trade and other payables		11,167	5,284

Finance lease obligation*	266	*82
Total Current Liabilities	**11 433**	**5 366**
Total Liabilities	**45,589**	**35,616**
Total Equity and Liabilities	**114,252**	**124,777**
Net asset value per share (cents)	**84.73**	**113.71**
Tangible net asset value per share (cents)#	**3.49**	**8.13**

*This amount was included as part of trade and other payables in the 2017 financial year.
Refer to note 14

Provisional Consolidated Statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income of the Group for the year ended 28 February 2018 are set out below:

Figures in R'000	Notes	Reviewed 28 February 2018	Audited 28 February 2017
Revenue	**9**	2,885	1,722
Cost of sales	**10**	(3,483)	(2,127)
Gross (Loss)		**(598)**	**(405)**
Other income		59	375
Share based payments	**13**	(114)	-
Impairment loss		(12,245)	(3)
Operating expenses	**11**	(31,912)	(22,986)
Profit on disposal of business	**8**	4,708	-
Operating loss		**(40,102)**	**(23,019)**
Interest Income		632	1,287
Imputed interest expense		(3,532)	(3,156)
Interest expense		(35)	(8)
Total loss before tax		**(43,037)**	**(24,896)**
Taxation		2 436	6,234
Total loss after tax		**(40,601)**	**(18,662)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation reserve		1,348	3,389
Foreign currency translated to OCI		(4,737)	-
Total Comprehensive loss for the period		**(43,990)**	**(15,273)**
Total loss attributable to:			

Owners of the parent		(37,680)	(17,221)
Non-controlling interest		(2,921)	(1,441)
		(40,601)	**(18,662)**
Total comprehensive loss attributable to:			
Owners of the parent		(41,069)	(13,832)
Non- controlling interest		(2,921)	(1,441)
		(43,990)	**(15,273)**
Loss per share	**12**		
Basic loss per share (cents)		**(47.10)**	**(22.19)**
Diluted loss per ordinary share (cents)		**(47.05)**	**(22.19)**

Provisional Consolidated Statement of Changes in Equity

The statement of changes in equity of the Group for the year ended 28 February 2018 is set out below:

Figures in R'000	Stated Capital	Accumulated Loss	Foreign Currency Translation Reserve	Share based payment reserve	Equity Attributable to parent	Non-Controlling interest	Total Equity
Balance at 01 March 2016	**124,158**	**(25,330)**	**-**	**-**	**98,828**	**(7,923)**	**90,905**
Share issue	13,482	-	-	-	13,482	-	13,482
Share issue costs	(55)	-	-	-	(55)	-	(55)
Total loss	-	(17,221)	-	-	(17,221)	(1 441)	(18,662)
Other comprehensive income	-	-	3,389	-	3,389	**-**	3,389
Non-controlling interest at acquisition of Mega Power Renewables	-	-	-	-	-	102	102
Balance at 28 February 2017	**137,585**	**(42,551)**	**3,389**	**-**	**98,423**	**(9,262)**	**89,161**
Share issue	26,000	**-**	-	-	26,000	**-**	26,000
Share issue costs	(2,520)	**-**	**-**	-	(2,520)	**-**	(2,520)
Share based payment reserve	-	-	-	114	114	-	114
Other comprehensive income	-	-	1,348	-	1,348	-	1,348
Reclassification to OCI	-	-	(4,737)	-	(4,737)	-	(4,737)
Non-controlling interest at disposal – Mega Power Renewables	-	-	-	-	-	(102)	(102)
Total loss	-	(37,680)	-	-	(37,680)	(2,921)	(40,601)

Balance at 28 February 2018	**161,065**	**(80,231)**	**-**	**114**	**80,948**	**(12,285)**	**68,663**
Notes	**6**			**13**			

Provisional Consolidated Statement of Cash Flows

The statement of cash flow of the Group for the year ended 28 February 2018 are set out below:

Figures in R'000	Notes	Reviewed 28 February 2018	Audited 28 February 2017
Cash flows from operating activities			
Cash used in operations	**7**	(19,036)	(24,414)
Interest Income		632	1,287
Interest expense		(35)	(8)
Net cash outflow from operating activities		**(18,439)**	**(23,135)**
Acquisition of property, plant and equipment		(13,662)	(16,469)
Acquisition of intangible assets		(199)	(4,260)
Proceeds on sale of property, plant and equipment		-	15
Net cash outflow from investing activities		**(13,861)**	**(20,714)**
Net proceeds on share issue		23,480	13,427
Finance lease capital re-payments		(210)	-
Finance lease proceeds		768	-
Net cash inflow from financing activities		**24,038**	**13,427**
Total cash movement for the period		(8,262)	(30,422)
Cash at the beginning of the period		11,299	41,721
Total cash at the end of the period		**3,037**	**11,299**

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial information as at 28 February 2018 are set out below:

1. Basis of preparation

The provisional consolidated financial statements for the year ended 28 February 2018 have been prepared and presented in accordance with the requirements of the JSE Limited ("JSE Listings Requirements") and the requirements of the South African Companies Act 71 of 2008, as amended. The JSE Listings Requirements require summary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides issued by the Accounting Practices Committee and Financial Pronouncements issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The accounting policies used in the preparation of the provisional consolidated financial statements are in terms of IFRS and are consistent with those applied in the preparation of the audited consolidated financial statements of Renergen (the Group) for the year ended 28 February 2017.

The directors take full responsibility for the preparation of the provisional report. These provisional consolidated financial statements have been prepared under the supervision of Ms FH Ravele CA(SA), the Group's Chief Financial Officer.

Auditor's opinion

Grant Thornton, the Group's independent auditor, has reviewed the condensed provisional consolidated financial statements for the year ended 28 February 2018 and have issued a modified review report. The auditor's report contained the following material uncertainty related to going concern section:
Without qualifying our conclusion, we draw attention to the note 2 to the condensed consolidated financial statements which indicates that the Group incurred a net loss of R40.6 million for the year ended 28 February 2018. The Group currently does not have adequate cash reserves to finance its operations and business objectives for the next 12 months. As stated in Note 15, these events or conditions, along with other matters as set forth in Note 16, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.
The auditor's review conclusion does not necessarily cover all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the reviewer's work they should obtain a copy of that conclusion, together with the accompanying financial information from the registered office of the Group.

2. Operating Segments

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.

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 an 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.

- **Mega Power Renewables**

Mega Power Renewables is in Côte d'Ivoire. This segment is managing the development of a hydro-electric project. Its functional currency is Euros. Closing balances of assets and liabilities have been translated at the closing Euro/ZAR exchange rate as at year end. On 23 February 2018 Renergen decided to sell its investment in Mega Power Renewables, refer to note 8 for details on the disposal.

Analysis of reportable segments as at 28 February 2018 is set out below:

Figures in R'000 28 February 2018	Corporate Head Office	Tetra4	Mega Power Renewables	Total	Consolidating Adjustments	Consolidated
Revenue	8,600	2,885	-	**11,485**	(8,600)	**2,885**
External		2,885	-	**2,885**	-	2,885
Inter-segment	8,600	-	-	**8,600**	(8,600)	-
Loss for the period	(11,392)	(29,209)	-	(40,601)	-	(40,601))
Total Assets	**744,363**	**104,993**	**266**	**849,622**	**(735,370)**	**114,252**
Total liabilities	**4,249**	**176,525**	-	**180,774**	**(135,185)**	**45,589**

Comparatives

Figures in R'000 28 February 2017	Corporate Head Office	Tetra4	Mega Power Renewables	Total	Consolidating Adjustments	Consolidated
Revenue	**5,098**	**1,722**	**-**	**6,820**	**(5,098)**	**1,722**
External	-	1,722	-	1,722		1,722
Inter-segment	5,098	-	-	5,098	(5,098)	-
Loss for the period	(565)	(18,097)	-	(18,662)	-	(18,662)
Total Assets	**729,533**	**103,710**	**11,108**	**844,351**	**(719,574)**	**124,777**
Total liabilities	**1,621**	**146,035**	**7,508**	**155,164**	**(119,548)**	**35,616**

3. Intangible assets

Figures in R'000	Cost	Accumulated Amortisation	Accumulated Impairment	Carrying Value
28 February 2018				
Exploration and development costs	9,250	(32)	-	9,218
Molopo project mineral rights	56,579	-	-	56,579
Domain	41	-	-	41
Côte d'Ivoire Hydroelectric project	12,245	-	(12,245)	-
Total	**78,115**	**(32)**	**(12,245)**	**65,838**

Comparatives

Figures in R'000	Cost	Accumulated Amortisation	Accumulated Impairment	Carrying Value
28 February 2017				
Exploration and development costs	9,051	(13)	-	9,038
Molopo project mineral rights	56,579	-	-	56,579
Domain	41	-	-	41
Côte d'Ivoire Hydroelectric project	10,897	-	-	10,897
Total	**76,568**	**(13)**	**-**	**76,555**

4. Property, Plant and Equipment

Figures in R'000	28 February 2018			
	Cost	**Accumulated Depreciation**	**Accumulated Impairment**	**Carrying Value**
Computer software	2,933	(231)	(3)	2,699
Furniture and fixtures	751	(197)	-	554
IT equipment	248	(123)	-	125
Assets Under Construction	10,090	-	-	10,090
Motor vehicles	2,086	(1,098)	-	988
Office equipment	134	(63)	-	71
Plant and machinery	20,335	(3,625)	-	16,710
Leasehold improvements:				
Furniture and fixtures	567	(77)	-	490
Office Equipment	146	(35)	-	111
Finance Lease -Motor vehicle	857	(80)	-	777
Total	**38,147**	**(5,529)**	**(3)**	**32,615**

Comparatives

Figures in R'000	Cost	Accumulated Depreciation	Accumulated Impairment	Carrying Value
		28 February 2018		
Computer software	95	(83)	(3)	9
Furniture and fixtures	577	(90)	-	487
IT equipment	163	(53)	-	110
Assets Under Construction	506	-	-	506
Motor vehicles	2,086	(771)	-	1,315
Office equipment	134	(47)	-	87
Plant and machinery	20,305	(1,640)	-	18,665
Leasehold improvements:				
Furniture and fixtures	300	(14)	-	286
Office Equipment	110	(13)	-	97
Finance Lease - Motor vehicle	210	(16)	-	194
Total	**24,486**	**(2,727)**	**(3)**	**21,756**

5. Restricted cash

Cash in demand deposit account	28 February 2018	28 February 2017
Environmental Rehabilitation guarantee cash	1,632	-
	1,632	-

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 program 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 R3.1 million. The cash portion of this guarantee is invested in a call account and has been ringfenced for the use towards environmental rehabilitation. Due to this restriction the use of the cash is restricted, and it is classified as a non-current asset.

6. Stated Capital

	28 February 2018	28 February 2017
Authorised		
500 000 000 no par value shares The shareholders approved an increase in authorized stated capital from 100 million to 500 million on 29 September 2017.	**500,000**	**100,000**
Reconciliation of number of shares issued:		
Opening balance	78,413	77,376
Issue of shares – ordinary shares	2,622	1,037
	81,035	**78,413**
Reconciliation of issued stated capital		
Opening balance	137,585	124,158
Issue of shares – ordinary shares issued for cash	26,000	13,482
Share issue costs	(2 520)	(55)
Total issued stated capital	**161,065**	**137,585**

7. Cash used in operations

Figures in R’000	28 February 2018	28 February 2017
Loss before tax	**(43,037)**	**(24,896)**
Adjustments for:		
Depreciation	2,803	1,828
Amortisation	19	13
Impairment	12,245	3
Interest income	(632)	(1,287)
Interest expense	35	8
Imputed interest expense	3,532	3,156
Share-based payment	114	-
Profit on sale of business – Mega Power Renewables	(4,708)	-
Loss on sale of assets	-	15
Other Non – cash Items	-	-
Allocation to restricted cash	(1,632)	-
Expected cash proceeds on disposal of Mega Power Renewables	135	-
Changes in working capital		
Trade and other receivables	6,473	(5,051)
Trade and other receivables on disposal of Mega Power Renewables	(266)	-
Trade and other payables	5,883	1,797
Total cash used in operations	**(19,036)**	**(24,414)**

8. Sale of Business

In February 2018 Renergen disposed of their investment in Mega Power Renewables.

Figures in R'000	28 February 2018	28 February 2017
Trade and other receivables	266	-
Net asset value of Mega Power Renewables at disposal	266	-
Non - controlling Interest	(102)	-
Investment in Mega Power Renewables	**164**	-
Reclassification of Foreign Currency Translation Reserve to profit and loss	(4,737)	
Cash proceeds from sale	(135)	-
Profit on disposal of asset	**4,708**	-

9. Revenue

Revenue was generated from the sale of Compressed Natural Gas. (''CNG'')

Figures in R'000	28 February 2018	28 February 2017
Sale of CNG	2,885	1,722
Management fees	-	-
Total	**2,885**	**1,722**

10. Cost of sales

Cost of sales are comprised as follows:
Production costs entails depreciation costs of plant and equipment used in the production process, machinery maintenance costs and labor costs.

Figures in R'000	28 February 2018	28 February 2017
Cost of Compressed Natural Gas purchased	-	(406)
Compressed Natural Gas Production costs	(3,483)	(1,721)
Total	**(3,483)**	**(2,127)**

11. Operating Expenses

Figures in R'000	28 February 2018	28 February 2017
Consulting and advisory fees	12,177	5,169
Depreciation*	803	1,022
Directors fees	1,339	1,276
Employee costs**	9,500	6,509
Operating lease	964	-
Other Operating costs	7,129	9,010
	31,912	**22,986**

*Depreciation of plant and machinery amounting to R2 million (28 February 2017: R0,86 million), is included in cost of sales. The operating plant became fully operational in September 2017, resulting in 5 months' worth of depreciation being included in cost of sales.

**Employee costs relating to manufacturing is included in cost of sales

12. Loss per share

Figures in R'000	28 February 2018	28 February 2017
Basic loss		
Loss from continuing operations attributable to equity owners of the parent	(37,680)	(17,221)
Weighted average number of shares	80,002	77,611
Basic loss per share (cents)	**(47.10)**	**(22.19)**
Reconciliation of diluted loss		
Basic loss	(37,680)	(17,221)
Diluted loss	**(37,680)**	**(17,221)**
Weighted average number of shares	80,002	77,611
Shares issuable on share-based payment	81	-
Diluted weighted average number of shares	80,083	77,611
Diluted loss per share (cents)	**(47.05)**	**(22.19)**
Reconciliation of basic loss to headline loss		
Basic loss attributable to equity owners of parent	(37,680)	(17,221)
Profit on disposal of assets	-	(15)
Profit on disposal of business – Mega Power Renewables	(4,708)	-
Impairment of fixed assets	-	3
Impairment of intangible assets	12,245	-
Tax effects on disposal of fixed assets	-	4
Headline loss	**(30,143)**	**(17,229)**
Headline loss per share (cents)	**(37.68)**	**(22.20)**

Reconciliation of basic headline loss to diluted headline loss		
Headline loss	(30,143)	(17,229)
Diluted headline loss	**(30,143)**	**(17,229)**
Diluted weighted average number of shares	80,083	77,611
Diluted headline loss per share (cents)	**(37.64)**	**(22.20)**

13. Share based payment

Renergen granted shares to senior management and executive directors after the approval of a Bonus share scheme by shareholders on 29 September 2017. The Bonus Share Scheme did not exist in the prior year.

The share-based payment arrangement is described below:

Bonus Share Plan

Grant date/Employees entitled	**Number of shares**	**Vesting conditions**
Fulu Ravele	58,734	36 months of service from grant date (05 October 2017)

<u>Shares granted to senior management</u>

	Number of shares	**Vesting conditions**
Robert Katzke	21,914	36 months of service from grant date (05 October 2017)

Total number of bonus shares granted	**80,648**
Fair value per share at grant date	10.22
Total fair value of shares granted (figure in Rand Thousands)	824

The estimated fair value of the shares at grant date of R10.22 was calculated based on 30-day volume weighted average price.

Effect on Financial Statements

Figures in R'000Financial effect of share-based payment transactions on Statement of Profit or Loss	**28 February 2018**	**28 February 2017**
Share-based payment expense included in loss	114	-

Financial effect of share-based payment transactions on Statement of Financial Position	**28 February 2018**	**28 February 2017**
Increase in Share Based Payment equity reserves	114	-

14. Correction of error

The following errors were noted in the financial results for comparatives. These were not considered qualitatively material and thus comparatives were not restated.

- Intangible assets as at 28 February 2017 of R76.6 million incorrectly included a ring- fenced cash reserves of R1.1 million Molopo Mineral Rights. This amount should have been treated as restricted cash in non-current assets. The R1.1million has been included in the restricted cash balance in 28 February 2018. cash reserves are administered by Lombard Insurance on behalf of the Company and are invested in an-interest bearing account.
- Tangible net asset value per share was incorrectly calculated at 8.13 cents per share. This should have been 16.07 cents per share

15. Events after the reporting period

Additional stated capital of R10 million was raised in March 2018. Management continue to raise funding to facilitate the development of renewable and alternative energy projects.

As per the SENS announcement dated 07 March 2018, MHA Petroleum Consultants released an independent Reserve and Resources Evaluation Report on Tetra4's gas reserves. The Report indicated that Tetra4's Total Proven and probable gas reserves are valued at R8.4 billion compared to R6.6 billion in 2017.

As per the SENS announcement dated 21 May 2018 Renergen and AB-INBEV, through their respective subsidiaries Tetra4 Proprietary Limited ("Tetra4") and The South African Breweries Proprietary Limited ("SAB"), concluded off-take agreements for the provision of natural gas by Tetra4 to SAB to use in displacing diesel use in trucks (the "Agreement").

The directors are not aware of any other material event which occurred after the reporting period and up to the date of this report.

16. Going concern

The Historical Financial Information has been prepared assuming 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 capital spends of proceeds raised in the capital raise. The Group intends to raise sufficient capital from its investor negotiations which took place in May 2018 to finance its operations, business objectives and satisfaction of the Condition Precedent to the Industrial Development Corporation Loan requiring a capital raise of R145 000 000. There is a material uncertainty in this capital raise, but Management is confident that the Company will be in a position to draw under the loan by the end of the 2018/2019 financial year.

CORPORATE INFORMATION

Country of incorporation and domicile	South Africa
Company and registration number	2014/195093/06
JSE Share code	REN
JSE ISIN	ZAE000202610
Registered office	First Floor 1 Bompas Road Dunkeld West 2196
Nature of the 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 the JSE Alternative Exchange (“AltX”)
Directors	Stefano Marani Fulu Ravele Nick Mitchell Brett Kimber Mbali Swana Luigi Matteucci Bane Maleke
Auditors	Grant Thornton Johannesburg Chartered Accountants (SA) Registered Auditors A South African member of Grant Thornton International Limited
Company Secretary	Acorim Proprietary Limited
Transfer secretaries	Computershare Investor Services Proprietary Limited
Designated adviser	PSG Capital