RENERGEN LIMITED

Incorporated in the Republic of South Africa

(Registration number: 2014/195093/06)

Share code: REN ISIN: ZAE000202610

Australian Business Number ABN: 93998352675 ASX Share code: RLT

("Renergen" or "the Company" or "the Group")

FUTURE ENERGY, TODAY

EXTRACTED SUMMARY OF THE AUDITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

WWW. RENERGEN.CO.ZA

RESULTS COMMENTARY

The financial year ended 28 February 2021 has been an exciting one for the Group. We achieved our strategic targets and moved the much-anticipated Virginia Gas Project closer to positive cash flow despite the overwhelming headwinds presented by the COVID-19 pandemic. We believe we are on an even stronger footing towards becoming a significant helium and LNG producer. Key highlights for the year under review include:

- Completion of the pipeline design;
- Drawing the second tranche of the DFC Loan;
- Commencement of drilling of the first inclined well;
- Strategic tie-up with Total South Africa ("Total"), a leading oil super-major, on domestic LNG distribution;
- Announcement of 106.3 billion cubic feet ("BCF") of prospective helium resources with a 2U or 50% probability of recovery;
- Identification of three additional drilling targets;
- Commencement of South Africa's first-ever LNG auction;
- Signing of the LNG supply agreement with Logico Logistics;
- Announcement of the first zero-emissions solution for cold-chain logistics; and
- Adding the N1 route between Johannesburg and Cape Town to the LNG filling routes with Total.

The first COVID-19 case was reported in South Africa on 5 March 2020, which resulted in a nationwide hard lockdown for the greater part of the first quarter of the financial year. This meant that the Group had an unremarkable start to the year as the Group implemented stay-at-home measures according to the government's recommendations. Despite a slow start to the financial year, in June 2020, we completed the design of the Virginia Gas Plant, 22 days ahead of schedule. The customer base for the LNG produced at the Virginia Gas Plant will predominantly be logistics companies operating trucks along the main routes across the country, with a significant portion of the initial production already allocated to customers.

Our strategic partnership with Total, which also commenced in June 2020, could not have come at a better time. This strategic tie-up adds credibility to the Virginia Gas Project and gives the Company access to strategic sites on which to establish filling stations to dispense LNG to customers. The conclusion of the agreement between Total and the Company was seen as a win-win for both entities, making Total part of the rollout of the first LNG in South Africa, which aligns with its global strategy of becoming the largest supplier and distributor of LNG. It also enabled the Group to add the N1 route between Johannesburg and Cape Town as another major transport corridor for LNG, as the N1 carries the most refrigerated trucks in the country.

The construction of the Virginia Gas Plant is ongoing and is nearing completion. The Group made a second drawdown against the DFC loan facility to fund the ongoing construction of the plant, which is expected to become operational in Q4 2021.

During the year under review, we also designed and patented Cryo-Vacc™ for the efficient transportation and storage of cold biologics for periods of up to 25 days or longer in transit, where access to an external power source is not possible. The Company has made significant progress in a very short space of time, from developing the concept on 4 December 2020 to having a working prototype entering clinical validation just after the middle of March 2021. The completion and successful operation of the Company's first Cryo-Vacc™ prototype was announced on 21 February 2021.

The global helium market is expected to grow at an average rate of approximately 11% by 2023. The helium market growth is expected to be driven by the growing demand from the healthcare, technology, and aerospace industry sectors. The decline of existing helium supply sources, particularly in the U.S. Bureau of Land Management's (BLM) system, are causing industrial gas companies and distributors to seek new sources of helium supply (Source: Global Helium Market Data and Industry Growth Analysis Report, 2021).

FINANCIAL REVIEW

The Group's revenue decreased by R0.7 million impacted by the COVID-19 lockdown which resulted in Tetra4 not trading in April and May 2020. Operations resumed in June 2020. Tetra4 is the only subsidiary of Renergen.

The Group's other operating expenses declined by R14.7 million primarily due to a decrease in listing costs by R6.0 million (impacted by ASX listing in the prior year) and net foreign exchange losses by R6.1 million. The Group's other operating expenses are disclosed in note 5.

Share based payments expenses decreased by R5.3 million. The prior year expense included shares granted to advisors pursuant to the listing of the Company on the ASX. The Group's share-based payments are disclosed in note 8.

Following completion of the Virginia Gas Plant design we spent an additional R163.1million on assets under construction classified within property, plant and equipment ("PPE"). The Group also capitalised exploration expenditure totalling R23.2 million under intangible assets. The Group's PPE and intangible assets are disclosed in notes 2 and 3.

Further investment on our non-current assets was partly funded by a second draw-down of US$12.5 million (R216.3 million) on the DFC loan facility which occurred in June 2020. This resulted in an increase in total borrowings by R183.1 million. The Group's borrowings are disclosed in note 9.

Unrestricted cash resources of the Group decreased by R10.1 million. The Group's cash flows arising from operating, investing and financing activities are fully set out in the Statement of Cash Flows.

The net asset value of the Group decreased by R40.8 million impacted mainly by an increase in debt and the loss for the year offset by the additional investment in PPE and intangible assets.

CHANGES TO THE BOARD

There were no changes to the Board during the year under review. On 31 March 2021 Fulufhedzani Ravele resigned with immediate effect from her position as Chief Financial Officer of the Company.

On 1 May 2021 Brian Harvey was appointed as the new Chief Financial Officer of Renergen.

During the month of April 2021, the CFO function was overseen by the Chief Operating Officer who bolstered the finance function by contracting financial management services from MWJ Consultants ("MWJ"). Tariro Gadzikwa CA(SA) led the project from MWJ's perspective and was supported by two additional members of her team who are all qualified CA(SA)s. The Board requested that the members of the Audit and Risk Committee make themselves available to management. The swift action taken by management ensured that the Company was able to meet all its statutory and regulatory reporting requirements.

OUTLOOK

The outlook for the FY22 is promising and will be the most significant year for the Group to date with the commissioning of the Virginia Gas plant, sales of the first commercially available LNG in South Africa and sales of the first locally produced liquid helium. Added to this is the manufacture and sale of the Group's patented Cryo-Vacc™ system for unparalleled biologics cold-chain solutions, which not only demonstrates an untapped use for helium but also the Group's approach to innovation being at the forefront of its strategy. In less than 6 months, the Company successfully took a concept into production and announced the first successful sales in South Africa, with each unit sold resulting in annuity income for the lifespan of the unit whilst in operation.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Condensed Consolidated Statement of Financial Position of the Group as at 28 February 2021 is set out below:

R'000	Notes	Audited 2021	Audited 2020
ASSETS			
Non-current assets		**625 576**	**469 579**
Property, plant and equipment	2	475 558	350 824
Intangible assets	3	112 155	89 223
Deferred taxation	10	34 976	26 803
Restricted cash		2 887	2 729
Current assets		**154 786**	**156 912**
Trade and other receivables		7 769	5 533
Financial assets		-	246
Restricted cash		16 139	10 161
Cash and cash equivalents	4	130 878	140 972
TOTAL ASSETS		**780 362**	**626 491**
EQUITY AND LIABILITIES			
Equity		**206 408**	**247 230**
Stated capital	7	453 078	452 254
Share-based payments reserve	8	8 500	7 526
Revaluation reserve		598	598
Accumulated loss		(255 768)	(213 148)
LIABILITIES			
Non-current liabilities		**541 476**	**358 145**
Borrowings	9	534 293	351 182
Lease liabilities		3 183	2 963
Provisions		4 000	4 000
Current liabilities		**32 478**	**21 116**
Provisions		2 180	2 180
Lease liabilities		3 007	2 549
Trade and other payables		27 291	16 387
TOTAL LIABILITIES		**573 954**	**379 261**
TOTAL EQUITY AND LIABILITIES		**780 362**	**626 491**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income of the Group for the audited 12-month period ended 28 February 2021 is set out below:

R'000	Notes	Audited 2021	Audited 2020
Revenue	11	1 925	2 635
Cost of sales		(2 842)	(3 302)
Gross loss		**(917)**	**(667)**
Other operating income		911	81
Share-based payments expense	8	(1 798)	(7 078)
Other operating expenses	5	(44 969)	(59 641)
Operating loss		**(46 773)**	**(67 305)**
Interest income		672	5 352
Interest expense and imputed interest		(4 691)	(5 325)
Loss before taxation		**(50 792)**	**(67 278)**
Taxation		8 172	14 659
Loss for the year		**(42 620)**	**(52 619)**
Other comprehensive income:			
Items that may not be reclassified to profit or loss in subsequent periods:			
Revaluation of property (net of tax)		-	598
Other comprehensive income for the year net of taxation		-	598
Total comprehensive loss for the year		**(42 620)**	**(52 021)**
Loss attributable to:			
Owners of the Company		(42 620)	(52 619)
Loss for the year		**(42 620)**	**(52 619)**
Total comprehensive loss attributable to:			
Owners of the Company		(42 620)	(52 021)
Total comprehensive loss for the year		**(42 620)**	**(52 021)**
Loss per ordinary share			
Basic loss per share (cents)	12	(36.29)	(47.92)
Diluted loss per share (cents)	12	(36.29)	(47.92)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Condensed Consolidated Statement of Changes in Equity of the Group for the audited 12 month period ended 28 February 2021 is set out below:

R'000	Share capital	Share-based payment reserve	Revaluation reserve	Accum-lated loss	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance at 1 March 2019	**301 277**	**448**	**-**	**(121 091)**	**180 634**	**(16 401)**	**164 233**
Adjustment on initial adoption of IFRS 16	-	-	-	(37)	(37)	-	(37)
Adjusted balance at 1 March 2019	**301 277**	**448**	**-**	**(121 128)**	**180 597**	**(16 401)**	**164 196**
Loss for the year	-	-	-	(52 619)	(52 619)	-	(52 619)
Other comprehensive income for the year	-	-	598	-	598	-	598
Total comprehensive income /(loss) for the year	-	-	598	(52 619)	(52 021)	-	(52 021)
Issue of shares	159 746	-	-	-	159 746	-	159 746
Share issue costs	(8 769)	-	-	-	(8 769)	-	(8 769)
Change in ownership	-	-	-	(39 401)	(39 401)	16 401	(23 000)
Share-based payments expense (note 8)	-	7 078	-	-	7 078	-	7 078
Balance at 29 February 2020	**452 254**	**7 526**	**598**	**(213 148)**	**247 230**	**-**	**247 230**
Loss for the year	-	-	-	(42 620)	(42 620)	-	(42 620)
Total comprehensive loss for the year	-	-	-	(42 620)	(42 620)	-	(42 620)
Issue of shares	824	(824)	-	-	-	-	-
Share-based pay-ments expense (note 8)	-	1 798	-	-	1 798	-	1 798
Balance at 28 February 2021	**453 078**	**8 500**	**598**	**(255 768)**	**206 408**	**-**	**206 408**
Notes	7	8					

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

The Condensed Consolidated Statement of Cash Flows of the Group for the audited 12-month period ended 28 February 2021 is set out below:

R'000	Notes	Audited 2021	Audited 2020
Cash flows used in operating activities		**(24 486)**	**(37 471)**
Cash used in operations	6	(24 580)	(42 636)
Interest received		672	5 352
Interest paid		(578)	(187)
Cash flows used in investing activities		**(196 338)**	**(315 814)**
Investment in property, plant and equipment	2	(163 079)	(298 347)
Investment in intangible assets	3	(23 207)	(18 728)
Purchase of options	6.1	(16 197)	(8 256)
Proceeds on exercise of options	6.1	6 145	9 517
Cash flows from financing activities		**213 758**	**411 349**
Proceeds on share issue	7	-	159 746
Share issue costs	7	-	(8 769)
Proceeds from borrowings	9	216 282	295 976
Loan facility fee paid		-	(4 814)
Settlement of convertible note		-	(5 452)
Right of use - lease payments		(2 524)	(2 338)
Non-controlling interest buy-out		-	(23 000)
TOTAL CASH MOVEMENT FOR THE YEAR		**(7 066)**	**58 064**
Cash and cash equivalents at the beginning of the year	4	140 972	97 956
Effects of exchange rate changes on cash and cash equivalents		(3 028)	(15 048)
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**4**	**130 878**	**140 972**

NOTES TO THE CONDENSED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The summary of the consolidated annual financial statements for the year ended 28 February 2021 has been prepared in accordance with and containing the information required by IAS 34 Interim Financial Reporting, the JSE listings requirements, the ASX listing rules, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies applied in the preparation of the summary of the consolidated annual financial statements are in accordance with International Financial Reporting Standards as issued by the IASB and are consistent with the accounting policies applied in the previous annual financial statements of the Group. Amendments to accounting standards and new accounting pronouncements which came into effect for the first time during the financial year did not have a material impact on the Group.

This summary of the consolidated annual financial statements has been extracted from the audited consolidated annual financial statements but has not itself been audited. The audited Group consolidated annual financial statements are available electronically on the Company's website **www.renergen.co.za.** The directors take full responsibility for the preparation of this summary report and for the accuracy of financial information that has been extracted from the underlying consolidated annual financial statements.

The summary of the consolidated annual financial statements was prepared on the historical cost basis except for property which is carried at revalued amounts and derivative financial assets and liabilities measured at fair value. It is presented in South African Rand which is the Company's functional and presentation currency. All monetary information is rounded to the nearest thousand (R'000), unless stated otherwise.

AUDITOR'S OPINION

The summary of the consolidated annual financial statements has been derived from the Group's audited consolidated annual financial statements which have been audited by Mazars. The auditor, Mazars, has issued its unmodified opinion on the Group's audited consolidated annual financial statements for the year ended 28 February 2021. The audit was conducted in accordance with International Standards on Auditing. This auditor's report does not necessarily report on all the information contained in this announcement. A copy of the auditor's report on the consolidated annual financial statements is available electronically on the Company's website **www.renergen.co.za** and is also available for inspection at the Company's registered address, together with the financial statements identified in the respective auditor's report. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's auditor.

AREAS OF SIGNIFICANT JUDGEMENT

The Group's audited consolidated annual financial statements from which this summary is extract are underpinned by judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are disclosed in the Group's audited annual financial statements which are available on the Company's website **www.renergen.co.za.**

2. PROPERTY, PLANT AND EQUIPMENT

R'000	2021 Cost or valuation	2021 Accumulated depreciation	2021 Net book value	2020 Cost or valuation	2020 Accumulated depreciation	2020 Net book value
Assets under construction	451 576	-	451 576	325 886	-	325 886
Right of use asset – head office building	2 243	-	2 243	4 129	(1 376)	2 753
Land – at revalued amount	3 473	-	3 473	3 473	-	3 473
Plant and machinery	20 714	(9 451)	11 263	20 715	(7 767)	12 948
Furniture and fixtures	1 206	(679)	527	1 146	(486)	660
Motor vehicles	2 095	(2 051)	44	2 050	(1 725)	325
Office equipment	208	(132)	76	209	(104)	105
IT equipment	541	(438)	103	542	(365)	177
Right of use assets - motor vehicles	4 526	(547)	3 979	2 359	(516)	1 843
Office building	2 065	(270)	1 795	2 065	(63)	2 002
Leasehold improvements:						
Office equipment	152	(110)	42	152	(84)	68
Furniture and fixtures	887	(450)	437	887	(303)	584
TOTAL	**489 686**	**(14 128)**	**475 558**	**363 613**	**(12 789)**	**350 824**

2021 R'000	At 1 March 2020	Additions[1]	Depreciation	Lease terminations	At 28 February 2021
Assets under construction	325 886	125 690	-	-	451 576
Plant and machinery	12 948	-	(1 685)	-	11 263
Land – at revalued amount	3 473	-	-	-	3 473
Right-of-use assets - motor vehicles	1 843	3 022	(519)	(367)	3 979
Right-of-use assets - head office building	2 753	2 243	(1 262)	(1 491)	2 243
Office building	2 002	-	(207)	-	1 795
Furniture and fixtures	660	60	(193)	-	527
Motor vehicles	325	46	(327)	-	44
Office equipment	105	-	(29)	-	76
IT equipment	177	-	(74)	-	103
Leasehold improvements:					
Office equipment	68	-	(26)	-	42
Furniture and fixtures	584	-	(147)	-	437
TOTAL	**350 824**	**131 061**	**(4 469)**	**(1 858)**	**475 558**

[1]. *Additions to right-of-use assets relate to new leases.*

2020 R'000	At 1 March 2019	Adoption of IFRS 16	Additions[1]	Reclassification to intangible assets	Revaluation	Depreciation	Impairments	At 29 February 2020
Assets under construction	19 491	-	306 395	-	-	-	-	325 886
Plant and machinery	14 725	-	2 603	-	-	(2 156)	(2 224)	12 948
Land - at revalued amount	-	-	2 777	-	696	-	-	3 473
Right-of-use asset - head office building	-	4 129	-	-	-	(1 376)	-	2 753
Right-of-use assets - motor vehicles	-	605	1 502	-	-	(186)	(78)	1 843
Office building	-	-	2 065	-	-	(63)	-	2 002
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)	-	-	-	-
Leasehold improvements:								
Office equipment	93	-	-	-	-	(25)	-	68
Furniture and fixtures	395	-	320	-	-	(131)	-	584
TOTAL	**37 152**	**4 734**	**316 265**	**(1 115)**	**696**	**(4 606)**	**(2 302)**	**350 824**

[1]. *Additions to right-of-use assets relate to new leases.*

Pledge of assets

Tetra4 concluded a finance agreement with the Development Finance Corporation on 20 August 2019 (See note 9). All assets under construction and the land are held as security for this debt. Pledged assets under construction and land totalled R455.0 million (2020: R380.6 million) as at 28 February 2021, representing 100% of each of these asset categories.

Additions and borrowing costs

Additions include unrealised foreign exchange gains totalling R37.3 million (2020: exchange loss of R8.0 million) and interest totalling R28.9 million (2020: R7.7 million) capitalised as part of borrowing costs in line with the Group's policy (attributable to the DFC loan), and non-cash additions of right of use assets totalling R5.3 million. These costs and gains were capitalised within assets under construction. Excluding the impact of foreign exchange gains and additions to rights of use assets which are all non-cash items, additions for the year totalled R163.1 million. The Group's borrowings are disclosed in note 9. The rate used to determine the amount of interest eligible for capitalisation was 1.69% (2020: 2.11%), which is the weighted average interest rate of the specific borrowings.

Capital commitments

Capital commitments attributable to assets under construction are disclosed in note 14.

3. INTANGIBLE ASSETS

	2021			2020			
R'000	Cost	Accumulated depreciation and impairment	Net book value	Cost	Accumulated depreciation and impairment	Disposal	Net book value
Exploration and development costs	109 026	(32)	108 994	87 511	(32)	-	87 479
Computer software	3 303	(439)	2 864	3 115	(474)	(938)	1 703
Other intangible assets	297	-	297	41	-	-	41
Total	**112 626**	**(471)**	**112 155**	**90 667**	**(506)**	**(938)**	**89 223**

R'000	At 1 March 2020	Additions	Amortisation	At 28 February 2021
Exploration and development costs	87 479	21 515	-	108 994
Computer software	1 703	1 436	(275)	2 864
Other intangible assets	41	256	-	297
Total	**89 223**	**23 207**	**(275)**	**112 155**

R'000	At 1 March 2019	Additions	Reclassification from property, plant and equipment	Amortisation	Disposal	At 29 February 2020
Exploration and development costs	70 453	17 026	-	-	-	87 479
Computer software	-	1 680	1 115	(154)	(938)	1 703
Other intangible assets	41	-	-	-	-	41
Total	**70 494**	**18 706**	**1 115**	**(154)**	**(938)**	**89 223**

The Group has not updated its Independent Reserve and Resource Evaluation Report for its exploration and development costs primarily due to the current operations not consuming a material amount of gas, thus not materially changing the reserves and resources since the last Independent Reserve and Resource Evaluation Report was undertaken in March 2019. In addition, all new exploration activities were delayed due to COVID-19, and are still currently underway. We anticipate updating the Independent Reserve and Resource Evaluation Report in the financial year ending February 2022.

4. CASH AND CASH EQUIVALENTS

R'000	Audited 2021	Audited 2020
Cash and cash equivalents consist of:		
Cash at banks and on hand	24 219	140 972
Short-term deposits	106 659	-
Total	**130 878**	**140 972**

Cash at banks earns interest at floating rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates. Included in cash at banks and on hand is R17.2 million (2020: R8.7 million) denominated in United States Dollars.

5. OTHER OPERATING EXPENSES

R'000	Audited 2021	Audited 2020
OPERATING EXPENSES BY NATURE		
Consulting and advisory fees[1]	6 099	2 342
Listing costs[1]	437	6 388
Employee costs[2]	6 417	12 970
Depreciation and amortisation[3]	3 060	3 542
Net foreign exchange losses[4]	8 916	15 048
Computer and IT expenses[5]	2 619	1 295
Security	1 095	512
Corporate costs	1 139	1 609
Insurance	1 534	730
Loss on disposal of intangible assets	-	938
Other operating costs[7]	5 329	1 878
Directors fees - Non-executive	2 162	2 581
Directors fees - Executive[6]	6 162	9 808
	44 969	**59 641**

1. The increase in consulting and advisory fees is due to the expertise sought to enhance and further define the Group's exploration strategy. Listing costs were impacted by the listing on the ASX in the prior year.
2. Excludes employee costs amounting to R0.8 million (2020: R0.7 million) relating to the manufacturing of gas sold which are included in cost of sales. There were more employee costs capitalised to assets under construction in the current year due to the advancement of the construction of the Virginia Gas Plant which is nearing completion.
3. Excludes depreciation of plant and machinery amounting to R1.7 million (2020: R2.1 million) which is included in cost of sales.
4. Net foreign exchange gains amounting to R37.3 million on the DFC loan were capitalised to assets under construction (note 2).
5. The increase in computer and IT expenses includes new accounting software (SAP) licences and consultant fees for training and implementation thereof.
6. Directors fees amounting to R7.1 million (2020: R1.0 million) were capitalised to assets under construction (note 2) during the year under review.
7. Prior year other operating costs were impacted by the reversal of the IDC provision of R3.6 million.

6. CASH USED IN OPERATIONS

R'000	Notes	Audited 2021	Audited 2020
Loss before taxation		(50 792)	(67 278)
CASH ADJUSTMENTS			
Interest received		(672)	(5 352)
Cash interest paid		6	187
Capitalised interest on convertible notes		-	264
Allocation of restricted cash		(6 136)	(551)
Right of use liability - interest expense		572	-
NON-CASH ADJUSTMENTS			
Imputed interest	9	4 113	4 442
Right of use liability - interest expense		-	430
Depreciation and amortisation	5	4 744	4 760
Loss on disposal of intangible assets		-	938
Net fair value losses/(gains) on put option contracts		10 298	(3 661)
Share-based payment expense		1 798	7 078
Deposits written off		-	143
(Profit)/loss on lease termination		(460)	78
Decrease in IDC provision		-	(3 649)
Decrease in leave pay accrual		(924)	-
Decrease in bonus accrual		(2 340)	-
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
Net foreign exchange losses		3 028	15 048
CHANGES IN WORKING CAPITAL			
Trade and other receivables		(1 985)	(1 050)
Trade and other payables		14 170	5 537
		(24 580)	**(42 636)**

6.1 PUT OPTION CONTRACTS

2021

On 20 March 2020, Tetra4 acquired 15 000 put option contracts at R672.60 per contract (R10.1 million) with a strike price of R17.50/US$1. These options expired on 10 April 2020.

On 14 April 2020, Tetra4 acquired an additional 15 000 put option contracts at R488.61 per contract (R6.1 million) with a strike price of R18.00/US$1. These options were exercised on 29 May 2020 and Tetra4 received R6.1 million. There were no put option contracts in place at 28 February 2021. The Group's put option contracts hedge foreign exchange risks.

2020

On 14 August 2019 Tetra4 purchased 15 000 put option contracts at R550.37 per contract (R8.3 million) with a strike price of R15.25/US$1. These options were exercised on 8 January 2020 for R13.7 million.

On 27 January 2020 Tetra4 acquired an additional 15 000 put contracts at R299.58 per contract (R4.5 million) with a strike price of R14.55/US$1. The proceeds of R13.7 million from the above contracts that were exercised earlier that month were used to settle the purchase of these contracts resulting in net proceeds of R9.5 million being received by Tetra4. The share option contracts acquired on 27 January 2020 expired on 31 March 2020. At 28 February 2020, these options had a market-to-market fair value of R0.2 million. The put options granted Tetra4 the right to sell US dollars at a strike price of R14.55.

7. STATED CAPITAL

	Audited 2021	Audited 2020
AUTHORISED	**'000**	**'000**
500 000 000 no par value shares (number)	500 000	500 000
RECONCILIATION OF NUMBER OF SHARES ISSUED		
Balance at 1 March	117 427	100 135
Issue of shares	81	17 292
Balance at 28/29 February	**117 508**	**117 427**
RECONCILIATION OF ISSUED STATED CAPITAL	**R'000**	**R'000**
Balance at 1 March	452 254	301 277
Issue of shares - ordinary shares issued for cash	-	159 746
Issue of shares - share incentive scheme, non-cash	824	-
Share issue costs	-	(8 769)
Balance at 28/29 February	**453 078**	**452 254**

In September 2020 shares granted to a director and member of senior management pursuant to the Group Bonus Share Scheme vested. This resulted in the issuance of 80 648 shares on 30 October 2020 for no consideration.

During the prior year Renergen issued 12.5 million shares at AU$0.80 (R8.25) per share on 6 June 2019 under a specific share issue as part of its initial public offering on the ASX. An additional 4.8 million shares were issued under a general share issue on the ASX in January 2020 at AU$1.20 (R11.83) per share. These offerings raised R103.0 million and R56.7 million, respectively.

8. EQUITY SETTLED SHARE-BASED PAYMENTS

On 1 October 2017 Renergen granted shares to senior management and an Executive Director pursuant to the approval of the Bonus Share Scheme by shareholders on 29 September 2017. Further shares were granted to executive directors, senior management and general employees on 6 July 2018, 17 May 2019 and 1 March 2020. All shares vest after 3 years of employment with the Group and there are no other vesting conditions. Shares granted to participants which have not yet vested lapse if the director or employee leaves the Group. Shares granted to senior management and an executive director on 1 October 2017 vested on 30 September 2020.

The fair value per share on grant date relates to the 30-day volume weighted average price per share on the JSE on the grant date (VWAP).

Reconciliation of shares granted:

	2021			2020		
	Number of shares granted ('000)	Fair value per share at grant date Rand	Value of shares at grant date (R'000)	Number of shares granted ('000)	Fair value per share at grant date Rand	Value of shares at grant date (R'000)
Balance at the beginning of the year	277		2 479	108		1 095
ALLOCATION FOR THE YEAR	**252**	**13,55**	**3 411**	**169**	**8,17**	**1 384**
Executive Directors	195	13,55	2 648	144	8,17	1 176
Senior management	53	13,55	715	18	8,17	148
General employees	4	13,55	48	7	8,17	60
VESTED SHARES FOR THE YEAR	**(81)**	**10,22**	**(824)**	**-**	**-**	**-**
Executive Directors	(59)	10,22	(600)	-	-	-
Senior management	(22)	10,22	(224)	-	-	-
LAPSED SHARES FOR THE YEAR	**(15)**	**13,34**	**(202)**	**-**	**-**	**-**
Senior management	(11)	13,55	(147)	-	-	-
General employees	(4)	12,81	(55)	-	-	-
Balance at the end of the year	**433**		**4 864**	**277**		**2 479**

R'000	**Audited 2021**	**Audited 2020**
Balance at the beginning of the year	7 526	448
Bonus share scheme - share-based payments expense for Renergen participants	**1 007**	**309**
Executive Directors	921	279
Senior management	86	30
General employees	-	-
Bonus share scheme - share-based payments expense for Tetra4 participants	**791**	**464**
Executive Directors	463	310
Senior management	310	121
General employees	18	33
Share options - share-based payments expense charged to profit or loss	**52**	**6 305**
Lead advisor	-	3 483
Corporate advisor	-	2 787
Non-executive Director	52	35
Shares which lapsed during the year	(52)	-
Vested shares issued during the year	(824)	-
Balance at the end of the year	**8 500**	**7 526**

9. BORROWINGS

R'000	Audited 2021	Audited 2020
HELD AT AMORTISED COST		
Molopo Energy Limited (Molopo)	43 053	38 940
US International Development Finance Corporation (DFC)	491 240	312 242
Total	**534 293**	**351 182**

The movement in borrowings for the year under review is outlined below:

2021 R'000	At 1 March 2020	Drawdowns	Non-cash movements: imputed interest expense and foreign exchange gains	At 28 February 2021
Molopo	38 940	-	4 113[1]	43 053
DFC	312 242	216 282	(37 284)[2]	491 240
Total	**351 182**	**216 282**	**(33 171)**	**534 293**

[1]. *Imputed interest* [2]. *foreign exchange gains*

MOLOPO

Tetra4 entered into a R50.0 million loan agreement on 1 May 2013. This loan was part of the conditions of the sale of shares in Tetra4 from Molopo Energy Limited to Windfall Energy Proprietary Limited. 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 (2020: also interest free). The loan can only be repaid when Tetra4 declares a dividend and utilising a maximum of 36% of the distributable profits in order to pay the dividend. If 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. The loan advanced to Tetra4 by Renergen can only be repaid after the loan from Molopo Energy Limited has been settled.

The loan is discounted to its 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 28 February 2021 is 9% (prime lending rate of 7% plus 2%) (2020: 11.75%). The imputed interest expense is included in profit and loss. The fair value of the loan amount outstanding at 28 February 2021 amounts to R43.1 million.

DFC

Tetra4 entered into a US$40.0 million finance agreement with DFC on 20 August 2019 ("Facility Agreement"). The first draw down of US$20.0 million took place in September 2019 and the second draw down of US$12.5 million in June 2020. Tetra4 shall repay the loan in equal quarterly instalments of US$0.9 million (R13.3 million using the rate at 28 February 2021) on each payment date beginning 1 August 2022 and ending on 15 August 2031. The loan is secured by a pledge of the Group's assets under construction and land (see note 2), and the Debt Service Reserve Account. As at 28 February 2021, there is still US$7.5 million available for drawdown under this facility.

Interest

The first drawdown of $20.0 million attracts interest of 2.11% per annum. Interest on the second drawdown is 1.49% per annum.

Interest is payable by Tetra4 to the DFC quarterly on 15 February, 15 May, 15 August and 15 February of each year ("Repayment Dates") for the duration of the loan. This interest is capitalised to assets under construction within PPE in line with the Group policy. Interest paid during the year totalled $0.5 million (R9.0 million) (2020: $0.2 million (R2.4 million)).

Guaranty fee

A guaranty fee of 4% per annum if payable by Tetra4 to DFC on any outstanding loan balance. The guaranty fee is payable quarterly on the Repayment Dates. Tetra4 paid guaranty fees totalling $1.1 million (R18.6 million) during the year under review (2020: $0.3 million (R4.5 million)).

Commitment fee

A commitment fee of 0.5% per annum is payable by Tetra4 to the DFC on any undisbursed amounts under the Facility Agreement. Commitment fees are payable quarterly on the Repayment Dates. Tetra4 paid commitment fees totalling $0.04 million (R0.6 million) during the year under review (2020: $0.06 million (R0.9 million)). It is anticipated that the Group will drawdown on the remaining facility of US$7.5 million in June 2021.

Facility fees

A once-off facility fee of $0.4 million (R4.8 million) was paid by Tetra4 to the DFC prior to its first drawdown on 26 September 2019.

Maintenance fee

An annual maintenance fee of $0.04 million is payable by Tetra4 to the DFC for the duration of the loan term and is payable on 15 November of each year and commenced on 15 November 2020. The maintenance fee covers administrative costs relating to the loan. Tetra4 paid $0.04 million (R0.5 million) during the year under review (2020: nil).

Debt covenants

The following debt covenants apply to the DFC loan:

a) Tetra4 is required to maintain at all times i) a ratio of all interest bearing Debt to EBITDA of not more than 3.0 to 1; (ii) a ratio of Current Assets to Current Liabilities of not less than 1 to 1; and (iii) a Reserve Tail Ratio of not less than 25%.

(b) Tetra4 is required to maintain at all times (i) a ratio of Cash Flow for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, to Debt Service for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, of not less than 1.30 to 1; and (ii) a ratio of Cash Flow for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, to Debt Service for the next succeeding four (4) consecutive full fiscal quarters of not less than 1.3 to 1.

(c) Tetra4 is required to ensure that the Debt Service Reserve Account is funded in the aggregate of all amounts due to the DFC within the next 6 months.

The covenants in a) and b) will apply 18 months after the completion of the construction of the Virginia Gas Plant. The Group has complied with the covenant under c) above for the year under review and believes that it will be able to comply with the covenants throughout the tenure of the loan.

“Reserve Tail Ratio” means for any calculation date, the quotient obtained by dividing (a) all of the Borrower’s remaining Proved Reserves as of such calculation date by (b) all of the Borrower’s Proved Reserves as of the date of this Agreement.

10. DEFERRED TAXATION

	GROUP 2021				
2021 **R'000**	**At 1 March 2020**	**Recognised in profit or loss**	**At 28 February 2021**	**Deferred tax asset**	**Deferred tax liability**
Property, plant and equipment	(4 041)	(36 136)	(40 177)	-	(40 177)
Intangible assets	(2 123)	-	(2 123)	-	(2 123)
Put option contracts	(69)	69	-	-	-
Provisions	-	3 165	3 165	3 165	-
Unutilised tax losses	33 036	41 075	74 111	74 111	-
	26 803	**8 173**	**34 976**	**77 276**	**(42 300)**

The losses incurred by the Group are mainly attributable to its subsidiary, Tetra4. Tetra4 is in the process of constructing the Virginia Gas Plant and conducting exploration activities. Its revenues have therefore been minimal to date. The Virginia Gas Plant is expected to become operational in Q4 2021.

As at 28 February 2021 the Group's estimated tax losses were R603.0 million (2020: R425.0 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 R35.0 million (2020: R26.8 million) has been recognised as it is estimated that future profits will be available against which the assessed losses can be utilised. It is the policy of the Group to recognise deferred tax on part of the tax losses of the Group. Unused tax losses for which no deferred tax has been recognised total R334.8 million as at 28 February 2021 (2020: R307.0 million).

Change in tax rate

On 24 February 2021, a reduction in the corporate tax rate from 28% to 27% for years of assessment commencing 1 April 2022 was announced. This impacts the measurement of deferred tax assets and liabilities which must be measured at the tax rates that are expected to apply to the period in which the underlying asset or liability is realised or settled. The impact on the Group of this change in the future tax rate is not material at R1.2 million for the year under review.

11. SEGMENTAL ANALYSIS

The Group has identified reportable segments that are used by the Group Executive Committee (chief operating decision-maker) to make key operating decisions, allocate resources and assess performance. For management purposes the Group is organised and analysed as follows:

Corporate head office

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

Tetra4

Tetra4 explores for, develops and sells compressed natural gas ("CNG") to the South African market. It operates in the Gauteng Province in Johannesburg, Free State Province in the towns of Virginia and Welkom and Mpumalanga Province in the town of Evander.

The analysis of reportable segments as at 28 February 2021 and 29 February 2020 is set out below:

R'000	Corporate Head Office	Tetra4	Total	Eliminations	Consolidated
	2021				
Revenue	16 442	1 925	18 367	(16 442)	1 925
External	-	1 925	1 925	-	1 925
Inter-segmental	16 442	-	16 442	(16 442)	-
Depreciation and amortisation	(1 571)	(3 173)	(4 744)	-	(4 744)
Employee costs	(1 017)	(12 153)	(13 170)	6 753	(6 417)
Net foreign exchange loss	(100)	(8 816)	(8 916)	-	(8 916)
Interest income	621	51	672	-	672
Imputed interest	-	(4 113)	(4 113)	-	(4 113)
Interest expense	(246)	(332)	(578)	-	(578)
Taxation	1 324	6 848	8 172	-	8 172
Profit/(loss) for the year	4 167	(46 787)	(42 620)	-	(42 620)
Total assets	**1 026 538**	**774 202**	**1 800 740**	**(1 020 378)**	**780 362**
Total liabilities	**(1 353)**	**(968 376)**	**(969 729)**	**395 775**	**(573 954)**

R'000	Corporate Head Office	Tetra4	Total	Eliminations	Consolidated
	2020				
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)
Loss on disposal of intangible assets	(938)	-	(938)	-	(938)
Impairment of property, plant and equipment	-	(2 302)	(2 302)	-	(2 302)
Employee costs	(959)	(18 181)	(19 140)	6 170	(12 970)
Net foreign exchange loss	(2 821)	(12 227)	(15 048)	-	(15 048)
Interest income	(3 340)	(2 012)	(5 352)	-	(5 352)
Imputed interest	-	(4 442)	(4 442)	-	(4 442)
Interest expense	(881)	-	(881)	-	(881)
Taxation	732	13 927	14 659	-	14 659
Loss for the year	(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**

During the year ended 28 February 2021, R1.9 million or 100% (2020: R2.6 million or 100%) of the Group's revenue depended on the sales of CNG to one customer. This revenue is reported under the Tetra4 operating segment.

Inter-segment revenues are eliminated upon consolidation and are reflected in the 'eliminations' column.

12. LOSS PER SHARE

	Audited 2021	Audited 2020
Loss per share		
Basic (cents)	(36,29)	(47,92)
Diluted (cents)	(36,29)	(47,92)
Loss attributable to equity holders of the Company used in the calculation of the basic and diluted loss per share (R'000)	(42 620)	(52 619)
Weighted average number of ordinary shares used in the calculation of basic loss per share ('000):	117 454	109 799
Issued shares at the beginning of the year ('000)	117 427	100 135
Effect of shares issued during the year (weighted) ('000)	27	9 664
Add: Dilutive share options ('000)	-	-
Weighted average number of ordinary shares used in the calculation of diluted loss per share ('000)	**117 454**	**109 799**
Headline loss per share		
Basic (cents)	(36,29)	(47,31)
Diluted (cents)	(36,29)	(47,31)

Reconciliation of headline loss	**R'000**	**R'000**
Loss attributable to equity holders of the Company	(42 620)	(52 619)
Loss on disposal of intangible assets	-	938
Tax effects on loss of disposal of intangible assets	-	(263)
Headline loss	**(42 620)**	**(51 944)**

The share options and bonus scheme shares have not been included in the weighted average number of shares used to calculate the diluted loss per share or the diluted headline loss per share as they are anti-dilutive. These options and shares are disclosed in note 8 and are anti-dilutive because of the loss position of the Group.

The headline loss has been calculated in accordance with Circular 1/2019 issued by the South African Institute of Chartered Accountants.

13. NET ASSET VALUE PER SHARE

	Audited 2021	Audited 2020
Number of shares in use ('000)	117 508	117 427
Net assets (R'000)	206 408	247 230
Tangible net assets (R'000)	94 253	158 007
Net asset value per share (cents)	175.65	210.54
Tangible net asset value per share (cents)	80.21	134.56

14. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

There are no contingent liabilities as at 28 February 2021 (2020: nil) for the Group.

Commitments

2021	**Spent to date**	**Contractual commitments**	**Total approved**
Capital equipment	321.6	207.5	529.1
TOTAL	**321.6**	**207.5**	**529.1**

2020	**Spent to date**	**Contractual commitments**	**Uncommitted**	**Total approved**
Capital equipment	231.8	268.6	11.6	512.0
TOTAL	**231.8**	**268.6**	**11.6**	**512.0**

The Board approved total project costs amounting to R529.1 million (2020: R512.0 million) relating to the construction of the Virginia Gas Plant. As at the end of the reporting period the Group had incurred construction and drilling costs as disclosed above and had contractual commitments relating to capital expenditure of R207.5 million (2020: R268.6 million) relating to property, plant and equipment committed under various contracts.

15. RELATED PARTIES

RELATIONSHIPS

Subsidiary	Tetra4 (Proprietary) Limited
Shareholder with significant influence	CRT Investments (Proprietary) Limited MATC Investment Holdings (Proprietary) Limited
Companies controlled by Directors	CRT Investments (Proprietary) Limited MATC Investment Holdings (Proprietary) Limited Luhuhi Investments (Proprietary) Limited There were no transactions with companies controlled by Directors in the current year.

Key management personnel include Executive and Non-executive Directors and members of the Executive Committee. Remuneration paid to key management personnel is summarised below:

	2021			2020		
	Directors' board fees	Committees fees	Total	Directors' board fees	Committees fees	Total
Fees paid to Non-executive Directors:						
Brett Kimber	647	71	718	749	92	841
Mbali Swana	240	165	405	292	245	537
Luigi Matteucci	240	185	425	292	255	547
Bane Maleke	240	134	374	262	184	446
David King	240	-	240	210	-	210
	1 607	**555**	**2 162**	**1 805**	**776**	**2 581**

[1] *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.*

	2021				2020			
Remuneration paid to Executive Directors:	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	4 000	1 003	1 003	6 006	3 675	533	533	4 741
Fulu Ravele	2 721	486	486	3 693	2 459	216	216	2 891
Nick Mitchell	4 000	1 003	1 003	6 006	3 675	328	328	4 331
	10 721	**2 492**	**2 492**	**15 705**	**9 809**	**1 077**	**1 077**	**11 963**

	2021				2020			
Remuneration paid to Prescribed Officers:	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total	Total annual guaranteed package	Short-term cash incentive paid	Share incentive	Total
Johan Weiderman	1 750	236	236	2 222	1 569	-	-	1 569
Khalid Patel	1 309	155	155	1 619	1 233	98	98	1 429
Mandy-Leigh Stuart	1 017	121	121	1 259	959	71	71	1 101
Muhammed Khan	1 236	147	147	1 530	1 019	-	-	1 019
	5 312	**659**	**659**	**6 630**	**4 780**	**169**	**169**	**5 118**

Prescribed officers are also members of the Executive Committee and are part of the Group's key management.

16. EVENTS AFTER THE REPORTING PERIOD

Successful drilling campaign

On 9 March 2021, the Company announced that its wild card well P007 was successful. The success of P007 is very significant, as the well is in an area outside the primary focus area for reserves to be exploited in the Phase 1 development (which is currently under construction), but importantly, it is in close proximity to the Phase 1 gas gathering system. Shortly thereafter the Company announced on 11 March 2021 that the redrilling of a previously abandoned well MDR1 was successful. The gas flow which initially recorded at 86 000 standard cubic feet per day has slowly increased up to 160 000 standard cubic feet day as the loss circulation material has dried up and reduced friction in the wellbore. The well is important as it is located 600 metres from the new plant under construction, and demonstrates that the well spacing can be significantly reduced without impacting other wells and leads to a more efficient drilling campaign for future expansion.

Exceptional helium concentrations

On 29 March 2021, Renergen obtained laboratory results on the helium concentrations from recently drilled wells P007 and MDR1. MDR1 returned a helium concentration of 3.15%, and wildcard well P007 a concentration of 4.38%. This helium concentration exceeds that of nearby wells owned by the Group.

Completion of 5th project milestone

On 1 April 2021, the Company announced that it had timeously completed the fifth major milestone at the Virginia Gas Project, as the Company works towards the commencement of production in Q4 2021. The milestone includes the shipment of the following equipment from China to South Africa:

- EAG heater, LN2 vaporiser, BOG heater, LNG vaporiser, and electrical control equipment;
- Cryogenic vacuum jacketed piping;
- LNG/LHe process plant compressor modules; and
- LNG bulk storage tanks.

Conclusion of a helium sales agreement

On 12 April 2021, the Company announced that it had concluded its first helium sales agreement with a global tier-one automotive supplier in the Company's first "Direct-to-Customer" helium deal with iSi Automotive. The landmark transaction will see helium from Phase 2 placed directly with the customer through the agreement and is one of the key contracts underpinning the Phase 2 development at the Virginia Gas Project ("Virginia").

Sales of the first 110 Cryo-Vacc™ units to DPD Laser

The Company announced that it had entered into an agreement for the manufacture and sale of the first 110 Cryo-Vacc™ cases, following the launch of Renergen's Cryo-Vacc™ storage solution (see announcement dated 15 February 2021), for the movement of vaccines and other biologics at ultra-cold temperatures. The importance of this agreement is that it signifies that the technology works, and it demonstrates Renergen's ability to think out the box, innovate and build out scalable solutions that will ultimately complement its core business offering, which is the production, sales and marketing of both liquid helium and liquid natural gas.

Changes in directors

On 31 March 2021 Fulufhedzani Ravele resigned with immediate effect from her position as CFO of the Company.

On 1 May 2021 Brian Harvey was appointed as the new CFO of Renergen.

R2D2 drilling update

As explained in the last quarterly update released on 31 March 2021, the Company was due to commence the drilling of well R2D2, and planned to reach the first (pre-fracture system) target at the base of the Karoo formation around the end of the first week of May. On 10 May 2021, the Company announced that it was pleased to advise that the drilling had progressed as anticipated, and the well had been drilled to the base of the Karoo formation, interpreted to be proximal to the target gas-bearing fracture system. Logging operations are underway in preparation for casing the well and applying for the requisite approvals to continue drilling in the WITS formation. Given this casing, logging and approval process is expected to take several weeks to complete, and the Company elected to relocate the drilling rig to a new site, C3PO, where it will also drill to the base of the Karoo pending the approvals to drill to final depth at the well R2D2.

Gaseous odours were detected in the deeper section of R2D2, consistent with the experience of the drilling of the successful well MDR1.

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

17. COVID-19

South Africa moved to alert Level 1 of the lockdown with effect from 20 September 2020. This move recognised that the levels of COVID-19 were relatively low and there was sufficient capacity in the country's health system to manage the COVID-19 related health care needs. Staff members from both the Johannesburg and Virginia offices returned to working at the office under strict COVID-19 guidelines in September 2020. Covid-19 protocols were strictly adhered to throughout the move of the country back to Level 3 in December 2020 to ensure all employees could continue to work safely at the office. As of the date of this report, with the country back at lockdown Level 1, management have assessed that COVID-19 has resulted in delays for the original forecasted commissioning date for the Virginia Gas Project which was initially scheduled for Q2 2021. However, the project is on track to become operational in Q4 2021. As the world enters the third wave of the global COVID-19 pandemic, the Group continues to monitor this area very closely as the impact from lockdowns and global supply interruptions can still disrupt the Group's activities. Management will continue to monitor the impact of COVID-19 on the business and will put responses in place to mitigate any risks that may arise.

18. GOING CONCERN

The consolidated financial statements have been prepared assuming the Group will continue as a going concern. This contemplates the realisation of assets and settlement of liabilities in the normal course of business during the assessment period. The Directors have reviewed the Group's forecasts for the next twelve months and are satisfied that the Group has adequate financial resources, and access to capital and borrowing facilities to continue operations in the normal course of business for the foreseeable future. In reaching this conclusion the Directors' have also considered developments with COVID-19.

Johannesburg
31 May 2021

Designated Advisor
PSG Capital

RELEASE OF INTEGRATED ANNUAL REPORT

Shareholders are hereby advised that the integrated annual report for the year ended 28 February 2021 will be released before 30 June 2021. The integrated annual report will incorporate the notice of annual general meeting in accordance with the provisions of Act 71 of 2008 of South Africa ("Companies Act"), as amended, and the Company's memorandum of incorporation. The date on which shareholders must be recorded as such in the share register of the Company for purposes of being entitled to participate at this meeting will be communicated in the integrated annual report.

ABOUT RENERGEN

Renergen is an emerging helium and natural gas producer in South Africa. Through its investment in Tetra4, we benefit from the first and currently only onshore petroleum production right in South Africa, with proven helium and methane reserves and arguably one of the highest concentrations of helium globally.

Of key importance is that many of the traditional risks associated with a greenfield project have either been mitigated or eliminated in the New Liquefied Natural Gas (LNG) and Liquefied Helium plant ("the plant"). These have been eliminated through the continued development of the project since it was initially acquired, having received all the requisite licensing from Governmental and Regulatory authorities, implemented the turnkey engineering, procurement, and construction contracting strategy with our primary contractors and secured sufficient offtake agreements for both LNG and helium. To add to this the Company is fully funded to production as a result of the recent listing on the Australian Securities Exchange (ASX) and the loan from the DFC US International Development Finance Corporation (formerly known as OPIC).

The Company also enjoys very strong prospects related to the untapped upside potential of the Virginia gas field with the commencement of exploration of the previously unknown sandstone body where a well was drilled and is producing helium at a concentration of up to 12%, or more than 20 times global average.

CORPORATE INFORMATION

Country of incorporation and domicile	South Africa
Company and registration number	2014/195093/06
JSE Share code	REN
JSE ISIN	ZAE000202610
LEI	378900B1512179F35A69
ASX Share code	RLT
Australian Business number	93998352675
A2X Share code	REN
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 in South Africa and sub-Saharan Africa. The Company is listed on the JSE Alternative Exchange (“AltX”) and has a secondary listing on the Australian Securities Exchange (“ASX”) and A2X Markets
Directors	Stefano Marani (CEO) Nick Mitchell (COO) Brian Harvey (CFO) Brett Kimber (Non-executive Chairman) Dr David King Mbali Swana Luigi Matteucci Dr Bane Moeketsi Maleke Francois Olivier
Auditors	Mazars Chartered Accountants (SA) Registered Auditors
Company secretary	Acorim Proprietary Limited
Transfer secretaries	Computershare Investor Services Proprietary Limited (South Africa) and Computershare Investor Services Limited (Australia)
Designated adviser	PSG Capital