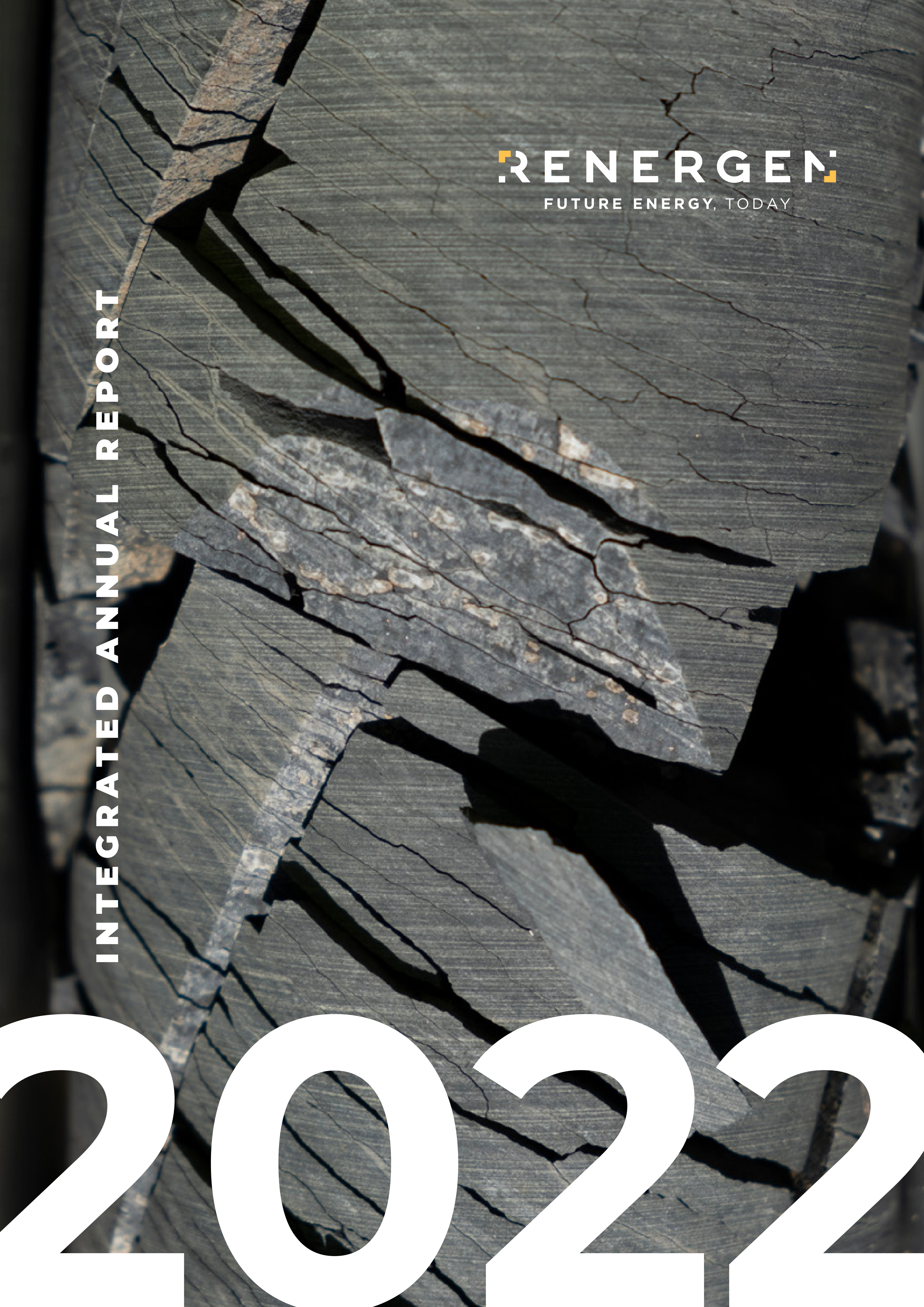
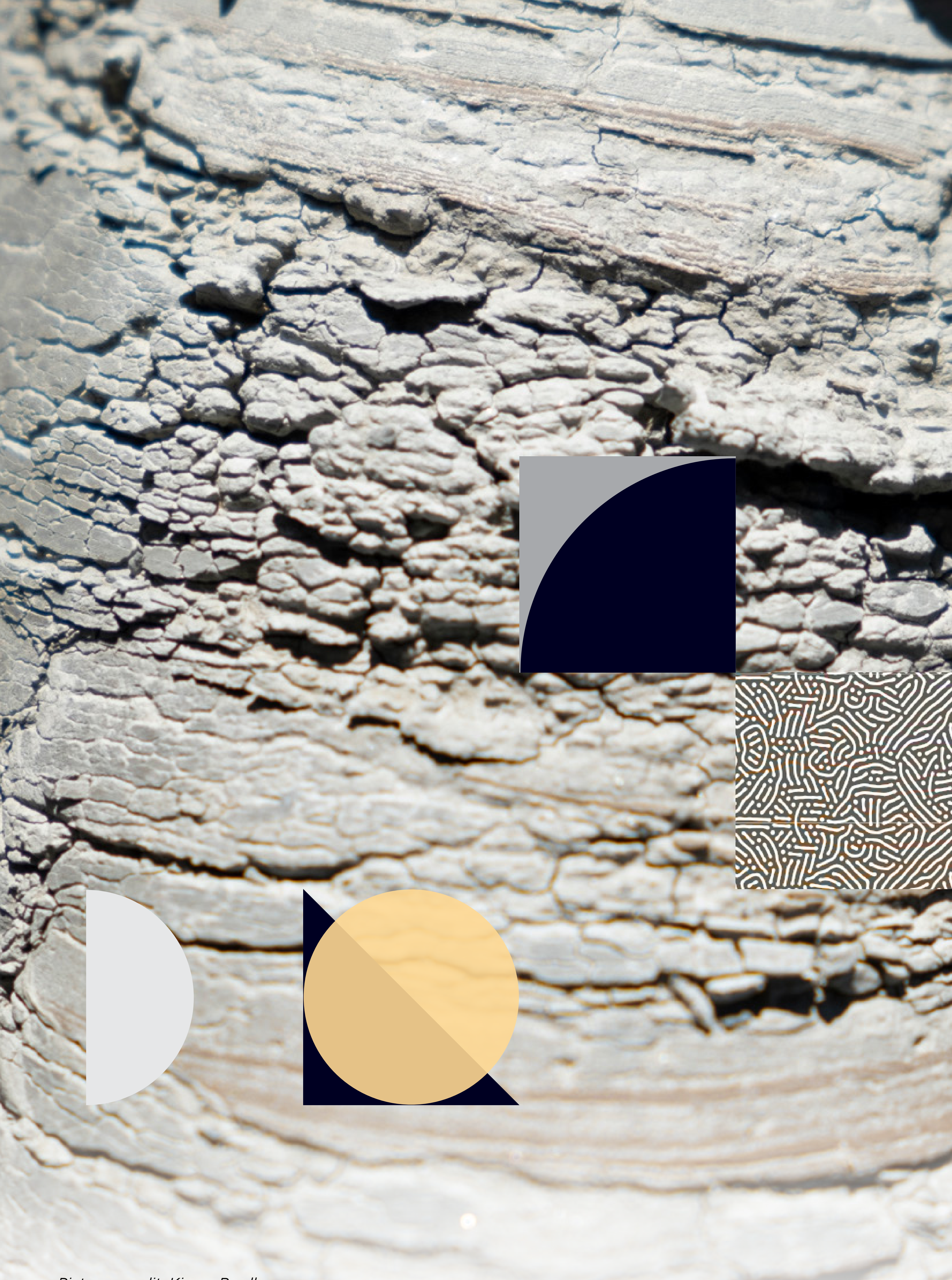


RENERGEN

FUTURE ENERGY, TODAY

INTEGRATED ANNUAL REPORT

2022



Pictures credit: Kieran Bradley

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Shareholder information

Corporate governance report

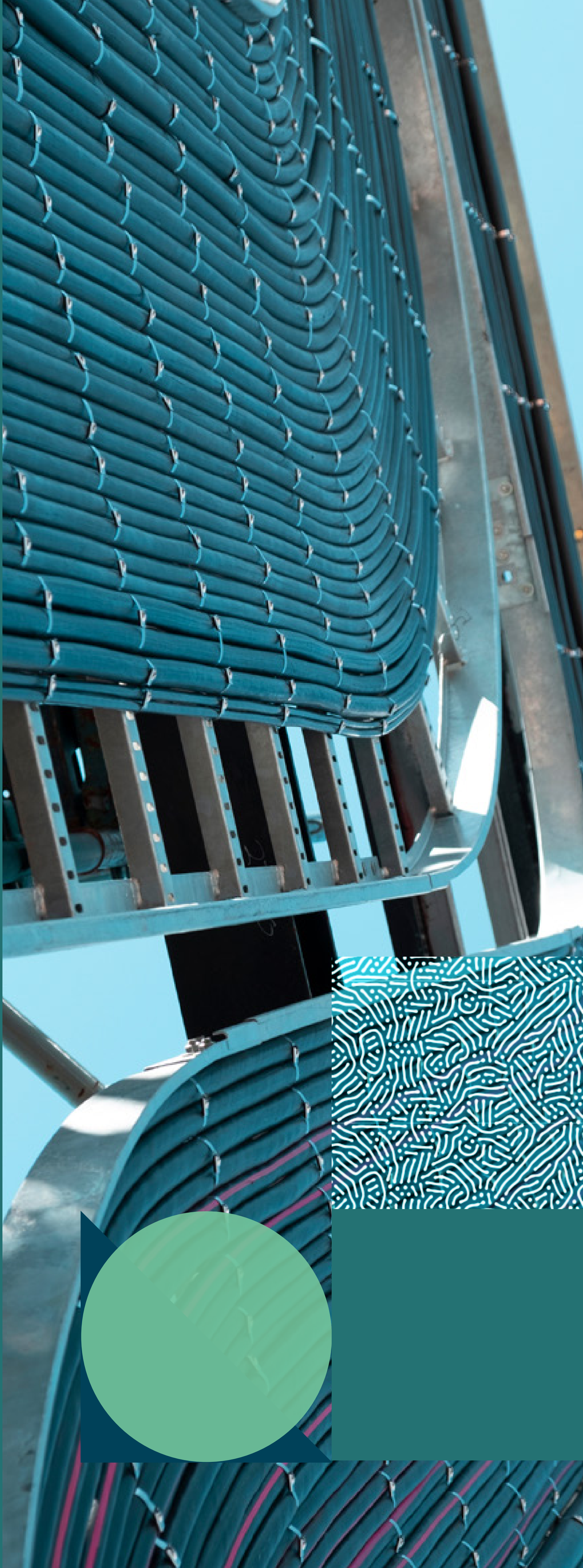
General information

Annual financial statements

1

About this report

Our Integrated Annual Report (IAR) presents a comprehensive overview of Renergen's business which includes information relating to both our operational activities and financial standing.



Navigating this report

This is our seventh report since our primary listing on the Johannesburg Stock Exchange's AltX exchange (AltX) in June 2015. In June 2019, Renergen was listed on the Australian Securities Exchange (ASX), followed by a listing on South Africa's A2X Markets (A2X) exchange in November 2019.

This IAR uses terms and abbreviations relevant to the Group, its accounts and the natural gas and helium industry. Information on acronyms and terms are provided on page 208.

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

Our 2022 IAR covers the operations and performance of Renergen Ltd (Renergen or the Company or together with its subsidiary, the Group) for the year from 1 March 2021 to 28 February 2022 (year under review). The term "the Group" is used in this IAR to refer to Renergen Limited and its subsidiary Tetra4 Pty (Tetra4) which is the Company's primary asset.

Renergen owns 100% of Tetra4. Tetra4 is the holder of the first and currently the only onshore petroleum production right in South Africa. Tetra4's entire operations fall under the Renergen brand and are reported as such. We refer to Tetra4 operations as the Virginia Gas Project.

Our Cryovation business has developed the ground-breaking Cryo-Vacc™, which enables the safe transportation of vaccines at extremely low temperatures without the need for (an external power source) electrical power. Cryo-Vacc™ provides active cooling with temperature control ranging from -70°C to 8°C. Cryovation's entire operations fall under its brand, Cryo-Vacc™.
For more information visit **www.cryovacc.co.za**

Our IAR offers a transparent and balanced appraisal of the material issues that impacted the Group's ability to create value during the 2022 financial year. The IAR provides a high-level overview of our strategy and business model, investment case, value creation and trade-offs, operating context, material risks and opportunities, stakeholders' interests, performance, governance and leadership team.

Our integrated reporting suite aims to enable all stakeholders, including capital providers, to make an informed assessment of the Group's long-term sustainability and ability to create tangible value over the short, medium, and long-term. We embrace integrated thinking. By structuring our 2022 IAR around our strategic pillars, we concisely and transparently articulate how our material matters, strategy, risks and opportunities, operating environment, performance, and prospects unlock value for all stakeholders.

Any material events after year-end and up to the Board approval date of 18 May 2022 have been included in this report.

REPORTING FRAMEWORK

The Group has not published a separate sustainability report and is working on the implementation of relevant frameworks to support this reporting in its next IAR to coincide with the Virginia Gas Project becoming operational. This IAR includes Renergen's commitment to complete transparency concerning all aspects of our business and reporting processes.

The principles and requirements below guide our approach to reporting:

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

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

LOOKING TO THE FUTURE

As part of this IAR, we have also included statements relating to the Group's future financial position. We believe this forward-looking information to be realistic at the time of issue. These statements are subject to uncertainties, assumptions and risks which could arise from known and unknown future events and circumstances, and could result in actual results materially differing from those anticipated. The external auditors have not independently reviewed our forward-looking information. Renergen undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances that may occur after the date of publication of this report or to reflect the occurrence of unanticipated events. Such statements are not statements of fact and may be affected by a variety of known and unknown risks, variables and changes in underlying assumptions or strategies that could cause Renergen's actual results or performance to differ materially from the results or performance expressed or implied by such statements. There can be no certainty of outcome concerning the matters to which the statements relate, and the outcomes are not all within the control of Renergen.

CORPORATE INFORMATION

The Group's Executive Directors (for the reporting period) are:

- Chief Executive Officer - Stefano Marani.
- Chief Operating Officer - Nick Mitchell.
- Chief Financial Officer - Brian Harvey Fulu Ravele*.

**Fulu Ravele resigned on 31 March 2021.*
Brian Harvey was appointed as the new full-time CFO and as Director effective from 1 May 2021.

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

Biographies of the Directors are provided on pages 61 to 65 of the IAR. Digital copy of Renergen's IAR are available on the Group's website at **www.renergen.co.za**

AUDITOR ASSURANCES

The Group's external auditor, Mazars, has provided assurance on the consolidated and separate Annual Financial Statements of the Group and Company as presented in the audit report on page 87. The financial statements have been prepared under the supervision of Brian Harvey CA(SA), Group CFO.

Renergen does not have an internal audit function, but the Board monitors and reviews financial compliance, risk management, regulatory compliance, governance of information technology, and operational management through its Committees. Our governance structure and committees can be found on pages 47.

VALUE THROUGH THE SIX CAPITALS

We preserve and create value through the six capitals. In considering the application of the six capitals as recommended by the IIRC, the natural, manufactured, financial, human, intellectual, social and relationship capitals are material to our business in creating value for stakeholders and thus are the focus of this report.

Each capital is represented by a stylised icon in this IAR to assist you in navigating the report.

THE SIX CAPITALS ARE

INTELLECTUAL CAPITAL

HUMAN CAPITAL

FINANCIAL CAPITAL

NATURAL CAPITAL

MANUFACTURED CAPITAL

SOCIAL & RELATIONSHIP CAPITAL

See page 28 for descriptions of each capital and how they relate to Renergen.

BOARD APPROVAL

As outlined on page 6 of this IAR, the Board has applied its collective mind to preparing and presenting the information in this report. The Board believes that this report addresses all material issues and presents a balanced and fair account of the Group's performance and financial position for the reporting period, and accurately reflects our core strategic commitments for the short, medium, and long-term. The Board approved the IAR on 18 May 2022 and approved the Group and Company Annual Financial Statements for the year ended 28 February 2022 on the recommendation of The Audit, Risk, and IT Committee on 4 May 2022.

OUR VISION

To capitalise on the unprecedented growth in the energy sector by delivering superior and sustainable economic returns to shareholders, with a strong focus on a reduced carbon footprint.

OUR MISSION

Renergen aims to become an integrated alternative energy business that invests in early-stage energy projects across Africa and emerging markets.

OUR VALUES

Our values guide all decisions made and actions taken in the conduct of our business. These values link our business activities to our environmental, social and governance (ESG) responsibilities.

RESPECT
Always treating our colleagues and stakeholders with RESPECT.

SUPPORT
Identifying colleagues who need SUPPORT and encouraging colleagues to ask for SUPPORT.

TRUST
TRUST is in our DNA. Our reputation is everything.

DELIBERATE
We are DELIBERATE in success by following a disciplined process. We ensure success is sustainable and replicable.

ACCOUNTABLE
Holding ourselves and each other ACCOUNTABLE in everything we do.

David King
Chairman

Stefano Marani
Chief Executive Officer

The financial year 2022 at a glance

9 MARCH
Wild-card well P007 strikes gas

21 APRIL
Production of the first Cryo-Vacc™ storage units

CRYO-VACC™ POWERED BY RENERGEN

29 MARCH
Exceptional helium concentrations of over 3% and 4% in new boreholes

12 APRIL
Landmark Phase 2 helium contract signed

Gas strike at MDR1 to supplement production capacity

11 MARCH

6 JUNE

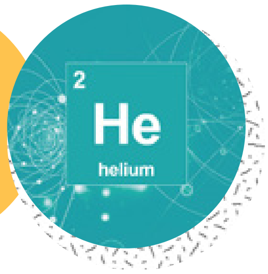
Evander helium discovery of 1.1%

25 JUNE

Completion of successful placement to fund Virginia Gas Project

12 JULY

1.9% Helium surprise in P12 at Virginia Gas Project



4 AUG

Multiple Phase 2 helium sales agreements secured

17 AUG

LNG supply agreement with Consol Glass

Consol

18 OCT

Renergen to facilitate the first helium spot market with a pre-sale of 100,000 Mcf in a 19-year agreement to Argonon Helium

ArgHe

2 NOV

Over 600% increase in 1P helium reserves

3 FEB

Renergen announces LNG supply agreement to Ceramic Industries Pty Ltd

CERAMIC INDUSTRIES

2

Who we are

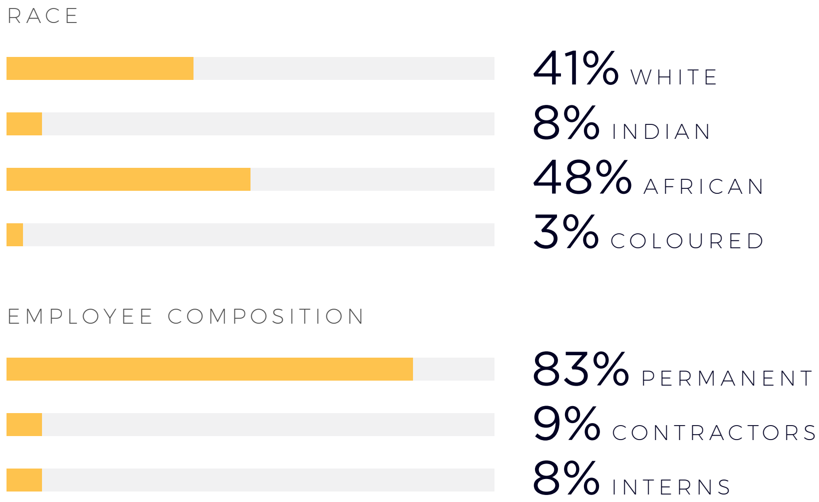
Renergen is a helium and LNG producer with the country's first onshore petroleum production right.

Who we are

Renergen is listed on the JSE, A2X and ASX. The Company through its sole and wholly owned subsidiary Tetra4 is South Africa's only holder of an onshore petroleum production right and was the first helium developer with proven reserves to list on the ASX.

Renergen's business focus is on the commercialisation of the Virginia Gas Project which has significant reserve estimates of natural gas and one of the richest helium concentrations recorded globally rendering it a major global helium resource. Tetra4's production right is valid until 2042.

HUMAN RESOURCES TRANSFORMATION



World class helium reserves with exceptionally high helium concentrations and low extraction costs.

Only onshore petroleum production right holder in South Africa. This provides us with a significant first mover advantage.

We aim to provide significant benefits to our customers, by saving them money and **reducing their carbon footprint.**

Pioneering a **cleaner energy source** in an energy starved country.

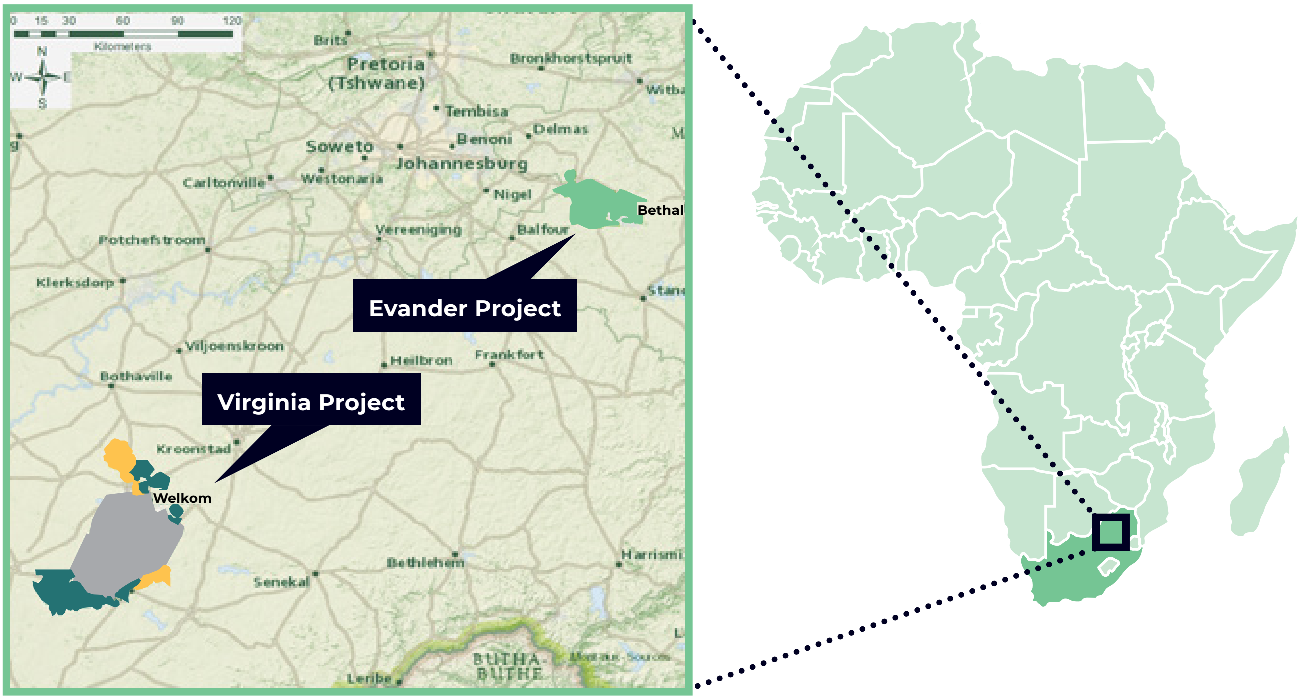
Focused on **accelerating the adoption of clean energy** by beneficiating our Virginia resource into a refined commodity.

Positioning South Africa as a **net exporter of helium** and one of seven nations supplying this critical element into a growing helium market.

Targeted commencement of **helium production from Virginia Phase I in June 2022.**

Virginia Gas Project

Our natural gas is very pure with an average of over 90% methane, and almost zero higher alkanes, which reduces the complexity and the associated cost of liquefication. Renergen's "Wellhead to Tank" strategy will see the beneficiation of gas and supply of refined products directly to customers, making it one of the region's only vertically integrated natural gas producers. The expansion of the Virginia Gas Project to produce helium and LNG will be undertaken in phases.



Virginia Rights

- Virginia Production Right
- Exploration Rights converted to TCP
- Exploration Rights under Renewal

Evander Rights

- Evander Exploration Right

The Virginia Gas Project is located in the Free State, South Africa, approximately 250 km southwest of Johannesburg.

Renergen has secured the US government's financial support through the US International Development Finance Corporation (DFC) and the South African government through the Industrial Development Corporation (IDC). The DFC contributed US$40 million in debt funding for the construction of Phase 1 of the Virginia Gas Project. The IDC subsequently extended a further R160,7 million in debt funding for the procurement of the virtual pipeline equipment (truck and trailers) and dispensing equipment (storage tanks, vaporizers and dispensers) to be constructed on our customers' premises. This commitment has been seen as an explicit endorsement of the quality of the resource and the viability of the Virginia Gas Project.

Renergen's production approach is to unlock value for investors across its entire value chain.

In addition to the Virginia Gas Project, the Group holds additional exploration rights near the town of Evander in Mpumalanga, South Africa, with recently discovered helium concentrations as high as 1.1%. The Group will further explore these rights once the Virginia Gas Project is commissioned.

THE VIRGINIA GAS PROJECT

Key Facts

First and only fully-licensed onshore South Africa production right provides **first mover advantage**

Globally significant reserves and resources reappraised as at 1 September 2021 via an independent Reserve and Evaluation Report from Sproule

One of the richest helium concentrations globally

UP TO **12**%
recorded in well tests

3%
recorded average

Reserves + Contingent Resources

32.3 Bcf
Helium

968.7 Bcf
Methane

Superior margins and price flexibility through low production cost

500,000
tCO_2/annum reduction
Capacity to reduce emissions in the South African trucking industry

Highly-attractive gas market

USD **16-22**/mmbtu

South African gas pricing

Virginia Gas Project

OUR GEOLOGICAL MODEL

The Group 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 preferential pathways for carrying the gas to the surface.

The geological model combined with our proprietary artificial intelligence (AI) has been used to determine drill targets and is detailed enough to provide coordinates, direction, and entry azimuth to intersect targeted structures and has resulted in significant improvements.

The low-pressure nature of the Virginia Gas Project has allowed simple drilling techniques, such as percussion drilling and diamond coring, to a target depth of 400m to 750m below the surface without the need to stimulate wells further. The process has a minimal environmental impact and is relatively cost-effective when compared to conventional and unconventional petroleum exploration.

THE GLOBAL HELIUM MARKET

The helium market had a short-lived reprieve during the COVID-19 pandemic, but most industries reported similar or equivalent helium consumption levels before the COVID-19 pandemic. The aerospace and semiconductor sectors have grown fastest subsequently, while other markets are communicating equivalent levels to the pre-COVID-19 pandemic.

Helium production facilities worldwide have also faced unprecedented impacts with multiple unplanned shutdowns at the Bureau of Land Management (BLM), various fires at the extensive Gazprom owned Amur production facility and the re-routing of natural gas away from the Arzew Helium Plant in Algeria. This was necessary to ensure supply to several European countries with natural gas sources based on the heavy sanctions imposed on Russia by European countries, bypassing the helium facility. Collectively these impacts may be felt for several years in what has become known as helium shortage 4.0.

A further challenge remains: new helium projects are rare, often located in difficult to reach geographic locations with poor access to existing infrastructure for power and logistics. The timeline from discovering resources through an exploration campaign to constructing a helium production facility is measured in decades and not years. This means that shortages will likely persist until new sources can be brought online, in scale and volume.

THE EVANDER EXPLORATION RIGHT

Located 120km east of Johannesburg and covers approximately 52 000 hectares.

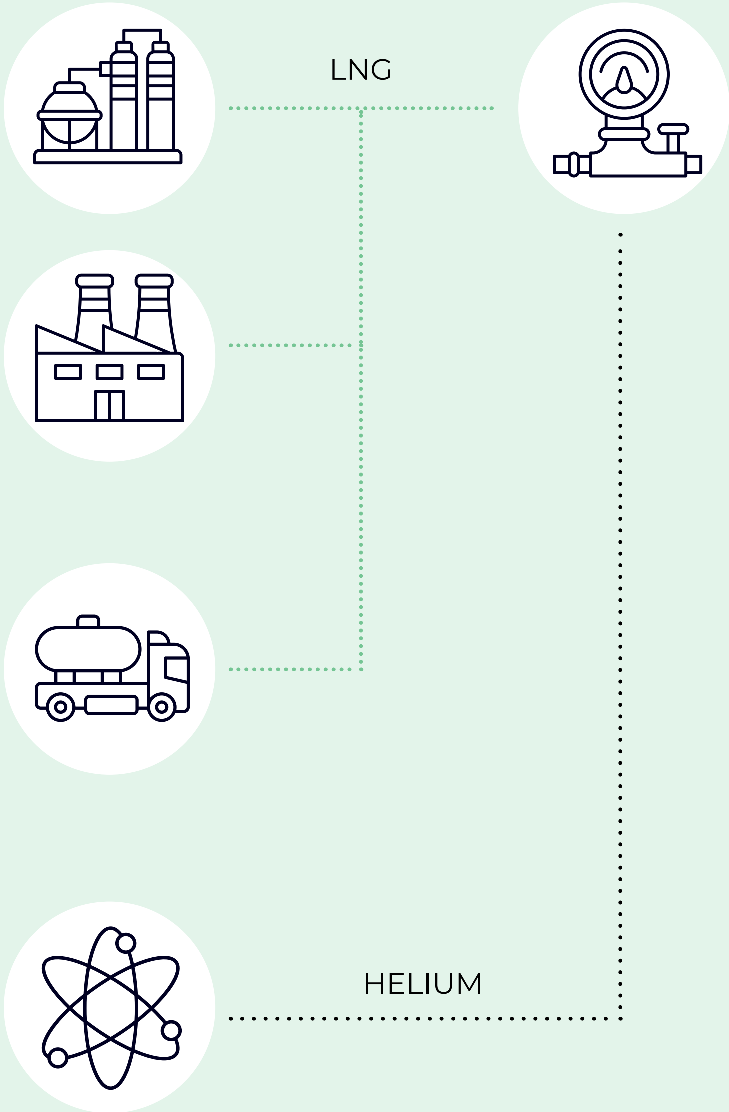
The natural gas indications are similar in composition to the gas produced at the Virginia Gas Project.

- Almost zero higher alkanes.
- Helium concentrations are lower, with recent discoveries showing around 1.1%.
- Given global averages, we consider these concentrations to be significant.

The Group intends to carry out additional exploration at the Evander Exploration Right in the medium term. 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**

BUSINESS VERTICALS - "WELLHEAD TO TANK"

Ownership of end users in 4 market segments.



POWER GENERATION

→ Phase 2 will incorporate a gas-to-power operation, which will supply the plant.

INDUSTRIAL USERS

→ Sold to customers currently using liquefied petroleum gas (LPG) or other liquid fuels, with LNG offering a cheaper and cleaner solution.

→ Phase 1 has Consol and Ceramic Industries as key customers. In negotiations with customers for LNG from Phase 2.

LIQUID FUEL SUBSTITUTION

→ Dual fuel applications for trucks and buses, reducing emissions and running costs.

→ Tetra4 will establish refilling depots in several locations around the country.

HELIUM

→ Phase 1 helium contracted.

→ Forward sale of helium to Argonon which has created the worlds first tradable helium token.

CRYO-VACC™

POWERED BY **RENERGEN**

What initially developed from a conceptual cooling method without power has morphed into a product that delivers active cooling in a mobile and flexible manner that allows the custody chain to be verified. The simple system is globally unique, which is why a patent application could be made, and the possibilities of where to use such a system are endless.

The business model is undergoing refinement and further development with insights from experts within the Biologics industry across vaccine manufacturers, specialist gene therapy or Biotech companies to the cold chain logistics warehousing and the cold chain logistics distributers. The outputs from these consultations will assist us in providing a sustainable solution and product offering to the market, ensuring maximum value for our shareholders. As is evidenced from the development cycle of the Virginia Gas Project, the nascent development of any business requires an appropriate incubation environment to mature into a sustainable business. We understand this and aim to provide Cryovations with this unique environment for it to fully develop in time.

The Renergen story

1998

In 1998 a farmer discovered gas on his property in Virginia in the Free State South Africa.

The farmer approached a local gas company seeking advice.

They directed him to investors and mining engineers with **extensive experience in the oil and gas sector.**

They saw it as a reasonable investment opportunity and undertook a desktop study to outline the geological map to understand the full extent of the untapped resource.

2004

Brought about the formation of Highlands Exploration (Pty) Ltd and exploration applications for further gas exploration.

Australian firm - **Molopo Energy** onboarded as financial partner to assist with exploration of the asset.

Molopo Energy bought out Highlands Exploration (Pty) Ltd and changed its name to Molopo South Africa Exploration and Production.

2007

Granted exploration rights.

2012

Granted first full onshore petroleum production right in South Africa.

2013

Windfall Energy (Pty) Ltd bought out Molopo South Africa Exploration and Production.

Headed by **Stefano Marani** and **Nick Mitchell**, backed by private shareholders.

Continued to explore for gas while creating a vertically integrated business model.

2015

90%

of Molopo South Africa Exploration and Production was sold to Renergen for R650 million via a reverse listing.

Tetra4 incorporated to avoid confusion.

FUN FACT

A nod to methane molecule, a tetrahedral with four hydrogen atoms per carbon within the molecule.

The Renergen story

THE COMMERCIALISATION AND DEVELOPMENT OF THE VIRGINIA GAS PROJECT

Concluded and awarded contracts for the expansion phase to construct the gas gathering pipeline and the LNG and liquid helium processing plant.

FUN FACT

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 and releasing methane. This means that Renergen's methane is largely biogenic and, as such, is a continuous regenerative resource.

Renergen is well positioned to locally roll out LNG as a substitute to diesel and other dirtier fossil fuels.

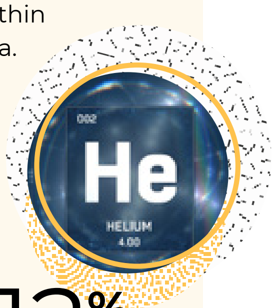
PHASE 1

Production in June 2022.

RENERGEN
FUTURE ENERGY, TODAY

2016 Discovery of a sandstone trap or reservoir within the production area.

Giving access to one of the world's most concentrated helium sources.



The gas reservoir contains concentrations of helium up to 12%

OUR NATURAL GAS AND HELIUM RESOURCE

Exploration and production rights for 187 000 hectares of gas fields.

FUN FACT

Only very few countries are endowed with a helium source, and even fewer have been able to commercialize it due to low concentrations. Helium is often listed as a critical element in most developed nations, given its unique properties, and its use is often without substitute.

Our strategic focus

Renergen's business focus lies in the commercialisation of the Virginia Gas Project. 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 up to 12% and methane ranging between 75% - 92%, based on analysis of the sampled gas flow.

Renergen's natural gas purity is high, and its almost zero higher alkanes reduce liquefaction complexity and associated costs.

Renergen has to date focused largely on the development and construction of Phase 1 of the Virginia Gas Project. This is important as once the plant is commissioned and start up is achieved, it will signify a significant shift in the identity of the Group. We will transition from a project focused business into one that is fully operational.

This paradigm shift will have a significant impact on both management and operations. We have already identified areas that need to be bolstered and begun filling those critical management and operational roles to ensure we are perfectly positioned for this exciting future that is now upon us.

In parallel, we have already commenced with the planning for the expansion of the Virginia Gas Project by commencing a Front End Engineering Study for Phase 2 of the project. The planning and budgets are currently under a review and optimisation process. Several of our business development functions are well underway in terms of securing off-take for both LNG and helium.

The much needed capital raising for this ambitious expansion is also well underway with several announcements having been made with respect to potential investment from both Ivanhoe Mines and the South African government's Central Energy Fund.

To sum up, we believe the Group is perfectly positioned to capitalise on our first mover advantage and our globally significant proven helium reserves.

Strategic milestones

The Group sees transparency as a fundamental principle when interacting with stakeholders. During construction of Phase 1, we published a list of our milestones on the website **www.renergen.co.za**, which were essential to completing Phase I. This was aimed at increasing accountability on management as they executed the construction. Unfortunately, the pandemic resulted in unintended delays beyond the Group's control, related to forced locked downs, shipping delays and supply chain impacts. This was compunded by strike action and adverse weather patterns which resulted in above average rainfall.

It became necessary to amend the program to gain time, which rendered the original milestones irrelevant, but this hasn't detracted from management's dedication to remaining transparent.

Renergen's achievements to date are focused on the commencement of full-scale production.

In contrast, the medium-term Phase 2 deliverables will focus on increasing production.

At both stages, our long-term objectives remain to:

- Capitalise on additional opportunities in the helium and natural gas sector to drive growth.
- Build a large-scale alternative energy company with diversified revenue streams.

VIRGINIA GAS PROJECT PHASES SUMMARY

Significant progress made thus far in both Phase 1 and Phase 2.

	PHASE 1	PHASE 2*
	On track to commence commissioning in March 2022 with commercial operation in June 2022	Remaining milestones: ■ Reaching financial close in FY2023 with all the debt and equity raised ■ Award of engineering, procurement and construction contracts ■ Anticipated first gas to plant by 2025
Helium Capacity	Approximately 350kg/day	Approximately 5,000kg/day
LNG Capacity	Approximately 2,500GJ/day	Approximately 24,400GJ/day
Cost to Build	Approximately $60 million	Approximately $942 million

**Phase 2 remains subject to modification based on outcome of the due diligence with Ivanhoe*

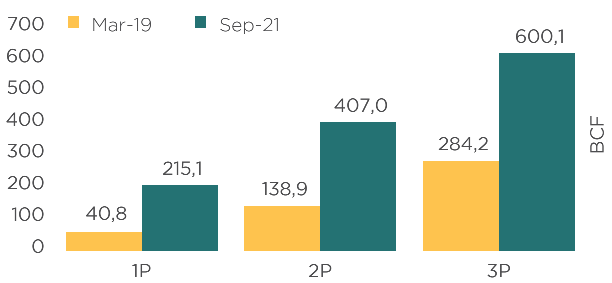
SIGNIFICANT GROWTH IN RESERVES SINCE 2019

1P helium reserves increased by 610% to 7.2Bcf and 1P methane reserves by 427% to 215.1Bcf.

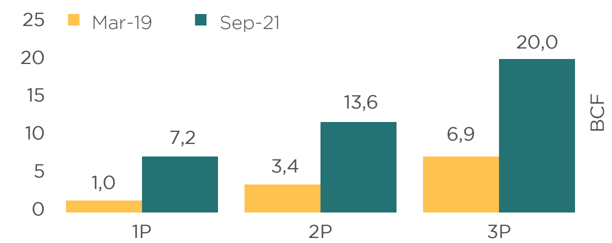
In Billion Cubic Feet

		Mar-19	Sep-21	% Change
Methane	1P	40.8	215.1	427%
	2P	138.9	407.0	193%
	3P	284.2	600.1	111%
Helium	1P	1.0	7.2	610%
	2P	3.4	13.6	298%
	3P	6.9	20.0	192%

Methane



Helium

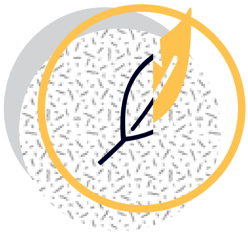


LIQUEFIED NATURAL GAS

Demand for cleaner burning fuels increases year-by-year, driven by climate change and the need for 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.



6%

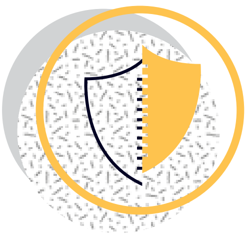
NITROGEN

LIGHTER THAN AIR

Unlike LPG where the gas sinks to the ground, LNG will rise upwards and disperse rapidly in the atmosphere, making it much safer than many liquid fuels.

94%

METHANE

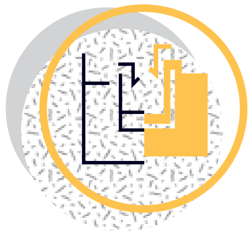


0%

SULPHUR

SAFE

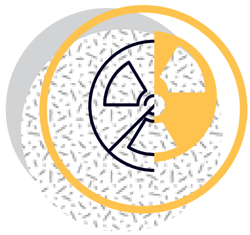
When vaporised, the explosive limit in the air is between 5%-15%, making it very difficult to simulate when LNG expands rapidly in the atmosphere. LNG can be stored or transported at very low pressures.



ENERGY DENSE

Methane has around 17% more energy per kilogram than diesel. It also has around 74 times more energy density per kilogram than battery electric, making it the only viable alternative fuel for the trucking industry.

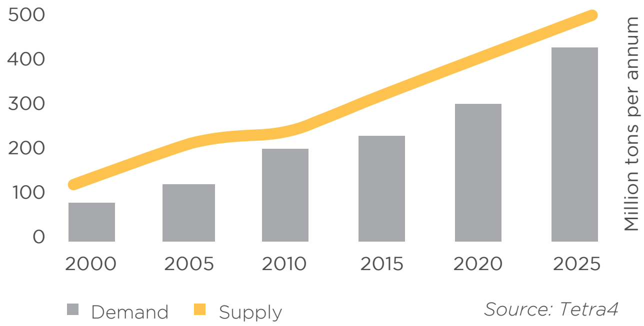
Unlike other natural gas sources, no other hydrocarbons are present.



NON-TOXIC

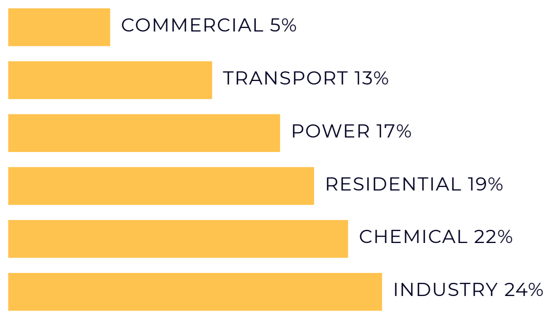
Odourless and non-corrosive
Boiling point of -162°C
Density of 0.43 kg/L

GLOBAL LNG SUPPLY & DEMAND



Source: Tetra4

GLOBAL USES OF LNG

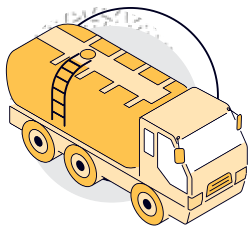


USEFUL CONVERSIONS

1 GJ = 20kg LNG
1 GJ = 26.75 Nm3 LNG
1 GJ LNG = 27.7 L Diesel
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

TRANSPORT

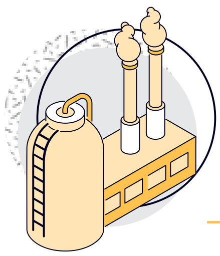


There are two methods of introducing natural gas into diesel engines:

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 manufactures are turning to LNG in place of CNG as travel distances can be doubled for the same tank volume.

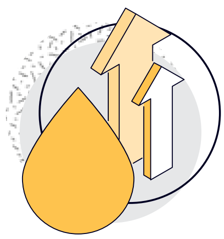
INDUSTRIAL HEATING



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.

GAS POWER



Natural gas and associated gas-power technologies are unique in their ability to contribute to the energy security of a company or country. Feasible installation solutions range from tens of kW to several GW of installed capacity. Gas power technologies may be used as "peaking" or "mid-merit" power sources capable of stabilising intermittencies with renewable energy. These same solutions may be modified to operate as baseload generators where power plant efficiencies can reach 60% while emitting fewer CO_2 particulates, and SOx than coal-fired alternatives.

There is a worldwide focus on the environment, social responsibility and governance (ESG). Natural Gas is the cleanest burning fossil fuel available. In South Africa, power production is still dominated by coal, but this is changing as more environmentally friendly alternatives become available and sustainable locally produced natural gas has an important role in this space as the necessary bridging fuel from traditional fossil fuels.

KEY FACTS ON LNG AS A FUEL SOURCE

Natural gas has no particulate emissions produced by diesel and coal, which are carcinogenic.

The infrastructure to move and dispense hydrogen is the same as natural gas; thus, developing natural gas infrastructure paves the way for hydrogen.

Many chemical processes, such as fertiliser production, are entirely dependent on methane, the key constituent of natural gas.

Natural gas serves as an effective and reliable transition fuel on the path to a sustainable and green future and is considered a key enabler of the Just Energy Transition.

Renewable energy sources, such as solar power and wind, are considered intermittent as they depend on weather conditions. In contrast, gas-fired backup plants can provide baseload power and peaking power requirements.

Natural gas has proven its effectiveness through its high heating value, which is among the highest of all fuels for methane and ethane.

It provides a significant reduction in GHG emissions compared to coal and other fossil fuels.

Improving energy efficiency is one of the most cost-effective climate measures in terms of the direct relationship between investment and emissions reduction due to lowered energy use. Engineering solutions that use combined cycles and/or harness the energy released through the gasification of LNG prior to utilising it in the generator for "free cooling" are two important examples of how innovation can improve the overall energy value chain.

HELIUM

Helium is a rare, clean, inert gas, and an irreplaceable element without substitute.

WHY IS HELIUM IMPORTANT?

- Rare commodity that becomes economically viable to extract from natural gas projects at concentrations as low as 0.1%.
- Renergen's Virginia Gas Project's average helium concentration of up to 12%.
- This compares with the average concentration in Qatar at 0.05%, Russia at 0.06% and the USA at 0.35%.
- Widely used in a diverse range of applications, helium is increasingly viewed as a high-tech element owing to its increased use in electronics manufacturing.

THE PROPERTIES OF HELIUM

Key properties which make it suitable for applications in technology include:

INERT NATURE

Prevents reactions with other chemical elements

SUPERFLUID

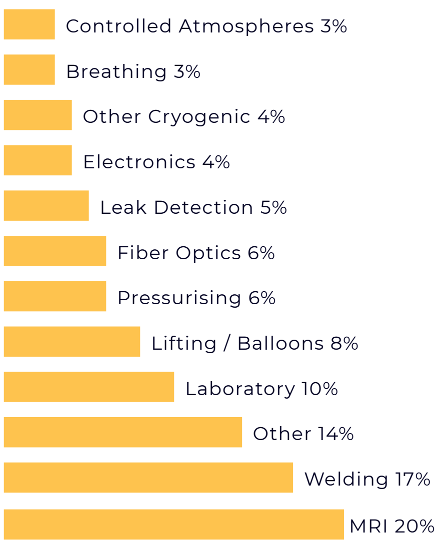
Only substance with no viscosity in liquid form; critical for use in high energy physics

BOILING POINT

-268.9°C does not solidify at atmospheric pressure

USES OF HELIUM

Growth in demand for helium is driven by its lack of substitutes and rising demand for products that require it such as magnetic resonance imaging (MRI) semiconductor and fibre optic industries, centred in China, India and wider South-East Asia.



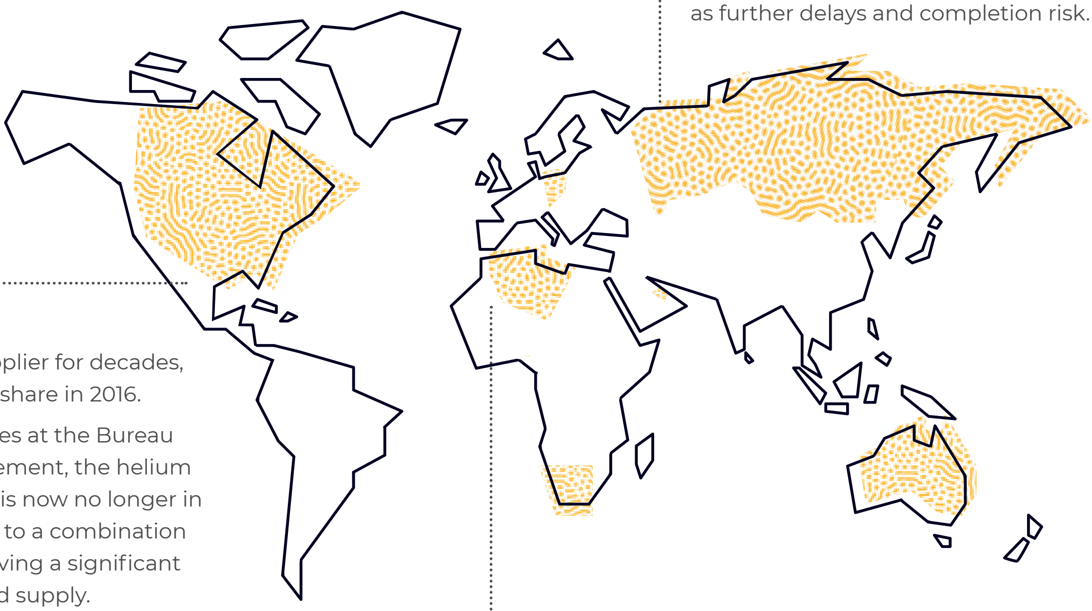
The two fastest growth industries for helium consumption are the production of semiconductors and space exploration.

SUPPLY

Major global sources are declining, and new sources are limited, meaning that near term supply will certainly decrease.

QATAR & RUSSIA

Gas megaprojects not scheduled to come online before 2025 are vulnerable to both geopolitics as well as further delays and completion risk.



USA

- Main global supplier for decades, c. 55% of global share in 2016.
- Strategic reserves at the Bureau of Land Management, the helium facility in Texas, is now no longer in production due to a combination of factors, removing a significant amount of world supply.
- Hugoton, one of the largest fields in the US with a concentration of 0.3% - 1.9% is declining in production at 6% - 7% annually and may be uneconomical in the medium term.

OTHER

Algeria is operating at a seriously reduced capacity due to gas being sent through the pipeline to Europe to cope with their energy requirements, which means the liquefiers have been bypassed thus the helium is not able to be extracted.

- Current global annual demand is estimated to be between 6-7 Bcf (28m - 32m kg). The USA represents approximately 40% of this demand.
- Hannam & Partners Research recently estimated demand growth of roughly 4% annually. The Qatar 3 project delays and technical issues at the Russian facility will have significant impacts on the demand/supply dynamics for years to come.
- Growth in the global demand for helium is mainly driven by rising demand for MRI in emerging markets in particular.
- Growth in electronics, semiconductor, LCD, and fibre optic industries which are centred in South East Asia also a key driver.
- An increase in the use of advanced rockets and spacecraft requires significant amounts of helium. For example, modern rockets are planned to launch every few days, with each requiring c. 2,500 Mcf of helium.

Engaging with stakeholders to deliver shared value

Our ability to deliver value depends on the quality of our stakeholder engagements and relationships. Sustained value creation over time requires responsible corporate citizenship and encompasses careful stewardship and effective governance.

How we engage with our stakeholders?

While our approach to engagement has always included our website, quarterly, interim and annual reporting, and electronic announcements, including the Stock Exchange News Service (SENS) and Australian Securities Exchange Ltd (ASX) announcements, we also held investor relations roadshows. The COVID-19 pandemic changed this, with online electronic engagement becoming the norm.

The following area of our IAR provides insight into how we plan our activities to meet our various stakeholder groups' needs. Engaging with our stakeholders gives us a better understanding of any emerging trends and issues that may impact our business which enables us to prioritise key matters as they arise. We continuously analyse the impact, influence, and value of our relationships with our stakeholders as well as our ability to deliver on our strategic objectives, which is also an essential component of sound governance. Please refer to the Commitment to King IV™ Principles on page 66 for further details.

The Board has delegated responsibility for managing stakeholder engagement and implementing Renergen's formal stakeholder engagement framework to the respective Management teams.

We make responsible use of the various capitals, creating integrated value for multiple stakeholders.

Stakeholder group	Stakeholder details	Material matters	Key engagements	Responsible Board Committee
Investment community and lenders	Shareholders. Analysts. Investors. Lenders.	Clarifying strategy execution to ensure sustained financial growth. Allocating financial capital responsibly. Embedding good corporate governance practices and corporate citizenship. Open and transparent communication and reporting. Meeting contractual terms and financial position.	Annual General Meeting (AGM). SENS/ASX announcements. Investor presentations. IAR and Annual Financial Statements. Interim and quarterly results. Investor relations page on our website. Roadshows.	
Employees	Full-time employees. Contractors. Interns.	Equal opportunities. Open and transparent leadership communication. Trust. Provide employees with strategic direction and keep them informed about Group activities. Remain an employer of choice. Provide a safe, positive, and inspiring working environment – zero harm. Fair remuneration.	Internal communication campaigns and intranet. Direct communications with line managers. Performance appraisals. Market-related compensation, short-term incentives and long-term bonus share and share option schemes. Medical Aid benefits.	

Renergen Exco (EXCO)

Audit, Risk and IT Committee (Audit Committee)

Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)

Nomination Committee

How we engage with our stakeholders?

Stakeholder group	Stakeholder details	Material matters	Key engagements	Responsible Board Committee
Governments and regulators	Government (National and local). Department of Mineral Resources (DMR). Department of Environmental Affairs (DEA). Petroleum Agency SA (PASA). National Energy Regulator South Africa (NERSA). Department of Water and Sanitation (DWS). South African Revenue Services (SARS).	Compliance with all legal and regulatory requirements. Responsible taxpayer. Contribution to the economy through value creation. Ethical leadership and good corporate governance. Legal and environmental compliance. Social and Labour Plan. Maintained and enhanced license to operate.	Periodic reporting and engagements with the regulators. Participation and consultation in the drafting process of new regulations and bills. Discussion with industry consultative bodies. Compliance returns.	
Stock exchanges	Johannesburg Stock Exchange (JSE). Australian Securities Exchange Ltd (ASX). A2X Stock Exchange.	Compliance with all legal, listings and regulatory requirements.	Regular reporting as per our listing's requirements.	
Customers	Natural gas customers. Helium customers.	Consistent and predictable delivery of high quality products. Competitive and fair pricing. Maintain the high service levels. Inform them of product development and prioritisation. Operational efficiency and productivity. Natural gas and helium market dynamics.	Operational meetings with customers. Gas Supply Agreements. Our website and interaction on social media.	

Renergen Exco (EXCO)

Audit, Risk and IT Committee (Audit Committee)

Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)

Nomination Committee

How we engage with our stakeholders?

Stakeholder group	Stakeholder details	Material matters	Key engagements	Responsible Board Committee
Suppliers and service providers	Local and international procurement. Original equipment manufacturers (OEMs).	Complying with BBBEE requirements. Addressing COVID-19 health and safety concerns. Procurement opportunities. Ability to meet contractual terms.	Meetings, telecons, tender briefing sessions, letters, emails, and panel discussions.	
Communities	Non-governmental organisations (NGOs). Matjhabeng local community.	Local recruitment. Local economic development. Social Economic Development. Land leases.	Regular open and transparent engagement through community engagement structures. Informal communication during community development projects. Educational bursaries for local students. Community Liaison representative. Continuous land owner interactions.	
Media	Press. Social media.	Providing timely and transparent access to critical information. Ensuring transparency around the Group's performance. Protect and manage our reputation.	Face-to-face, virtually and through telephonic engagements. Interviews. Interim and annual results announcements. Media press releases and updates. Round table discussions. Product launches.	

Renergen Exco (EXCO)

Audit, Risk and IT Committee (Audit Committee)

Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)

Nomination Committee

How we create value for our stakeholders?

During the 2022 financial year, we continued to create long term value for our stakeholders across the six capitals.

CAPITAL INPUTS	WHAT THEY MEAN TO US	OUTPUTS	STRATEGIC OBJECTIVES CREATING VALUE
FINANCIAL CAPITAL We balance an appropriate mix of debt and equity funding to meet our working capital needs and growth ambitions.	Cash and cash equivalents. Share capital and reserves. Finance income. Revenue. Profit/loss after-tax.	Final draw-down of R112.5 million (US$7.5 million) from the DFC loan facility in September 2021. Total loan facility of R614.0 million (US$40.0 million). Debt amounting to R158.8 million raised from the IDC in December 2021. Group loss after taxation amounting to R33.8 million (2021: R42.6 million). Equity raise totalling R113.1 million. Revenue amounting to R2.6 million (2021: R1.9 million).	The construction of the Virginia Gas Plant is nearing completion as we work towards our goal to commence production in June 2022. Signed LNG offtake agreements with Consol Glass (Pty) Ltd and Ceramic Industries (Pty) Ltd. Signed helium offtake agreements with several customers.
MANUFACTURED CAPITAL Our assets include property, equipment and infrastructure.	Infrastructure spend. Capital investment in plant and machinery and exploration and evaluation assets.	R260.7 million (2021: R163.1 million) spent primarily on advancing the construction of the Virginia Gas Project. R46.2 million (2021: R23.2 million) spent on exploration activities.	A comprehensive drilling campaign was completed with 5 out of 6 successes, combined with geological model updates which led to an increase in reserves and the ability to consider Phase 2 expansion. Virginia Gas Project expected to become operational in June 2022.

How we create value for our stakeholders?

CAPITAL INPUTS	WHAT THEY MEAN TO US	OUTPUTS	STRATEGIC OBJECTIVES CREATING VALUE
HUMAN CAPITAL As a growing organisation, our people are at the heart of our strategy. All human capital activities have been aligned to enable our people to support this purpose and deliver our strategy collectively.	A safe, healthy, engaged and productive workforce of 66 employees (permanent, contract and interns) with relevant skills, knowledge and experience. Cost of resources. Investment in employee learning and evelopment.	No injuries or fatalities during the year under review. 66 employees including three executive Directors as at 28 February 2022.	Significantly scaled up the Group's staffing complement in preparation for the transition from project and construction focus to production focused operations.
INTELLECTUAL CAPITAL Our unique way of doing business includes our values, code of conduct, and governance frameworks and processes.	Skilled, experienced and technically qualified employees, industry thought leaders and experts. Our patented technologies. Our business processes and management systems.	Cryo-Vacc™ was designed and patented by Renergen for efficient transport and storage of ultracold biologics. Adherence to King IV™ principles. Integration of International Finance Corporation (IFC) Governance standards and guidelines. Expertise of our highly skilled management team.	Focused on the accumulation and documentation of intellectual capital. Our extensive database serves in all future projects and expansions.

How we create value for our stakeholders?

CAPITAL INPUTS	WHAT THEY MEAN TO US	OUTPUTS	STRATEGIC OBJECTIVES CREATING VALUE
SOCIAL AND RELATIONSHIP CAPITAL We maintain strong relationships with our suppliers, customers, employees, investors and communities. Our aspirational culture encourages greater engagement with all employees and contractors. Effective partnerships with all our stakeholders. Ongoing engagement with our communities, Government and stakeholders.	Total Corporate Social Investment (CSI) spend. B-BBEE spend. Constructive and equitable engagements with Government and regulators. A positive relationship with employees and organised labour. Fostering good relationships with all our stakeholders. Informing investors of our performance and strategy.	R90k spent on learnerships, bursaries, internships and human resource development programmes. One tertiary student was a beneficiary of a tertiary education bursary programme in 2022.	We have cemented strong relationships with various landowners to construct and operate on their properties. No objections to our EIA, water use license and air emission licence applications. Local community participation is fostered. Renergen is the country's only holder of an onshore petroleum production right.
NATURAL CAPITAL We depend on specific natural resources such as water, fossil fuels and other natural assets both directly and indirectly. We are mindful of the impact our activities may have on the environment. Our approach and systems enable us to monitor, manage and appropriately minimise negative impacts.	Methane and helium gas reserves to employ in our business model. Carbon emissions. Number of spillages. Biodiversity and ecosystems health.	Discovery of sandstone trap with helium concentrations of up to 12%. 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.	Procured interpreted satellite data to outline where the highest methane signatures are present, have been superimposed over our three dimensional geological model to help identify the best and highest yield areas to prospect. 1P helium reserves increased by 610% to 7.2Bcf and 1P methane reserves by 427% to 215.1Bcf. 2P helium reserves increased by 298% to 13.6Bcf and 2P methane reserves by 193% to 407.0Bcf.

Our principal risks, issues and associated opportunities

Our risk framework is aligned with International Risk Management Standards. This framework guides our risk identification process and provides Renergen's Board with a detailed assessment of all principal risks to our business.

Our principal risks, issues and associated opportunities

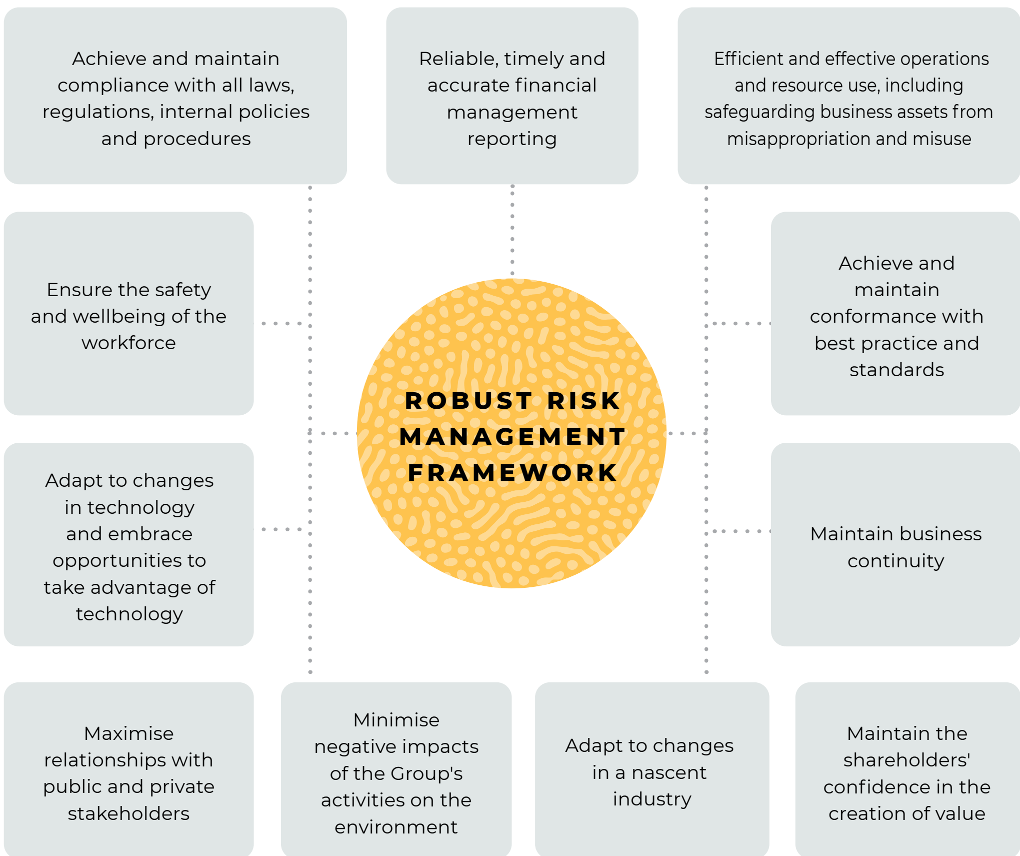
Renergen has identified material issues as those items that can significantly impact the performance and sustainability of the Group. Our stakeholders' material interests, expectations, and concerns, most likely to influence the Group's ability to create sustainable shareholder value, form the primary basis for determining our material issues.

Our embedded enterprise risk management process further enhances the rigour of this progress. Our Board reviews and approves the risk appetite for each principal risk identified, ensuring informed and risk-based decision-making. The Board sets the direction for how risk management is approached and addressed in the Group.

The Audit, Risk, and IT Committee (ARIC) oversees and directs management's implementation of an integrated framework and plan for risk management. Risk management is fully aligned with the Group's strategy. As such, the process involves a consistent, formalised and well-embedded system aligned with international best practices and the application of the legislation and regulations – notably the Companies Act 71 of 2008, the listing requirements of the JSE Limited and the Australian Securities Exchange (ASX), and the King Report on Governance for South Africa (King IV™).

This approach has been robustly tested during the COVID-19 crisis as certain Group risks accelerated during the pandemic. The Group Risk function facilitates a bi-annual review of risks with the Board and Group executives.

A similar exercise is performed monthly with each business unit: identifying and assessing risks, measuring them against defined criteria, and considering the likelihood of occurrence and potential business impact. Stakeholders include customers, employees, investors, providers of financial capital, industry and regulatory bodies, government, and the communities in which the Group operates.



Our material risks

ENVIRONMENT AND CLIMATE CHANGE

Description	Impact on value	Response and mitigation
Climate change and prolonged droughts and the impact on water resources. Unseasonal weather exacerbated by climate change impacts, leading to delays in the project.	Climate change poses a significant threat to ecosystems and biodiversity, water resources, and broad economic and societal well-being. It could potentially lead to operational delays. Financial impacts of climate change factors.	The Group actively monitors water volume and quality within our operations. The Group is committed to reducing our impact on the environment and building the resilience of our operations. Environmental compliance programmes.
Capitals affected.	Natural capital. Manufactured capital.	

STRUCTURALLY HIGH UNEMPLOYMENT IN THE LOCAL AREA OF OPERATION

Description	Impact on value	Response and mitigation
Our Virginia Gas Plant is situated in Virginia in the Free State. South Africa's unemployment rate rose to 34.9% in the third quarter of 2021, up from 34.4% in the previous period (Stats SA). The unemployment rate for Matjhabeng Local Municipality is 37%. Poor socio-economic conditions in these communities increase expectations for employment and other socio-economic benefits.	Incredibly high unemployment rates continue to contribute to social unrest. Increased reliance and growing expectations on mining companies by local government and communities. Community activism and lack of local service delivery may cause disruptions in operations.	Ensure the Group and our contractors employ from local communities where possible. Regularly engage and monitor our interaction and that of our contractors with the local host communities. Community development programmes. Localised procurement opportunities. Target youth opportunities in the area, and wherever possible, integrate local communities into operations as best as possible.
Capitals affected.	Financial capital. Social and relationship capital. Human capital.	

Our material risks

THE IMPACT OF COVID-19

Description	Impact on value	Response and mitigation
Large-scale outbreak of infectious disease increasing morbidity and mortality over a wide geographic area causing significant economic, social and political disruption and impacting the wellness of our people and communities and resulting in interruption to normal operations.	Health and wellbeing of our people. Pandemic mitigation measures can cause significant social and economic disruption.	COVID-19 can affect anyone, and the disease can cause symptoms ranging from mild to very severe. Where possible, employees worked remotely to curb the outbreak and manage their wellbeing. We have implemented strict COVID-19 return to work policies and procedures which are monitored daily for compliance with regulations. Disruption through the pandemic has driven us to ensure our supply chains are more resilient, collaborative and networked.
Capitals affected.	Human capital. Social and relationship capital. Manufactured capital.	

EXPOSURE TO INTERNATIONAL COMMODITY PRICES

Description	Impact on value	Response and mitigation
Geopolitical tensions leading to a period of significant increases in commodity and energy prices.	Increased construction costs and operating costs due to higher energy input costs.	Our revenue is linked to the energy markets, so higher energy costs are somewhat offset by higher revenues. 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.
Capitals affected.	Financial capital.	

Our material risks

CYBER RISKS

Description	Impact on value	Response and mitigation
A malicious or accidental cyber-attack from outside our Group, as well as insider threats or supplier breaches could result in operational interruptions or the infringement of data. These attacks have become increasingly frequent and sophisticated globally, with attractive returns for criminals.	The outbreak of the COVID-19 pandemic led to a significant increase in cyber threats globally. This is further exacerbated by the increased number of people working remotely. Pressure on internal security network resources has intensified. Cyber-attacks can lead to a loss of commercially sensitive information, theft of intellectual property, disruption to operations, financial loss, and negative impacts on reputation. Safety risk because of loss of control of operating systems due to cyber-attacks.	We have enhanced our attacker detection programs and monitored cyber incident response and containment. Cyber awareness training and awareness campaigns to raise appreciation of information security threats. Manage security risks by implementing continuous security improvement programmes. Increase security controls to protect our infrastructure while storing and transmitting confidential information.
Capitals affected.	Financial capital. Social and Relationship capital. Intellectual capital. Human capital.	

STRIKES AND PUBLIC UNREST

Description	Impact on value	Response and mitigation
Strikes, riots and labour disruptions can damage economic growth and, in turn, negatively impact our businesses.	The loss of production and/or interruption to our operations. The effects of a strike on the employment relationships. Risk exposures during civil unrest events impact our operations, employees, and other stakeholders.	Our community liaison program assists us to communicate, consult and proactively monitor stakeholder engagement. Adequate Sasria insurance cover. Implement key human resource initiatives to ensure an engaged workforce.
Capitals affected.	Human capital. Intellectual capital. Financial capital. Manufactured capital. Social and relationship capital.	

Our material risks

GLOBAL SUPPLY CHAIN DELAYS		
Description	**Impact on value**	**Response and mitigation**
Forced lockdown imposed on various countries, such as China, led to global supply chain delays.	Delays attributed to global shipping delays which impact operations.	We reduced our risk exposure from two large consignments into multiple shipments. Both off-site fabrication and onsite installation were delayed, and the team focused on splitting the two delivery batches into multiple batches to ensure limited disruption to the project. While successful, this did not fully insulate the project from delays.
Capitals affected.	Financial capital. Manufactured capital. Social and relationship capital.	

FAILURE TO MEET OUR OPERATIONAL AND SAFETY TARGETS		
Description	**Impact on value**	**Response and mitigation**
Unplanned stoppages and unforeseen operational interruptions that can impact production and operational accidents or injury could adversely affect business performance.	Unplanned operational issues affecting the delivery of targets. Construction and operations exposed to natural or extreme weather. Non-compliance with critical controls resulting in safety incidents or potential fatalities. Physical and mental health impacts on employees due to the spread of the COVID-19 virus. Employee illness or death.	Focus on safe production to achieve zero harm. Continuous focus on Health and Safety compliance and monitoring. Agile COVID-19 response plans. Driving disciplined and consistent execution of the basics and compliance with health and safety standards.
Capitals affected.	Financial capital. Human capital. Intellectual capital. Manufactured capital. Social and relationship capital.	

Our material risks

FAILURE TO ATTRACT AND RETAIN CRITICAL SKILLS AND TALENT

Description	Impact on value	Response and mitigation
The inability to retain and attract skilled and experienced employees may harm our business and growth prospects. Having the right people with the required skills is vital to the efficient operations and strategic delivery.	Failure to deliver on strategic objectives. Potential impact on productivity and safety. Increased employment and retention costs. Impact on market confidence. Managing organisational change.	Implement key human resource initiatives to ensure a productive and engaged workforce. Identify potential future critical skills. Succession planning, with a focus on critical skills. Increase training capacity for scarce artisan's skills. Short-and long-term incentive schemes have been implemented with our Bonus Share Plan (BSP) and our Share Appreciation Rights Plan (SAR Plan).
Capitals affected.	Human capital. Intellectual capital. Manufactured capital. Financial capital.	

UNSTABLE ECONOMIC AND MARKET CONDITIONS AND EXPOSURE TO INTERNATIONAL COMMODITY PRICES ADDRESSED ABOVE

Description	Impact on value	Response and mitigation
Volatile macroeconomic conditions – such as fluctuating foreign exchange and inflation rates – may negatively impact operating costs and capital expenditure, which could affect our profitability.	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 increasing cost of diesel in South Africa has outstripped the domestic inflation rate.	Include contingencies in our business plans to provide for the negative operational impacts that could arise from lower economic growth and changes in interest, inflation, and exchange rates. Use foreign exchange instruments to mitigate currency fluctuations. Ensure the best rates, including a balance between fixed and variable rates, by carefully managing loans.
Capitals affected.	Financial capital. Manufactured capital.	

Our material opportunities

HELIUM		
Description	**Impact on value**	**Response and mitigation**
Increased global helium demand and ever reducing supply.	Future phases of our Virginia Gas Project will benefit from increased revenue as a result of the growing divide between supply and demand.	The Phase 2 project is anticipated to produce approximately 5,000kg/day with a suitable spread of contracted and un-contracted volumes. The Company will benefit from exposure to the increasing market price of helium.
Capitals affected	Financial capital.	

LIQUEFIED NATURAL GAS		
Description	**Impact on value**	**Response and mitigation**
Increased end-user awareness on reducing CO_2 emissions.	As end-users become aware of cleaner energy sources, the demand for LNG increases significantly in South Africa.	LNG provides a stable baseload or peak load energy alternative, with the benefit of CO_2 reductions, when compared to coal or other hydrocarbons.
Capitals affected	Financial capital.	

Renergen's COVID-19 response plan

COVID-19 uncertainty continues worldwide, with new waves of the virus affecting many countries.

Our COVID-19 framework guides our responses to reduce our risk exposure. We constantly assess various scenarios that could potentially threaten operational and business continuity.

In 2020 we launched an integrated response to COVID-19 that prioritised activities to ensure the stability and safety of our operational facilities and secure remote working arrangements. We established a COVID-19 response team and mandated it to oversee and coordinate our various undertakings.

The continued global spread of the COVID-19 pandemic during 2021 impacted aspects of our business, our stakeholders, and our risks and material issues. The Group continues to take measures to protect employees' and communities' health and protect our business. We continuously review and update our remobilization plan and communicate with our stakeholders.

Our governance framework contributed to the efficient functioning of our business, and we were able to respond appropriately to the COVID-19 pandemic and the various adjusted alert levels announced by the South African Government. Further details on our governance framework, such as the Board Charter, Committees, and terms of reference, are available on our website **www.renergen.co.za**

RESPONDING TO AND MANAGING THE PANDEMIC

The modern era has seen no situation comparable to the current COVID-19 crisis. How severely the virus affects a country depends on many factors, such as its health system, demographics, geographical structure, or its degree of development.

The Group remains true to our core values which have proven valuable in our success to date in managing the COVID-19 pandemic effectively. We adopted an agile and continuous learning mindset to ensure our response is adjusted according to the circumstances. Communication awareness campaigns on the new operating parameters were rolled out for both employees and stakeholders, in line with our COVID-19 protocols.

CURRENT SAFEGUARDS IMPLEMENTED POST–LOCKDOWN REMOBILISATION PLAN

- A COVID-19 questionnaire and daily screening is required for all employees, visitors, and contractors.
- Remote working options put in place for employees with comorbidities.
- A comprehensive COVID-19 risk assessment was distributed to all employees, contractors, and service providers. Employees have been informed of the updated Method Statements and Risk Assessments. Any changes in lockdown requirements that the government enforced were incorporated into the Risk Assessments and Method statements.

28	TOTAL NUMBER OF CONFIRMED CASES
0	TOTAL NUMBER OF DEATHS
1	TOTAL NUMBER OF STAFF HOSPITALIZED
72	TOTAL NUMBER OF PEOPLE REFERRED FOR TESTING
48,651	TOTAL NUMBER OF SCREENINGS*
81%	TOTAL % OF STAFF VACCINATED

**This number of on-site COVID-19 screenings were conducted on employees as well as contractors at our Virginia Gas Plant.*

3

Leadership review

Chairman's report

OVERVIEW

I am pleased to present the 2022 Chairman's Report – my first since assuming the role in December last year. It is a privilege and honour to take on this role at such an exciting time in the Group's transition from explorer to the producer of internationally important natural resource. This transition is evidenced by not only the imminent commissioning of and commencement of commercial LNG and helium production at our flagship Virginia Gas Project; but also the recently announced strategic partnership with Ivanhoe Mines Limited. Ivanhoe is the ideal partner to stand alongside Renergen in further developing its world-class helium reserves at Virginia and comes at a time when the global helium market is facing a substantial shortfall. We can now, with some confidence, plan for our Phase 2 development and beyond.

Our confidence is built on the very successful drilling campaign conducted throughout the year, which yielded an impressive increase in our independently assessed proved, probable, and possible reserves of methane and helium. A 610% increase in 1P helium reserves, and a 427% increase in 1P methane reserves, bear witness to our success with the drill bit. Our 1P and 2P helium reserves of 7.2 Bcf and 13.6 Bcf are by any measure world-class and bear favourably with our helium peers around the world. The unique nature of our gas deposits has enabled our technical team to develop proprietary artificial intelligence software to guide the siting of our wells, the benefits of which are evident in the increase in our drilling success rate from around 50% to over 80%. The value of this development as we ramp up our production drilling will be self-evident.

At the time of writing, our Phase 1 production plant is now close to completion, and we eagerly await bringing the plant into production in June 2022. Although supply chain disruptions resulting from the COVID-19 pandemic and the global shipping crisis have meant that progress has been slower (and more costly) than we originally planned, that we are now close to the finishing line despite these difficulties is a testament to the skill, diligence and professionalism of our engineering team and multiple contractors.

In anticipation of our first production, we have been active in securing attractive offtake agreements for our produced LNG and liquid helium. Offtakes for the proposed Phase 2 plant are also well advanced and largely secure and include potential pre-sales to a third party trading company which will contribute significant non-dilutionary funding for the Phase 2 project. Importantly, this innovative pre-sale arrangement will facilitate the creation of a spot market for helium, giving the Group exposure to an anticipated buoyant spot market in liquid helium, reflecting recent disruptions to the global helium supply chain.

It is hard to avoid the conclusion that the COVID-19 pandemic has been severely detrimental to almost all businesses and economies around the globe. But there are some unusual exceptions – one being Renergen's development of its proprietary Cryo-Vacc™ solution for passive transport of vaccines using liquid nitrogen or liquid helium. We will watch with interest as this technology, incubated entirely in-house, gains recognition in the international logistics market.

Further details on all the matters referred to above can be found in the CEO's update on page 43.

Chairman's report

BOARD OPERATION

I am pleased to report that the Board has operated cohesively and effectively throughout the year, providing the requisite support and guidance for the Company's talented Executives. Environmental, Sustainability, and Governance principles have consistently underpinned the Board and the Company's approach to business and will continue to do so under my Chairmanship.

It is a great credit to my predecessor Brett Kimber that the two changes to the Board during the year – including his stepping down from the Chair and the Board – were achieved efficiently and seamlessly. Likewise, the CFO/Executive Director's transfer from Fulu Ravele to Brian Harvey.

I take this opportunity to thank both Brett and Fulu for their excellent service to the Group and the Board. Post the reporting period we welcomed the appointment of Alex Pickard as a Non-executive Director representing Ivanhoe Mines Limited on our Board.

The success of our policies and approach is, I believe, well reflected in the growth of the Group and its transition from explorer to being on the verge of material production of valuable commodities.

ACKNOWLEDGEMENTS

I am confident in saying that Renergen has enjoyed a successful year despite the extreme challenges of the prevailing pandemic conditions. This success has been made possible by our small Executive team's outstanding efforts, leadership, and professionalism – CEO Stefano Marani, COO Nick Mitchell, and CFO Brian Harvey. On behalf of the Board, I extend our thanks and congratulations for jobs well done. I also have no hesitation in reporting that all the Company's employees have performed with distinction throughout the year and can rightly be proud of what has been achieved.

I also extend my sincere thanks to my fellow Board members for their wise counsel and guidance throughout the year.

Renergen has an exceptionally bright future, with an endowment of commodities that will make the country and the world an even better place; and the team to bring all its promise to fruition.

We look forward to the year ahead with great confidence and no small measure of excitement.

On behalf of the Board, I extend our sincere thanks to all our shareholders for their support and for joining us on this journey.

Dr David King
Chairman

CEO's update

This is Renergen's seventh IAR, and what started as a business in a small office with less than five people now goes into liquefied natural gas and liquid helium production this calendar year with a staffing complement of around 66 people and growing strong.

This past financial year saw significant geopolitical events unfold, combined with numerous vital industries such as shipping taking strain, and the outcome was quite a challenging environment to navigate. Of course, it goes without saying that the year wasn't all bad and provided the Group with several tailwinds cementing Renergen's place in the country as a key new player in the energy sector.

HELIUM SHORTAGE 4.0^2

In 2019 world helium supplies began falling short relative to consumption, but as the global economy started to feel the effects of COVID-19 lock-downs, this shortage eased somewhat. However, the shortage persisted in varying degrees, and new sources didn't come online as expected, thus prolonging Shortage 4.0. October 2021 was meant to see Russia's Amur facility commencement with the first of 4 LNG & helium trains coming online; however, a fire prevented this. With trains 2 and 3 suffering a similar fate, it appears that Amur will be down for the foreseeable future. An unexpected failure at the US government's strategic helium facility in Amarillo, Texas, removed over 10% of global helium production almost instantly. Qatar announced a delay in their helium project, expected in early 2022, to only operate around 2025 or later. Shortage 4.0 quickly became 4.0^2. Demand-side has rocketed, literally, with space exploration increasing demand for this rare gas, and with the semiconductor market expanding production capabilities away from Taiwan, helium consumption has far exceeded expectations and is likely to do so for the next few years.

INNOVATION

Renergen prides itself on innovation, and this year, the Group announced an off-take agreement with Argonon Helium, a company seeking to create a tradeable helium token backed by blockchain. The idea is simple. Helium is controlled by only a handful of traders who enjoy the benefits of lack of supply and very high demand, taking a substantial margin for minimal risk. The token or we like to call it the ArgHe, creates a robust digital platform allowing end-users to participate in the helium market direct from Renergen as the supplier. Using crypto exchanges as the platforms on which to provide liquidity, we have created a world-first with an instrument giving investors the ability to buy, hold, and redeem for physical or buy to speculate on helium as a democratizing access to this valuable commodity.

LNG

Significant energy shortages emerged from the Russia/Ukrainian conflict, which has seen energy rally across the board. With our Phase 1 project coming online this year, we are likely to see not only an improvement in operating margins as a result, but it has also significantly aided the bankability of Phase 2, given the significant potential for greenhouse gas reducing fuel coming online in South Africa from this crucial project.

MAJOR DISCOVERIES

In September 2021, the Group announced significant Reserves updates, with our 1P helium up 610%. What started as a stranded natural gas play in the Free State in South Africa is now a world-class helium reserve and a meaningful source of energy for South Africa. We are highly optimistic about the prospects of further discoveries as we drill the field, particularly when one considers that the Proven Reserves only cover 14% of the total Production Right.

CEO's update

IN CONCLUSION

As the 2023 financial year commences, we continue to take every precaution to ensure the safety of our employees, contractors, and the community in which we operate. Renergen remains committed to delivering the greatest possible returns to investors and stakeholders on all these fronts.

The Company concluded a strategic placement of shares to Ivanhoe Mines Limited for R200.6 million. It became a 4.35% shareholder in Renergen through the initial placement of 5,631,787 shares at R35.625 per share (equivalent to US$2.37, AUD3.24), equal to a 5% discount to 30-day VWAP.

This strategic transaction is the first of three potential transactions with Ivanhoe, which, if all successful, will see Ivanhoe increase its ownership to as much as 55% in Renergen. The transaction paves the way for Renergen to access significant capital for Phase 2 development, diversify its investor base into North America, and minimize potential dilution to existing shareholders as further investments from Ivanhoe are linked to the prevailing share price at the time of subsequent investments, demonstrating that Renergen can access a broader funding pool for its expansion plans for Phase 2.

I would like to extend my appreciation to my fellow Board members for their judgement and counsel, ensuring that we make decisions in the best interest of all our stakeholders. I would also like to thank our employees and management teams for their tireless dedication and drive under challenging market conditions.

We remain grateful to our clients and shareholders for your continued support and confidence in our abilities to take care of your assets. I believe the Group is well-positioned to continue creating value for all our stakeholders.

We remain committed to the highest levels of transparency and accountability and look forward to commencing production in Phase 1 and the construction of Phase 2.

Stefano Marani
Chief Executive Officer

Chief Executive Officer and Chief Financial Officer Responsibility Statement

The directors, whose names are stated below, hereby confirm that:

(a) the Annual Financial Statements set out on pages 84 to 183, fairly present in all material respects the financial position, financial performance and cash flows of Renergen Limited in terms of International Financial Reporting Standards;

(b) no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to Renergen Limited and its consolidated subsidiary has been provided to effectively prepare the financial statements of Renergen Limited; and

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the Audit, Risk and IT Committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

Stefano Marani
Chief Executive Officer

Brian Harvey
Chief Financial Officer

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Corporate governance report

Our governance structure

THE RENERGEN GOVERNANCE FRAMEWORK

RENERGEN BOARD OF DIRECTORS

Executive Directors

Stefano Marani (CEO)
Brian Harvey (CFO)*
Nick Mitchell (COO)
Fulu Ravele*

Non-executive Directors

Francois Olivier
Alex Pickard**

Independent Non-executive Directors

Brett Kimber (Chairman)***
David King
(Chairman from 1 December 2021)
Mbali Swana
Luigi Matteucci
Bane Maleke

Roles 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 (ARIC)

Committee Members

Luigi Matteucci (Chairman)
Mbali Swana
Bane Maleke

Roles 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:

- Consider the expertise and experience of the financial director.
- Review and recommend the approval of annual integrated financial reports, statements and all other widely distributed financial documents.
- Monitor and review accounting policies of the Group and any proposed revisions.
- Monitor compliance with applicable legislation, King IV™, JSE and ASX listing requirements.
- Evaluate external auditors and lenders, as well as provide recommendations of external auditor appointments.
- Monitor compliance with IFRS.
- Ensure that appropriate financial reporting procedures exist and are working, which includes consideration of all entities included in the consolidated group IFRS financial statements, to ensure that it has access to all the financial information of Renergen to allow Renergen to effectively prepare and report on the Renergen financial statements.
- Report back on its responsibilities pursuant to paragraph 22.15(h) of the JSE Listings Requirements.

Meeting schedule
3 meetings per annum

*Brian Harvey was appointed the new CFO effective 1 May 2021. Fulu Ravele resigned from her position as CFO and Executive Director of Renergen on 31 March 2021. **Appointed on 4 April 2022 ***Resigned on 30 November 2021*

Our governance structure

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)*

Roles and Responsibilities

Responsible for reviewing and recommending the Remuneration Policy and philosophy. The Committee (formed in terms of the Companies Act) 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 lenders).
- 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)*
David King (Chairman - 1 December 2021)*
Nick Mitchell
Bane Maleke
Mbali Swana
Luigi Matteucci

Roles 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

**Brett Kimber - 1 March 2021 to 30 November 2021. Resigned on 30 November 2021. *David King - 1 December 2021 to 28 February 2022*

Our governance structure

RENERGEN EXCO

Executive Directors

Stefano Marani (CEO)
Brian Harvey (CFO)*
Nick Mitchell (COO)
Fulu Ravele*

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 and the CEO, COO and CFO.

Roles 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
Meets monthly

**Brian Harvey was appointed the new CFO effective 1 May 2021. Fulu Ravele resigned from her position as CFO and Executive Director of Renergen on 31 March 2021.*

Environmental, Social, and Corporate Governance (ESG)

Environmental, Social, and Corporate Governance (ESG)

OUR VISION FOR THE FREE STATE

Throughout history, mining companies have established operations in remote locations, and over time local populations have sprung up around the mine. In some instances, these sprung into towns and cities, such as eGoli ('place of gold'), but mostly when the mine reaches its natural end of life, the town dies, leaving significant unemployment. This is a challenge facing many parts of the Free State due to numerous gold mines in the area curtailing their operations.

Part of our social licence to operate in the area is to ensure we integrate with the local communities and businesses and stimulate the local economy. However, there is a significant difference between a natural gas company and a deep shaft gold mine. The gold mine will employ thousands of people and be the primary area of focus in terms of employment. Natural gas extraction and processing employs relatively fewer people and therefore has a significantly smaller immediate impact on employment. However, it does present an opportunity that deep shaft mining never could: sustainability.

ENVIRONMENTAL SUSTAINABILITY

Our well heads leave a very small footprint, allowing farmers to utilise the land for agriculture while being compensated accordingly. However, the gas seriously reduces greenhouse gas emissions. It leaves the planet in an overall much better place than before, which is why this clean energy is so crucial to the area and South Africa.

ECONOMIC SUSTAINABILITY

Our country faces unprecedented challenges, including energy shortages, amongst others. Renergen is on a path to becoming a significant supplier of clean energy to the region and significantly more reliable than the grid. We believe that manufacturing firms in South Africa will quickly realise the benefits of establishing operations close to a clean, sustainable and reliable energy source.

SOCIAL SUSTAINABILITY

Crime is a function of unemployment. Create jobs, and crime reduces in time. The Virginia Gas Project becomes the catalyst, drawing manufacturers to the area with sustainable, clean energy. The region has ample land and a large skilled workforce, making the integration into the Free State a relatively painless one. The result is that in a short space of time, the Virginia Gas Project becomes secondary, and the primary focus in the area is manufacturing, creating significant amounts of employment and economic stimulation to the area.

We are embarking on a process of declaring the area a Special Economic Zone (SEZ). Whether it is approved or not remains to be seen, but the SEZ would offer a further advantage to companies in that they would have tax benefits in establishing operations in the Free State.

We believe that this initiative will create a sustainable community long after the Virginia Gas Project is no longer operating. This is our vision for the Free State.

SOCIAL - OUR PEOPLE

Our team is responsible for developing the ESG strategy and aligning that to the short to medium-term objectives that the Group aims to achieve. As the business develops into medium to large-scale operations, the ESG strategy will evolve to suit the size and operations of the business.

Healthcare

Since 2020 Renergen has made it a condition of employment that all employees join the Group's medical aid scheme. The Group funds up to 50% of the monthly contribution towards medical aid premiums on specific plans covering day-to-day health care and hospitalisation.

In addition, the Group recognises the need for wellness programs that deal with physical wellness and approach wellness holistically to cover employees' mental wellness and stress management. The Group has partnered with

Environmental, Social, and Corporate Governance (ESG)

United Nations Sustainable Development Goals

wellness providers to help our employees navigate the challenges that the COVID-19 pandemic caused and daily work-life objectives to ensure that our employees' overall well-being is a priority.

Cryo-Vacc™

Cryo-Vacc™ is a full end-to-end solution for the storage and transportation of vaccines and biologics. Cryovations partnered with Kawari, a wholesaler and distributor of pharmaceutical and related products, with a good standing relationship with the Western Cape Department of Health. Based on this relationship, they agreed to trial Cryo-Vacc™ units to transport Pfizer vaccines from a central site to the main Western Cape Medical Depot and various hospitals in Cape Town. Cryo-Vacc™ successfully transported over 750,000 Pfizer vaccines in the Western Cape as part of our corporate social responsibility, saving lives and ensuring the efficacy of the vaccines when administered to recipients. This important social investment not only proved that the units are far superior to pre-existing solutions but has provided a solid foundation with new technological developments which will see Cryo-Vacc™ now evolve into other critical areas of the pharmaceutical industry, as explained on page 15.

Youth, diversity, and gender

The Group provides equal opportunities by employing and promoting employees based on merit. Included in the people strategy, the Group has piloted pivotal programs aligned to the Skills Development Act, 97 of 1998, which have enabled us to incorporate youth into the organisation by providing experiential learning and work opportunities to previously disadvantaged individuals (PDI).

In addition, of the total population of the Group's 66 employees in the FY2022, 39% (26) employees are categorised as a youth, of which 73% (19) are PDI as described under B-BBEE Act 46 of 2013.

We currently have a workforce complement that is 32% female. We strive to increase the number of females in the Group across the top and senior/

middle management levels. Further development will occur through investment in learning, compensation, and additional senior and strategic level responsibility. In addition, the plan is to increase the intake of women at pivotal entry-level programs and develop their skills for the job market.

Disabilities

Our staff complement includes people with disabilities as defined in the Employment Equity Act 55 of 1998. Our facilities at the head office and within site operations (the Virginia Gas Pant) can accommodate people with certain health-related and limited physical disabilities. However, we will continue to improve our facilities to become more user-friendly for people with physical disabilities.

Human Rights

The Group upholds the constitutional rights of all its stakeholders. Incorporated in the policies of the Group and its day-to-day practices, we strive to treat people without discrimination and in adherence to the constructs of the Employment Equity Act, 55 of 1998. The Group advocates' respect and dignity in its treatment of people and provides mechanisms that address potential breaches.

Employees have a right to exercise their constitutional rights without fear of harassment, discrimination, and reprisal, as explained in the Group's Code of Conduct.

The Group's workforce is not currently unionised but recognises that its employees may consider joining a union for collective bargaining. We continually strive to ensure a safe work environment and the fair treatment of all employees while respecting their rights to freedom of association.

Remote Working

Remote working has been encouraged during the COVID-19 pandemic where possible. The Group equipped employees with tools to work remotely and seamlessly during the lock-down. Regular online sessions were held to check on employee wellness.

Remote working has become part of the business operations while employees are acclimating to returning to work. The Group recognises the change and the disruption of a regulated office environment and has made provisions for office scheduling and optimisation of the regulatory space requirements.

Injury and Deaths

The Group has risk cover for all employees. In an accident or accidental death, the employee or their direct family will receive compensation for loss of income.

The Group is investigating employee benefits that will cover retirement, funeral cover, life, and income protection as part of their employee benefits for the new financial year. While employees predominantly have personal insurances that take the above factors into account, the Group considers this benefit part of their total remuneration package as part of the talent acquisition and retention approach.

B-BBEE

For the year ending 29 February 2022, the Group was recognised as a BEE Level 4 contributor under the B-BBEE codes.

Our engagement with service providers for the remainder of the Virginia Gas Plant and Phase 2 operations will also involve setting key targets to drive community development and job creation for the local community through direct and indirect procurement of services.

Local small businesses form part of the empowerment initiatives the Group will drive as part of its regulatory commitment to the Petroleum Agency of South Africa (PASA). The Group has invested in job creation, procurement, and supplier development in the local community. The plan submitted to PASA was approved and will be delivered over five (5) years. The objective is to grow the local economy while reducing unemployment and poverty within the local area of operation.

Environmental, Social, and Corporate Governance (ESG)

Fraud

The Group's policies and procedures are aligned to create an environment of transparency and integrity. We ensure that we have sight of risk factors associated with our employees and their activities within and outside of the business through these policies and mandatory practices. Policies and practices introduced and implemented over the last 24 months include the Code of Conduct, which addresses declarations of interest, information security and confidentiality, whistleblowing, and directives that align with good corporate governance.

Investigations (HR)

The Group adheres to the Labour Relations Act, 66 of 1995 in dealing with internal dispute resolution and the fundamentals that form part of our approach to employee relations. It also allows for informal dispute resolution within the organisation, which also recognises the rights of employees to raise grievances to manage conflict and drive a culture of trust and integrity.

ENVIRONMENTAL

We align our internal processes and policies to the International Finance Corporations' performance standards. This ensures a stringent adherence to international standards that assist us in reducing our impact on the environment and our surroundings.

Water

We acknowledge that water is a scarce resource that must be protected. The Group undertakes extensive ground and surface water monitoring at its Tetra4 operations to identify and manage potential impacts resulting from its exploration and production activities.

The Tetra4 Phase 1 plant currently in construction can recycle and reuse water from its operations with a zero discharge to the natural environment concept to manage water more efficiently and sustainably. Sewage from the Phase 1 operation goes through two separate treatment systems. It is recycled for utilisation in plant operations with zero liquid discharge to the natural environment or municipal system.

Although the business strategy concerning ESG is still in development, we realise the importance of sustainability and how the efficient use of water is a key component; hence a water management procedure has been developed for the Tetra4 Phase 1 plant to determine and manage the water intensity.

Carbon Emission and Carbon Tax

Tier 1 and Tier 3 emissions are determined and reported on for the operational activities undertaken by Tetra4. Currently, this entails the CNG plant. Venting and flaring data and fugitive emissions identified at exploration wells are captured and quantified to be included in the annual carbon tax calculations.

Biodiversity

In line with the Group's value of "Do No Harm: To our people, to our world" and in line with the environmental policy, the Group implements the mitigation hierarchy of avoiding, minimising, mitigating and, where necessary, offsetting impacts arising from its activities, products and services. The Group prides itself on effective biodiversity and ecosystem management, as displayed through the rehabilitation of the cluster one gas gathering network and the commitment to leave the environment in the same or better condition post our activities.

Infrastructure is planned to consider the environmental sensitivities identified during the Environmental Impact Assessment (EIA). In addition to this, pre-commencement environmental assessments are undertaken before any construction to identify sensitivities and any additional management or mitigation measures that need to be implemented.

Environmental, Social, and Corporate Governance (ESG)

Waste and Recycling

All waste is managed in terms of the National Environmental Management Waste Act, Act No 59, 2008 (NEM: WA), and the environmental principles of Duty of care, Cradle to grave, Polluter pays, and Precautionary and Sustainable Development. The waste management hierarchy applies to all works undertaken by or on behalf of the Group. We are also investigating recycling opportunities for the Phase 1 plant operations that would align with the ESG strategy and potential waste reduction opportunities. During the construction of Phase 1 of the plant, wood waste was provided to the local community for alternative usage, and around 2.5 tons of plastic waste was recycled through an external service provider. During the 2022 reporting year, drilling waste classification was undertaken to understand the waste composition better to identify potential alternative usages.

Conservation

The Group endeavours to conserve the environment's natural state surrounding Tetra4 construction and production activities. Avoiding sensitive environmental areas, waste minimisation and pollution prevention by implementing mitigation measures as set out in the approved Environmental Management Programme (EMP), Environmental Authorization, Water Use License and Air Emissions license. For 2022, Tetra4 has achieved a monthly independent EMP compliance score of 100% and a National Environmental Management Act (NEMA) bi-annual compliance score of 99,5%.

Hazardous

In line with our do no harm value, all hazardous substances are managed responsibly and in accordance with legislation. Hazardous waste production is reduced as far as practically possible. Hazardous waste disposal and transportation are conducted through registered third-party contractors emphasising the cradle to grave principle.

Pollution

Extensive groundwater, surface water, dust, fugitive emissions monitoring and air pollutant passive sampling are undertaken to identify potential pollution and implement mitigation and management measures. Active pollution prevention measures are implemented on-site, and no reportable spills were identified during the 2022 financial year.

Contamination

The regional geology around the Tetra4 operation contains shallow aquifers and deeper saline aquifers. The shallow aquifers are utilised by local landowners for agricultural and domestic purposes, whereas the quality and depth of the deeper saline aquifers are unsuitable for use. To prevent any possible interaction and potential contamination from the deeper saline aquifers, exploration and production wells are fitted with a specific casing design. Groundwater monitoring undertaken bi-monthly indicated no evidence of cross-contamination from stray gas migration or between the shallow and deeper saline aquifers because of exploration and production activities.

SAFETY

Health and wellness newsletters

The Safety Team ensures that we improve our employees' and contractors' well-being through regular wellness letters that focus on a specific health topic each month. The newsletters explore seasonal tips, recipes, and resources that promote wellness in the workplace and are discussed with employees and contractors during our daily/weekly Toolbox Talk (TBT) sessions in the morning before work commences.

Incident reporting

Our Standard Operating Procedures (SOPs) are regularly reviewed to full compliance. The near-miss reporting procedure aims to enhance the

Environmental, Social, and Corporate Governance (ESG)

safety culture programme by which employees are encouraged to report near-miss occurrences. Trend analysis and investigations allow us to rectify and implement solutions before any incident/accident occurs. The NO NAME – NO BLAME principle is applied to our 'near miss' reporting to ensure employees report without fear.

Safety culture survey

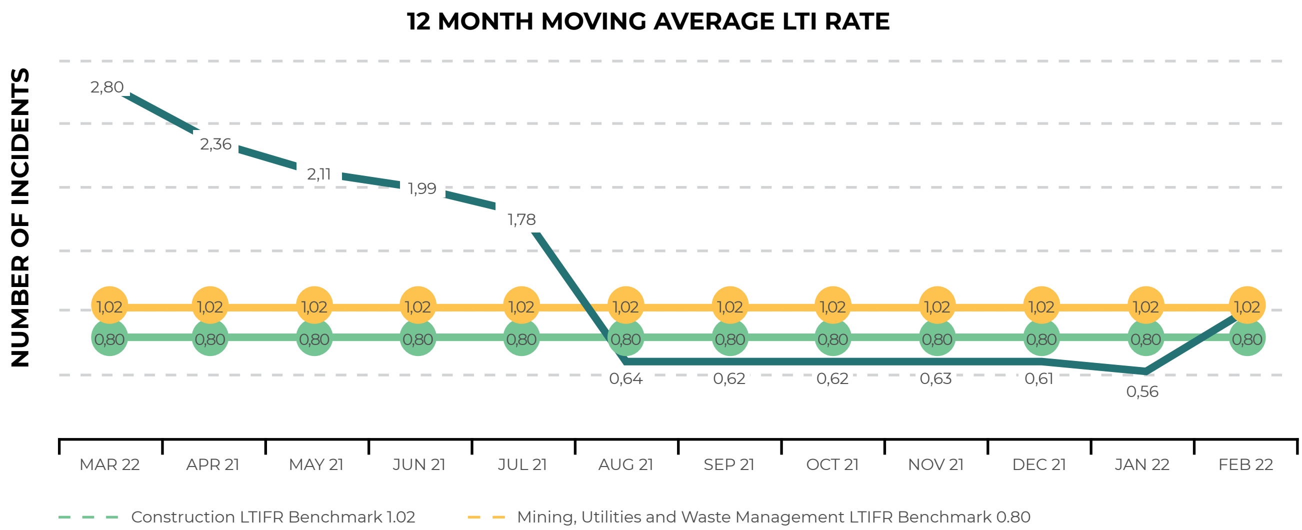
The Health and Safety team aims to use these surveys to highlight a range of aspects, such as.

- Awareness of hazards, risks, and safety processes currently in place.
- Employee involvement and feedback on the current processes and the effectiveness of the Group's safety strategy.
- Key issues and areas where improvements are needed.

Health and safety targets

- Zero Harm to employees through visible leadership.
- Increase safety awareness to ensure optimum production.
- Minimise liability due to non-compliance.
- Maintain internal HSE audit score rate for our contractors.
- Maintain 3rd party audit score rate above 90%.
- Maintain a loss time injury frequency rate of below 0.80.

INCIDENTS - LTIFR



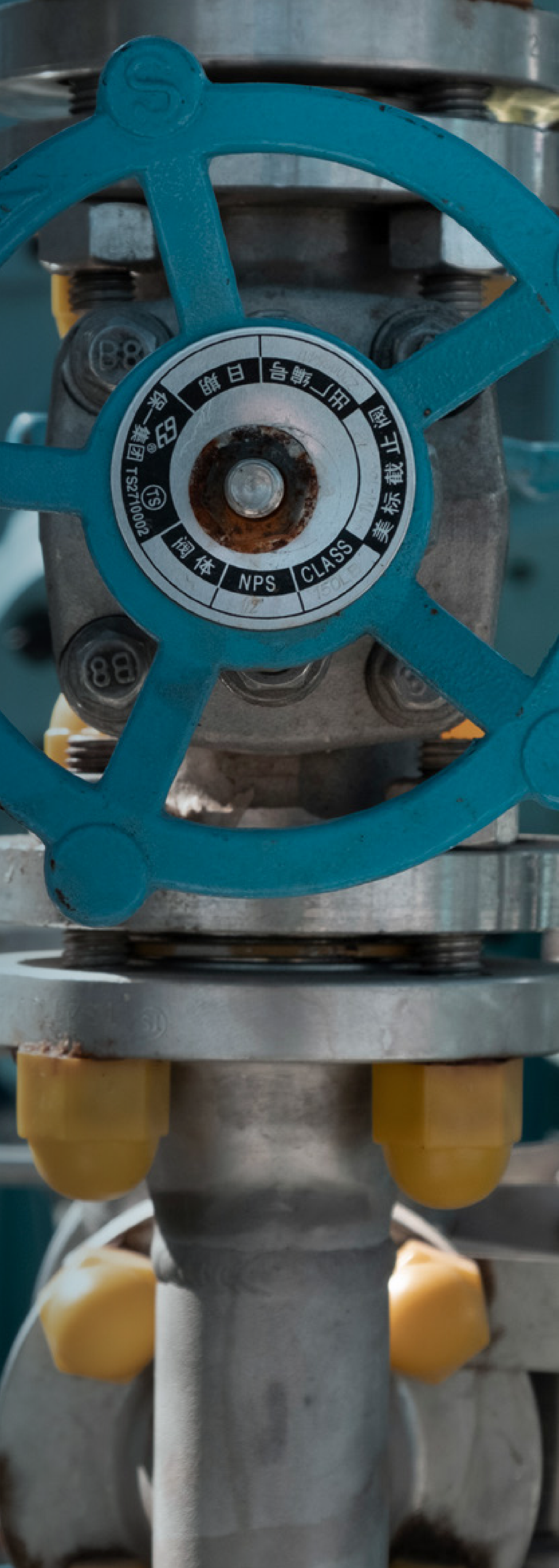
Current LTIFR	**0,94**	2022 LTIFR Target	**0,10**	Expected date target will be reached	**DEC 2022**

The above calculation in based on 200 000 man hours.

GOVERNANCE

The Group's governance structures are regularly reviewed and provide for the assignment of authority while enabling the Board to retain effective control.

The structures support effective and ethical leadership, good corporate citizenship and sustainable development and are applied in the best interests of Renergen and our stakeholders. The necessary policies and processes are in place to ensure all entities in the Group adhere to essential Group requirements and governance standards, at the least. Refer to our Corporate Governance Report on page 46 for more detail.



Our Board

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 corporate governance principles 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, and Board Committees assist the Board within the provisions of the Board Charter. However, 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 support effective decision-making, provide robust controls, and align with evolving local and global best practices.

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 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 promoting diversity at a Board level.

INDEPENDENCE

All the Directors have a duty to act, always, with the independence of mind in the best interests of the Group. The Board believes that the Independent Non-executive Directors of the Group are of 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 Board determines the classification of independent Non-executive Directors on the recommendation of the Nomination Committee. In assessing 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 influence 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 the Group's external auditors. In addition, all Directors are entitled to seek independent professional advice – at the Group's expense - on any matters about Renergen as and when they deem necessary.

The Board also considers the impact of each Director's interests, including those in the business regarding direct or indirect shareholding and an interest in a contract with the Group. Conflicts of interest, actual or perceived, are monitored.

All Directors of the Group and its subsidiaries must adhere to the Group's policy on dealing in the Group's securities, designed to prevent insider trading in terms of the Financial Markets Act, 2012. In this respect, the Board operates according to the regulations and requirements laid out by both the JSE and ASX.

BOARD CHARTER

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

SUCCESSION PLANNING

The Nomination Committee oversees succession planning for 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 to manage 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 demonstrate a wealth of experience and insights concerning the business, having been involved with the primary asset since 2013.

BOARD COMMITTEES

Without abdicating its 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 Executive Committee.
- 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 Board and Board Committee meetings are set out on page 60.

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 fulfilling 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.

Our Board

TECHNOLOGY AND INFORMATION GOVERNANCE

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

BOARD OF DIRECTORS ATTENDANCE

	Brett Kimber	Mbali Swana	Luigi Matteucci	Bane Maleke	David King	Francois Olivier	Stefano Marani	Fulu Ravele*	Nick Mitchell	Brian Harvey*
ARIC 01/03/2021	●	✓	✓	✓	●	●	✓	✓	✓	■
BOARD 12/03/2021	✓	✓	✓	✓	✓	✓	✓	▲	✓	■
ARIC 20/5/2021	●	✓	✓	✓	●	●	✓	■	✓	✓
Special ARIC 24/5/2021	●	✓	✓	▲	●	●	✓	■	✓	✓
GETSC 20/5/2021	✓	✓	✓	✓	●	●	●	■	✓	●
BOARD 26/5/2021	✓	✓	✓	✓	✓	✓	✓	■	✓	✓
Special GETSC 24/06/2021	✓	✓	✓	✓	●	●	●	■	✓	●
AGM 30/07/2021	✓	✓	✓	▲	✓	✓	▲	■	✓	✓
ARIC 03/08/2021	●	✓	✓	✓	●	●	▲	■	✓	✓
BOARD 11/08/2021	✓	▲	✓	✓	✓	✓	✓	■	✓	✓
Special ARIC 19/10/2021	●	✓	✓	✓	●	●	✓	■	✓	✓
Special GETSC 22/10/2021	✓	✓	✓	✓	●	●	●	■	✓	●
ARIC 11/11/2021	●	✓	✓	✓	●	●	✓	■	✓	✓
GETSC 11/11/2021	✓	✓	✓	✓	●	●	●	■	✓	●
BOARD 23/11/2021	✓	✓	✓	✓	✓	✓	✓	■	✓	✓
GETSC 20/01/2022	■	✓	✓	✓	✓	●	●	■	✓	●
ARIC 20/01/2022	■	✓	✓	✓	●	●	✓	■	✓	✓
BOARD Strategy session 24/01/2022	■	✓	✓	✓	✓	✓	✓	■	✓	✓

✓ *Attended* ● *Not required* ▲ *Apologies* ■ *N/A*

**Brian Harvey was appointed the new CFO effective 1 May 2021. Fulu Ravele resigned from her position as CFO and Executive Director of Renergen on 31 March 2021.*

Our Board of Directors

The Renergen Directors, during or since the end of the financial year, are set out in this section. 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.

EXECUTIVE DIRECTORS

Mr Stefano Marani

Managing Director, Chief Executive Officer

BSc Actuarial Science, BSc Hons in Advanced Mathematics of Finance.

Stefano is the Chief Executive Officer of Renergen. He was part of the team which acquired the Gas Fields from Molopo Energy Limited in April 2013 and was instrumental in taking the Gas Fields from a stranded gas asset into production with funding from the US government and an Initial Public Offering on the Australian Securities Exchange. Along with Nick Mitchell, they pioneered the use of natural gas in heavy-duty vehicles in South Africa to help decarbonise the South African economy, which ultimately led to a partnership with Total South Africa Proprietary Limited, and he pioneered Cryo-Vacc™ to assist in the global rollout of vaccines in the fight against COVID-19.

Stefano has significant experience in the areas of structured finance and advisory. After completing his formative training with Deutsche Bank, Stefano was recruited by Morgan Stanley in London. He was ultimately charged with building their sub-Saharan African fixed income capital markets business before leaving banking to start his financial services firm.

Date appointed to Board: 20 Nov 2014

Our Board of Directors

Mr Nick Mitchell

Executive Director and Chief Operating Officer

Microsoft Certified Systems Engineer (MCSE) A+ Certified.

Nick is an experienced Director with a demonstrated history of working in the energy industry, specialising in the South African oil and gas sector and focused on early-stage company development. He is the current Chief Operating Officer for Renergen. Together with his partners, Nick acquired Tetra4 in 2013 and since then has developed the asset from what was once considered a stranded gas asset into a potential world-class helium and natural gas reserve. He is strong in operations, strategy and risk management. Nick currently serves as the Chairman of the Onshore Petroleum Association of South Africa (ONPASA) and has done so since March 2017. In December 2020, he was appointed as a Trustee to the Upstream Training Trust (UTT), established by the Petroleum Agency SA (PASA) and the companies participating in the South African off and onshore search for oil and gas. The Trust seeks to provide bursaries to eligible students interested in Petroleum (oil and gas) Exploration.

Date appointed to Board: 25 Nov 2015

Mr Brian Harvey

Executive Director and Chief Financial Officer

BTech. Mech Eng. BCom Hons in Accounting. CA(SA).

Brian is the Chief Financial Officer of Renergen Limited with over 15 years of experience in senior finance roles after having initially qualified and worked as a mechanical engineer for De Beers. He has worked for multinational, foreign listed, and JSE listed companies, principally in the resources sector, including Weir Minerals Africa Middle East, Royal Bafokeng Holdings Pty Ltd and Anglo American plc.

He has both strategic and operational level experience in the finance area and has been involved with project finance and oversight of the delivery of several capital projects.

Date appointed to Board: 1 May 2021

Fulu Ravele resigned from her position as director and Chief Financial Officer of Renergen on 31 March 2021.She was succeeded by Brian Harvey as director and Chief Financial Officer on 1 May 2021.

Our Board of Directors

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr David King

Non-executive Director, Independent

PhD; MSc; FAusIMM; FAIG.

David is a professional geoscientist and has over 40 years of experience in oil and gas and other natural resources industries. He holds an MSc in Geophysics from Imperial College, London, and a PhD in Seismology from the Australian National University, Canberra. David has held various Board positions with ASX natural resources companies and was a founder of oil and gas companies Eastern Star Gas Ltd and Sapex Ltd. He has also served as Managing Director of ASX listed gold producer North Flinders Mines, CEO and Managing Director of Oil and gas producers Beach Petroleum and Claremont Petroleum, and Chairman of Robust Resources Ltd and Galilee Energy Ltd. David is currently Non-executive Director of AIM-listed Litigation Capital Management Limited. David is a Fellow of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy.

Date appointed to Board: 4 June 2019
Chairman, Effective from 1 December 2021

Mr Luigi Matteucci

Non-executive Director, Independent

CA (SA).

Luigi actively consults on strategic and business development initiatives in the mining and engineering field. He served in senior management positions and as Financial Director of Highveld Steel and Vanadium Corporation Limited for 18 years up to 2007, where he implemented successful cost reduction and efficiency strategies.

Date appointed to Board: 3 May 2016

Brett Kimber resigned from his position as director and chairperson of the Board on 30 November 2021. He was succeeded by David King as chairperson of the Board with effect from 1 December 2021.

Our Board of Directors

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr Bane Moeketsi Maleke

Non-executive Director, Independent

CA (SA).

Bane holds an MBA from Dalhousie University (Canada) and a PhD. in Strategic Management, from the University of Bath (UK). He spent 20 years in senior management at the Development Bank of South Africa (DBSA) and held the position of Regional Executive for the SADC and East Africa Regions. He is the chairman of an MNO in Lesotho and the Director of an energy company.

Date appointed to Board: 7 Dec 2016

Mr Mbali Swana

Non-executive Director, Independent

B.Arch Studies, B.BArch.

Mbali is the Chief Executive Officer of Prop5 Corporation Proprietary Limited, a turnkey-built environment infrastructure and engineered products developer that he founded in 1986. Mbali has significant experience in implementing large scale projects across Africa and is currently developing Prop5's Africa-wide strategy for infrastructure development.

Date appointed to Board: 16 Feb 2015

Our Board of Directors

Mr Francois Olivier

Non-executive Director

CA (SA) CFA, B.Com (Hons) University of Pretoria.

Francois is a portfolio manager and executive committee member at Mazi Asset Management. He has 22 years of investment research and portfolio management experience.

Date appointed to Board: 19 Nov 2018

Ms Fulu Ravele

Fulu Ravele resigned from her position as director and Chief Financial Officer of Renergen on 31 March 2021.

She was succeeded by Brian Harvey as director and Chief Financial Officer on 1 May 2021.

Mr Brett Kimber

Brett Kimber resigned from his position as director and chairperson of the Board on 30 November 2021.

He was succeeded by David King as chairperson of the Board with effect from 1 December 2021.

Mr Alex Pickard

Non-executive Director

BSc Economics, London School of Economics.

Alex is Vice President, Corporate Development for Ivanhoe Mines Ltd, a Canadian mining company focused on developing disruptive projects, including the world-class Kamoa-Kakula Copper Project in the Democratic Republic of the Congo. He joined Ivanhoe in 2017 to focus on strategic initiatives and fundraising for the company, and has been actively involved in raising over US$2 billion in equity and debt financings from strategic and institutional investors during that time.

Alex has more than 10 years of experience in corporate finance and capital markets, focusing on the mining and resources sectors. Prior to joining Ivanhoe Mines, he was Vice President, Investment Banking at Morgan Stanley, London after starting his career at BMO Capital Markets, London, advising metals and mining clients on mergers and acquisitions, equity and debt capital markets transactions.

Date appointed to Board: 4 Apr 2022

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.

Renergen is a listed company on the Johannesburg Stock Exchange operated by the JSE Limited (JSE), Australian Securities Exchange (ASX) and A2X. For the period ended 28 February 2022, the Group made a concerted effort to ensure compliance with appropriate governance-related regulatory requirements. This includes, amongst others, the Group's application and response to the recommended principles outlined in King IV™.

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.

LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

PRINCIPLE 1	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should lead ethically and effectively.	The Board (governing body) aims to lead the Group ethically and effectively. The Board as a collective and each Director subscribe to the ethical characteristics of integrity, competence, responsibility, accountability, fairness, and transparency. The Board assumes responsibility for the governance of ethics within the Group. The Board confirms its commitment to the highest standards of corporate governance; its Board Charter and the Code of Conduct and Ethics adopted by the Board set the ethical foundation for how the Group operates. Through the Audit, Risk and IT committee, the Board approves the Group's Code of Conduct and Ethics, which integrates human rights principles, specifies ethical business conduct, and allows zero tolerance for discrimination, corruption, or bribery. The Code of Conduct and Ethics guides interactions with all stakeholders and sets the framework to address the key ethical risks of the Group. Our policies, such as the Whistle-blower Policy, and programmes, including a whistle-blower facility operated by an independent service provider, enable employees and other stakeholders to report confidentially and anonymously any allegations of any unethical or risky behaviour and contributes to a solid ethical foundation.	Audit, Risk and IT Committee

Commitment to King IV™ principles

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.	The Board exercises ongoing oversight responsibility for setting and reporting on the Group's ethical values, principles of conducting ethical business practice, human and environmental rights considerations, and for the Group to conduct its business and be seen as a responsible corporate citizen. While the Board exercises ongoing oversight, it has delegated the governance of ethics, including the monitoring and implementation of the Group's activities against the Code of Conduct and Ethics, to the GETSC Committee to report at every Board meeting on the activities and actions executed. Through the Code of Conduct and Ethics, the Board can ensure that all the Group's stakeholders are properly guided regarding the Group's ethical conduct. The Group's Code of Conduct and Ethics is published on the website.	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.	Following the Board's responsibility of ensuring that the Group's conducts itself as a good corporate citizen, the Board approves the business strategy on an annual basis as developed by management. The objective remains to create value for all the Group's stakeholders sustainably. The Group actively and continuously engages its key stakeholders and appreciates that being a responsible corporate citizen entails being responsive to stakeholders' needs and expectations. It is, for this reason, essential for the Group to be values-driven and align its business activities to the needs and expectations of its stakeholders. The Board, with the support of the GETSC Committee and the Group Executive Committees, oversees and monitors all the Group's processes, operations, and activities on how the Group achieves its corporate citizenship responsibility, which is achieved through, among other things, the Board Charter and Code of Conduct and Ethics, which set the policy framework, and through specific operational and corporate office structures. This is measured against predetermined performance goals agreed with management to support the Group's strategic objectives.	Governance, Ethics, Transformation, Social and Compensation Committee

Commitment to King IV™ principles

STRATEGY, PERFORMANCE AND REPORTING

PRINCIPLE 4	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should appreciate that the organisation's core purpose, risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	As a whole and through its committees, the Board approves, monitors, steers, and sets the priorities, objectives, and strategy of the Group and assesses the key risks and opportunities regularly, considering the operating context and the needs and expectations of stakeholders. The Board ensures that it is aligned to the Group's value drivers and strategic intent. The implementation of the approved strategic plans is delegated to management, and this implementation and value creation are measured against the agreed performance goals. The Audit, Risk, and IT Committee have a quarterly risk assessment. All Directors have access to quarterly risk assessments undertaken by the Audit, Risk, and IT Committee, which enable them to understand and know the key risks and opportunities that may influence and impact the strategy.	Audit, Risk and IT Committee

PRINCIPLE 5	APPLICATION	PRINCIPLE OVERSIGHT
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.	Renergen's IAR and ancillary reports provide a detailed review of its sustainability, including the Group's financial, economic, social, and environmental performance on material matters to its strategy and key stakeholders. The IAR is prepared in line with recognised guidelines and relevant frameworks, which assist management in identifying the content and requirements of the reports. Renergen publishes Interim Results and Quarterly Update reports, as required by the ASX. Through the Audit and Risk and IT committee and other Board committees, the Board oversees that the various reports are compliant with the requisite legal reporting requirements and meet material stakeholders' reasonable and legitimate needs. Most importantly, the Board and its various Committees ensure that the necessary controls are in place to verify and safeguard the integrity of the data on all external reports and disclosures to stakeholders. The Audit, Risk, and IT Committee oversees the integrated reporting process and reviews the annual financial statements, which an external assurance provider audits. Regular trading updates are also published on the JSE Limited Stock Exchange News Service (SENS) and the ASX Market Announcements Platform, providing transparent, timely and accurate communication with our shareholders. Renergen ensures that the reports, including the annual financial statements, IAR, Corporate Governance Report and other information to relevant stakeholders, are published on its website and other media as appropriate.	Audit, Risk and IT Committee The Board

Commitment to King IV™ principles

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 6	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should serve as the focal point and custodian of corporate governance in the organisation.	The Board ensures that the Group applies the governance principles of King IV™ and, where required, continues to embed and strengthen recommended practices through the Group's governance structures, systems, processes, and procedures. The Board operates under an approved Board Charter, reviewed annually and sets out its governance responsibilities. The charter defines, amongst others, the Board's governance responsibilities, its function, membership requirements, and procedures for conducting Board matters. The Governance, Ethics, Transformation, Social and Compensation Committee implements and monitors the governance practices throughout the Group. Regular updates, facilitated by the Group Secretary, ensure that the Board and its Committees are kept up to date and abreast of best practice governance recommendations. A detailed breakdown of the number of meetings held during the reporting period, and attendance at those meetings, is disclosed in the IAR. The Board and any Director or Committee may obtain independent, external professional advice at the Group's expense concerning matters within the scope of their duties. The Directors may request documentation from and set up meetings with management as and when required. The Board is satisfied that it has fulfilled its responsibilities per its Charter for the reporting period.	The Board

Commitment to King IV™ principles

PRINCIPLE 7	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence to discharge its governance role and responsibilities objectively and effectively.	The independence of each Director is categorised as defined in the listing's requirements of the JSE Limited, taking into consideration King IV™ and other requirements outlined in the Board Charter. The majority of the Board comprises of Independent Non-executive Directors. Annually, a rigorous review of the independence and performance of independent Non-executive Directors serving more than nine years is undertaken by the Board on the Nomination Committee's recommendation. To ensure a formal and transparent appointment process, any new appointment of a Director is considered by the Board on the Nomination Committee's recommendation. The selection process involves evaluating the existing balance of knowledge, skills, and experience on the Board and a continual process of assessing the Group's needs and the Board's effectiveness and ability to discharge its governance role and responsibilities objectively and effectively. Board members confirm their availability to perform their roles. The Board has adopted a broad diversity policy covering inter alia gender, age, culture, race, field of knowledge, skills and expertise. Identifying suitable candidates to be proposed for appointment considers diversity and inclusion. Directors are appointed in terms of the Group's Memorandum of Incorporation. A formal induction programme is available for new Directors, including background material on the Group's business and Board matters, guidance on directors' duties and responsibilities, and meetings with senior executives. Site visits to operations occur periodically, and Directors receive regular briefings on legal and other developments, including changes in the business and business environment.	Nominations Committee

Commitment to King IV™ principles

PRINCIPLE 8	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that its arrangements for delegation within its structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.	As set out in the Board Charter, the Board has three standing Committees to assist in discharging its duties and responsibilities: The Audit, Risk and IT Committee, the Governance Ethics, Transformation and Social Committee, and the Nomination Committee. These Committees operate under written terms of reference approved by the Board, reviewed annually. The Committees are appropriately constituted, and members are appointed by the Board, except for the ARIC, whose members are nominated by the Board and elected by the Group's shareholders. The Nomination Committee reviews the composition of Board Committees. It makes recommendations to the Board on their composition, considering factors such as diversity and skills and the need to create a balanced distribution of power. External advisors, Executive Directors, and executive and senior management members attend Committee meetings by invitation. Any Non-executive Director may also participate in meetings by invitation. The Committees play an essential role in enhancing high governance standards and achieving increased effectiveness. The Board considers allocating roles and associated responsibilities and membership composition across Committees holistically. The Board has delegated specific authority to each Committee by establishing Terms of reference regularly reviewed while enabling elective control and preserving its accountability. In addition to that, the Board oversees the Group's Delegation of Authority Policy which, together with the Memorandum of Incorporation, determines the delegated powers to the governance structures and leaders within the business. Any delegation by the Board of its obligations to a Committee will not constitute a discharge of its accountability. The Board applies its collective mind to the Committee chairmen's information, recommendations, reports, and statements.	The Board

Commitment to King IV™ principles

GOVERNING STRUCTURES AND DELEGATION

PRINCIPLE 9	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that the evaluation of its performance and that of its committees, chair, and members support continued improvement in its performance and effectiveness.	The effectiveness and performance of the Board as a whole and the individual Board Committees are evaluated through the nomination Committee and assisted by the Group secretary; the executive Chairman of the Board leads the evaluation process. An external service provider assisted with the Board and Committee evaluations on the Board’s performance in 2022. The Board is satisfied that the evaluation process is improving its performance and effectiveness	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.	While retaining overall accountability and subject to matters reserved to itself, the Board has delegated authority to the Chief Executive Officer, other Executive Directors, and senior executives to run the Group's day-to-day affairs; the Group is subject to a delegation-of-authority framework. With the assistance of the Nomination Committee, the Board is responsible for ensuring that succession plans are in place for the Chief Executive Officer and other senior executives. The Board approves and regularly reviews the delegation-of-authority framework in which matters are delegated to the Chief Executive Officer. He is accountable to the Board for the successful implementation of our strategy and the overall management and performance of the Group. A competent, multi-skilled team supports him in executing his responsibilities. The Chief Executive Officer is not a member of Board Committees but attends any meeting, or part thereof, by invitation to contribute pertinent insights and information. The Board evaluates the Chief Executive Officer's performance annually against agreed performance measures and targets. The Chief Executive Officer does not hold any external Board appointments.	Nominations Committee Governance, Ethics, Transformation, Social and Compensation Committee

Commitment to King IV™ principles

GOVERNANCE FUNCTIONAL AREAS

PRINCIPLE 11	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should govern risk to support the organisation in setting and achieving strategic objectives.	In terms of its Charter, the Board, as governance custodian, is responsible for risk governance. It ensures that the appropriate strategies, policies, charters, terms of reference, assurance services and functions are in place to comply with relevant laws and regulations and effective control at Board and management levels. In addition, the Board oversees effective risk management, technology and information governance and facilitates responsible corporate citizenship in a stakeholder-inclusive approach to achieve the Group's objectives and vision. The ARIC Committee assists the Board with risk governance and monitors risk management. It is supported by the management Risk and Compliance Committee, which reports quarterly to the ARIC Committee on the enterprise risk management plan approved annually and the enterprise risk management policy approved by the Board. As per the ARIC Committee's terms of reference, management designs, implements, and monitors the plan and is accountable for embedding the risk management process in the Group.	Audit, Risk and IT Committee

PRINCIPLE 12	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should govern technology and information to support the organisation in setting and achieving its strategic objectives.	The Board assumes responsibility for the governance of technology and information, and it is supported in this role by the Committees as mentioned below. As per the Board Charter and ARIC Committee's Terms of Reference, this Committee is tasked with assisting the Board with technology and information governance. The Board adopted the governance framework, including procedures and structures to achieve the Group's strategic objectives, which delegate implementation to management. An IT Steering Committee reports directly to the ARIC Committee.	Audit, Risk and IT Committee

Commitment to King IV™ principles

PRINCIPLE 13	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should govern compliance with applicable laws and adopt non-binding rules, codes, and standards to support the organisation being ethical and a good corporate citizen.	The Board assumes responsibility for the governance of compliance with applicable laws and adopts non-binding rules and a code of standards. The Code of Conduct and Ethics, as approved by the Board, sets out the requirement for legal and regulatory compliance and provides for the Group to develop and implement such a policy. The Group has developed a legal compliance policy and has identified the legal and regulatory universe applicable to it. Implementation of the compliance policy is monitored by the Risk and Governance Committee, which reports to the ARIC Committee and the GETSC Committee.	Audit, Risk and IT Committee Governance, Ethics, Transformation, Social and Compensation Committee

PRINCIPLE 14	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that the organisation re-munerates fairly, respon-sibly, and transparently to promote strategic objectives and positive outcomes in the short, medium, and long term.	The Group understands that it is essential that its strategies, risks, performances, and rewards are aligned to create shareholder value. Our Remuneration Policy was designed to give an effective strategy, support business objectives in the broader operating environment and offer a balanced remuneration mix in line with our values and goals.	Governance, Ethics, Transformation, Social and Compensation Committee

PRINCIPLE 15	APPLICATION	PRINCIPLE OVERSIGHT
The governing body should ensure that assurance services and functions enable an effective control environment. These support the integrity of information for internal decision-making and the organisation's external reports.	The Board has delegated to the ARIC Committee oversight of the effectiveness of the Group's assurance services, focusing on combined assurance. This includes the external audit and the finance function as the integrity of the IAR and annual financial statements, and other external reports delegated by the Board. The combined assurance model incorporates and optimises all assurance activities and functions so that, taken as a whole, these enable an effective control environment, support the integrity of information used for decision-making by management, the governing body, and its committees, and support the integrity of Renergen's external reports. The ARIC Committee also annually considers and satisfies itself on the appropriateness of the expertise and experience of the finance director and the finance function With the assistance of independent assurers, such as the external auditor, the ARIC Committee reviews and evaluates the annual financial statements before recommending them to the Board for approval. The IAR and complementary reports provide a consolidated review of the Group's sustainability, including its financial, economic, social, and environmental performance on matters material to its strategy and key stakeholders.	Audit, Risk and IT Committee

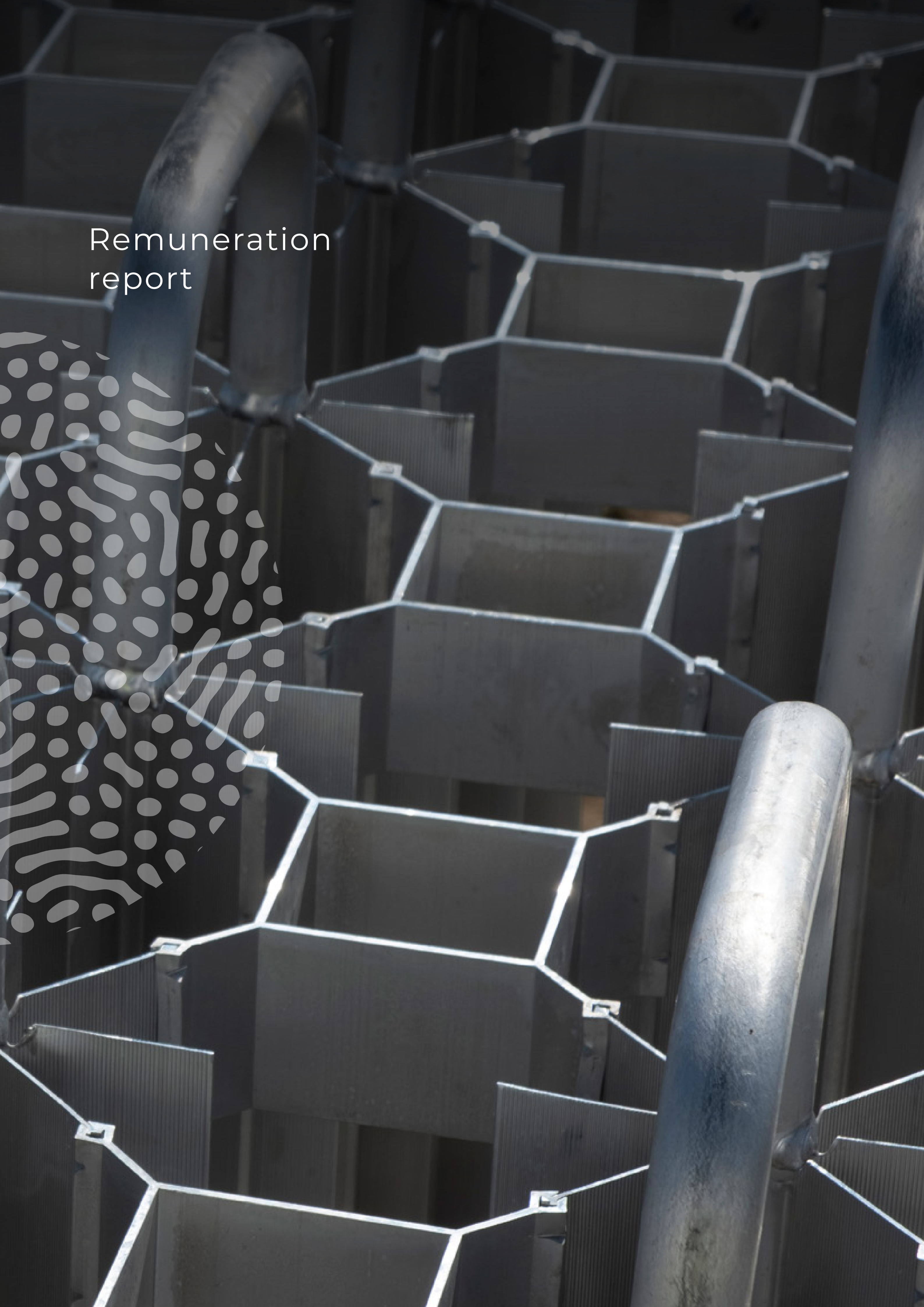
Commitment to King IV™ principles

STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 16	APPLICATION	PRINCIPLE OVERSIGHT
In executing 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 organisation's best interests over time.	The Group recognises the benefits of long-term solid relationships with its stakeholders. Transparent communication and engagement with stakeholders are vital to ensure that the principles of stakeholder management are adopted in line with King IV™. We consider our legitimate and reasonable interests and expectations as essential inputs to how we conduct our business. Stakeholder interactions provide a broader context, inform our most material matters, help us refine our strategy and shape the Group's long-term direction. The Group engages its stakeholders on multiple levels, allowing it to manage material matters effectively and timeously and reducing the likelihood of reputational risks. The Group acts in line with the Companies Act and JSE Listings Requirements on the equitable treatment of shareholders. Directors are mindful of their fiduciary duties and duty to act following applicable legislation. Records of Directors' financial, economic, and other interests are kept and continually updated. The Board acts as a steward of the Group, and each Director acts with the independence of mind in the Group's best interests and the shareholders. In its deliberations, decisions and actions, the Board is sensitive to the legitimate interests and expectations of the Group's stakeholders. Formal dispute-resolution policies are in place, and dispute-resolution provisions are included in contracts. Where disputes occur, the main objective is to resolve them effectively and expeditiously.	Governance, Ethics, Transformation, Social and Compensation Committee

PRINCIPLE 17	APPLICATION	PRINCIPLE OVERSIGHT
The governing body of an institutional investor organisation should ensure that responsible investment is s practised by the organisation to promote good governance and the creation of value by the companies in which it invests.	Principle 17 is not applicable as the Group is not an institutional investor.	

Remuneration report



Remuneration report

SECTION 1
BACKGROUND STATEMENT

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
OVERVIEW OF THE REMUNERATION POLICY APPLICABLE FOR FY2022

This part details the remuneration philosophy, policy, and framework to motivate and reward performance in the short, medium, and long term. The policy is tabled at the Annual General Meeting (AGM) for a non-binding advisory vote by the Group's shareholders.

SECTION 3
IMPLEMENTATION REPORT

The Implementation of the Remuneration Policy in the 2021 financial year was tabled at the AGM for a non-binding advisory vote (Ordinary resolution number 6) by the Group's shareholders.

SHAREHOLDER VOTING ON REMUNERATION RESOLUTIONS

At the last AGM held on 30 July 2021, we received the following dissenting votes regarding our remuneration-related votes, as set out in the table below.

	Votes for resolution	Votes against resolution
Remuneration Policy	92.50%	7.5%
Implementation Report	92.79%	7.21%
Non-executive Directors' Remuneration	99.49%	0.51%
Employee Share Appreciation Rights Scheme (SAR)	89.48%	10.52%

Shareholders will be allowed to vote on two separate non-binding advisory resolutions at the forthcoming AGM to be held on Friday, 17th June 2022

1. The Remuneration Policy (Part 2 of this report).

2. The Implementation report (Part 3 of this report).

Suppose either or both are voted against by more than 25% of entitled voting rights exercised by shareholders. Renergen commits to implement measures, including engagement with dissenting shareholders, to address all legitimate and reasonable objections and concerns and disclose how these objections and concerns would be addressed in next year's Remuneration Report.

Remuneration report

PART 1 - BACKGROUND STATEMENT

BACKGROUND AND CONTEXT

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

FY2022 year has not been without challenges; COVID-19 continued to impact the global economy and employers and employees in day-to-day roles and responsibilities. Our continued focus has kept staff motivated and engaged through a challenging year.

During the FY2022, all staff continued to receive their full salaries and an annual bonus. Further, we provided all employees with an increase subject to performance measured against their specific Key Performance Indicators (KPI) measurements.

Our performance bonus structure is categorised into the job levels of employees from entry-level through to Executive job functions, ensuring an optimized mix of fixed and variable remuneration based on contributions to the Group's overall efforts, further aligning with the interests of our shareholders.

To ensure the Group continues to leverage its existing workforce and attract key resources from the industry to execute its long-term strategy, the GETSC Committee has been formulating ideas that could help drive the team's performance and ensure alignment with shareholders is achieved.

KEY ACTIVITIES OF THE GETSC COMMITTEE

During the year under review, the Compensation Committee comprising the majority of INED's reviewed the Remuneration Policy.

The focal areas included:

- Continuous review of the Key Performance Indicator (KPI) methodology.
- The annual Executive and Non-executive remuneration benchmark report prepared by PwC Inc.
- Implementation of an additional long-term incentive in the form of an employee share Appreciation Plan scheme.
- Appointed Investec and JSE Investor Services to manage our LTI Scheme and the SAR Plan.

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

- Renergen has set its internal minimum wage threshold well above the currently proposed minimum wage threshold as legislated.
- Equal pay for work of equal value, explicitly addressing any income disparities that may be based on gender and race discriminatory grounds as contemplated in section 6 of the Employment Equity Act, 55 of 1998.
- All permanent employees of the Group participate in some form of short-term incentive scheme in line with the achievement of their Key Performance Indicators (KPIs) set at the commencement of the financial year.
- The total Cost to Company (CTC) package is informed by market rates at the time of employment and reviewed annually.
- All bonuses are performance-based on KPI performance and reviewed annually. Bonuses are not guaranteed and are awarded at the complete discretion of the GETSC Committee.

PART 2 - OVERVIEW OF THE REMUNERATION POLICY APPLICABLE FOR FY22

STRUCTURE OF TOTAL REMUNERATION

- Executives and senior management employees participate in the long-term incentive – Bonus Share Plan (BSP), and the scheme is explicitly designed to reward performance.
- In addition, the BSP is awarded to a tier below senior management as a talent retention mechanism within the Group. The incentive is awarded based on KPI performance and is reviewed annually. The shares vest after three years.
- All permanent employees participated in the Share Appreciation Rights Plan (SAR). The allocation of share options which was done in December 2021 is discretionary and awarded as a once-off incentive and the SAR share options vest after five years of achievement of the approved share price milestone. The SAR allocation from 2022 onward will be allocated in alignment with the rules to permanent employees who impact the overall strategy of the Group.

REMUNERATION PHILOSOPHY, POLICY AND REWARD FRAMEWORK

The Group's remuneration philosophy ensures that employees are rewarded appropriately for their contribution to executing the Group's strategy. The Remuneration Policy has been designed to attract, retain, and motivate diverse talent required to deliver sustainable profit growth.

The Remuneration Policies are designed to align the Group's business strategy and all employees' behaviours against the Group's values. The policies recognise and reward individual responsibility, performance, and behaviour to achieve the goals of the business areas. These policies apply to all Group employees, and the extent of 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 short, 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 accountable and fair remuneration, which the Group has adopted.

BENCHMARKING

The GETSC Committee uses PwC to perform an annual Executive and Non-executive Director remuneration and benchmark analysis and provide an independent report to determine appropriate and comparative remuneration levels for the Executive and Non-executive Directors.

The process involves PwC identifying an appropriate Peer Group of companies against which Renergen would be evaluated and compared. The Peer Group consists of twelve companies independently determined and selected by PwC as the best representative sample for this exercise based on their global remuneration expertise. The selection of Peer Group companies is confined to natural resources and raw manufacturing companies to ensure some alignment of the nature of business activities between Renergen and the Peer Group.

The report presents a Lower, Median and Upper Quartile result for the total guaranteed package, short term incentive and long-term incentive comprising total remuneration. Taking cognisance of the relatively early-stage lifecycle of Renergen, the GETSC Committee adopts the approach to align the remuneration strategy to be range-bound between the Lower Quartile and the 35th percentile in which the Committee can make remuneration decisions before the commissioning of Phase 1 of the Virginia Gas Project. Once Phase 1 of the Virginia Gas Project is operational, the GETSC Committee

Remuneration report

will look to align its remuneration targets with that of the median to ensure it remains competitive in its ability to attract and retain key talent to drive the Group's strategic objectives

The Group has embarked on a Group-wide assessment of roles and responsibilities to implement an objective remuneration grading system aligned with international best practices. The evaluation has assessed each role against a grading norm. The results are imminent and will enable us to objectively determine the market position of salaries, benefits, and variable pay, across the Group, which will assist the Group in drafting a robust plan that addresses compensation, the attraction of talent, and retaining key skills within the organisation.

FAIR AND RESPONSIBLE REMUNERATION

Considering King IV™, the Group's Remuneration Policy addresses fair and responsible remuneration for executive management and all employees.

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 monetary compensation component of the Remuneration framework comprises two elements: – Guaranteed Pay (GP) and Variable Pay (VP).

The Remuneration framework has been designed to achieve a fair and sustainable balance between annual and short- and long-term variable remuneration to promote the Group's strategic objectives and align employee expectations with the interest of our shareholders.

	Cost to Company package	**Short-term incentive (Cash bonus)**	**Long-term incentive (BSP)**	**Share Appreciation Rights (SAR) Plan**
Participation	All permanent employees	All permanent employees	Executives and senior management	All permanent employees
Performance period	Ongoing	One year	Three years (vesting period of BSP)	5-year vesting period following the achievement of share price milestone
Mechanics	Market-related and individual performance	Formula directed	Formula directed (50% of short-term incentive)	Discretionary award based on strategic input to the overall Group objectives. SAR requires a performance strike price for each performance condition and achievement of 1-4 stand alone performance conditions, where each performance condition is achieved, the award can be exercised. Subject to vesting and the rules of the plan
Method of delivery	Cash	Cash	Renergen shares	Renergen shares
Timing of delivery	Monthly Increases effective from 1 March annually	Annually	Annually	Once-off allocation
Performance measures	Individual Key Performance Indicators (KPIs)	60% Group KPI and 40% Individual KPI achievement	60% Group and 40% Individual KPI achievement	Share price growth

EMPLOYMENT CONTRACTS AND NOTICE PERIODS

Executive Directors have employment agreements with the Group, which may be terminated with a notice period of three months.

DETAILS OF REMUNERATION PAID TO INED

The fee structure is aligned to the King IV™ remuneration guidelines that Non-executive Directors receive an annual base retainer for appointment to the Board or any committee and 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, ratified by Shareholders and duly approved at the AGM. In line with best governance practices, Independent Non-executive Directors do not participate in STIs and LTIs. 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 the GETSC Committee annually and approved by the Board. The shareholders further presented and voted on it at the next AGM. The remuneration of Independent Non-executive Directors of Renergen for the past two financial years is shown below. The remuneration of Independent Non-executive Directors of Renergen for the past two financial years is shown below. The monthly retainer and meeting attendance fees have remain unchanged.

The Board recommends that shareholders approve the implementation of the proposed fees on page 196 to align the remuneration strategy with the Executive and Non-executive remuneration benchmark report prepared by PwC Inc.

SECTION 3

IMPLEMENTATION OF REMUNERATION POLICY FOR THE YEAR ENDED 28 FEBRUARY 2022

This section of the report deals explicitly with the remuneration for the Group CEO, Executive Directors, and Non-executive Directors.

COMPLIANCE WITH THE REMUNERATION PHILOSOPHY

The GETSC Committee monitored the implementation of the remuneration policy throughout the year and believes that the Group was in material compliance with the 2022 Remuneration Policy (as set out in the 2022 IAR).

FAIR AND RESPONSIBLE REMUNERATION MIX

Through the GETSC Committee, the Group is committed to fair and responsible remuneration policies. During the 2022 financial year, the CTC increase (linked to inflation, excluding promotions) for the Renergen Group was approved at 8%.

STI OUTCOMES

DETAILS OF REMUNERATION PAID

The remuneration of the Executive Directors of Renergen for the past two financial years is shown in the tables on page 82.

Remuneration report

Figures in Rand Thousands	EXECUTIVE DIRECTORS								
	2022					2021			
Remuneration paid to Executive Directors:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Other[3]**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**
Stefano Marani	4 320	860	860	-	6 040	4 000	1 003	1 003	6 006
Fulu Ravele[1]	227	-	-	1 444	1 671	2 721	486	486	3 693
Brian Harvey[2]	2 917	-	500	-	3 417	-	-	-	-
Nick Mitchell	4 320	916	916	-	6 152	4 000	1 003	1 003	6 006
	11 784	**1 776**	**2 276**	**1 444**	**17 280**	**10 721**	**2 492**	**2 492**	**15 705**

[1] Resigned on 31 March 2021
[2] Appointed on 1 May 2021
[3] Payment made as part of exit package upon resignation on 31 March 2021

Figures in Rand Thousands	PRESCRIBED OFFICERS							
	2022				2021			
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**
Johann Weideman	1 953	198	198	2 349	1 750	236	236	2 222
Khalid Patel	1 552	149	149	1 850	1 309	155	155	1 619
Mandy-Leigh Stuart	1 399	111	111	1 621	1 017	121	121	1 259
Nalanie Naidu	1 610	148	148	1 906	-	-	-	-
Muhammed Khan[1]	-	-	-	-	1 236	147	147	1 530
	6 514	**606**	**606**	**7 726**	**5 312**	**659**	**659**	**6 630**

[1] Resigned on 31 January 2021

Figures in Rand Thousands	NON-EXECUTIVE DIRECTORS					
	2022			2021		
Fees paid to Non-executive Directors:	**Directors' board fees**	**Committee fees**	**Total**	**Directors' board fees**	**Committee fees**	**Total**
Brett Kimber	550	59	609	647	71	718
David King	338	4	342	240	-	240
Mbali Swana	240	207	447	240	165	405
Luigi Matteucci	254	224	478	240	185	425
Bane Maleke	254	165	419	240	134	374
TOTAL	**1 636**	**659**	**2 295**	**1 607**	**555**	**2 162**

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

Remuneration report

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 on completion of an entire year's service on each anniversary of his appointment at a rate of 250 000 shares per annum, including the fourth anniversary. The options will mature at 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 most extended option will be four years on 250 000 shares. Shareholders approved this at the Annual 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.

GOVERNANCE, ETHICS, TRANSFORMATION, SOCIAL AND COMPENSATION REPORT

The Group Governance, Ethics, Transformation, Social and Compensation Committee (GETSC) is a statutory role that assists the Board in monitoring the Group's corporate citizenship, sustainability, and ethics.

INSURANCE

The Audit, Risk and IT Committee (ARIC) monitors insurance coverage at Renergen and regularly reviews a summary of the range. 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.

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Annual Financial Statements

Directors' responsibilities and approvals

The Directors of Renergen 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 28 February 2022, including the results of the Group's operations and cash flows for the year then ended. This is done in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC"), the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, the Listing Rules of the ASX and in a manner required by the Companies Act of South Africa, No 71 of 2008. The financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. External auditors were engaged to express an independent opinion on these annual financial statements.

The Directors of Renergen acknowledge that they are responsible for the internal financial controls 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 provides 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 for the foreseeable future, which contemplates the realisation of assets and satisfaction of liabilities in the normal course of business. 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 that the plant is fully commissioned in June 2022. 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. This assessment was reached after specific consideration of the risks associated with COVID-19 and the Russia/Ukraine war.

The external auditors are responsible for independently auditing and reporting on the Group's annual financial statements. The annual financial statements for the year ended 28 February 2022 have been audited by the Group's external auditors and their report is presented on pages 95 to 98.

The annual financial statements set out on pages 84 to 183, which have been prepared on the going concern basis, and the Directors Report on page 99 were approved by the Board of Directors on 18 May 2022 and are signed on its behalf by:

Stefano Marani

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 Non-executive 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 Audit 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 Non-executive Director. Member of Committee since May 2016 and appointed as Chairperson in February 2019.
Mbali Swana.	Bas (UCT), Barch (UCT), Pt Arch (SA), MIAT (SA).	Independent Non-executive Director. Appointed in February 2015 and served as Chairperson until February 2019.
Bane Maleke.	MBA (Dalhousie University, Canada), PhD Strategic Management (University of Bath, UK).	Independent Non-executive Director. Member of the Committee since December 2016.

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 matters that they regard as relevant to the fulfilment of the Audit Committee's responsibilities.

Audit, Risk and IT Committee report

Five scheduled and two ad-hoc Audit Committee meetings were held during the year under review, aligned with the key reporting and regulatory timelines. All members of the committee attended all seven meetings. The Audit Committee's key focus areas during the year under review were as follows:

- The assessment of the financial performance and position of the Group.
- Approval of budgets.
- Monitoring of loan covenants.
- Oversight of the Group's tax position.
- The review of quarterly, interim and annual financial results of the Group and accompanying JSE and ASX announcements, and determining that the going concern basis of reporting is appropriate.
- Review of the Group's integrated reporting process.
- Review of significant accounting policies and judgements.
- Oversight of the enhancement of the existing SAP ERP system.
- Review and approval of finance policies and the delegation of authority.
- Oversight of the quality of the audit process of the External Auditor, Mazars.
- Review of the independence of the External Auditors and recommendation of the approval of audit fees by the Board.
- Satisfied itself that the JSE Listings Requirements with respect to the suitability of an auditor were met.
- Oversight of the risk management framework, including the review of risk registers and risk management plans.
- Oversight of IT governance and review of quarterly reporting by the IT Steering Committee.
- Review of compliance with laws and regulations.
- Review of the adequacy of Group insurance policies.
- Review of JSE and ASX correspondence.
- Review of key audit matters.
- Evaluated the performance of the CFO and assessed the adequacy of the finance function.

The Chairperson of the Audit Committee reports to the Board on activities and matters discussed at each committee meeting, highlighting any key developments requiring action and providing recommendations for the Board's consideration.

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.

Audit, Risk and IT Committee report

ROLES AND RESPONSIBILITIES

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

- Oversight of financial and internal controls.
- Oversight and review of the external audit process.
- Oversight of non-audit services and approval of the policy in regard thereto.
- Oversight of financial reporting.
- Oversight and review of the Group's finance function.
- Management of risks.
- Governance of information technology and the assessment of the effectiveness of the Group's information systems.
- Legislative and regulatory compliance.
- Oversight of 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, and amended as necessary from time to time, to manage significant risks and control deficiencies identified by Management or the external auditors, and to provide reasonable assurance against the possibility of material financial or internal control failures.

The Audit Committee is satisfied that Renergen has optimised the assurance coverage obtained from Management, external experts and external assurance providers. The Audit Committee is also satisfied that the 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 the Group's systems of internal financial controls, and on reports from Management and the external auditors on the results of their audit, the Audit Committee is satisfied that the Group's systems of internal financial controls are effective and form a basis for the preparation of reliable financial statements. No findings have come to the attention of the Audit Committee to indicate that a material breakdown in internal controls occurred during the year under review.

FINANCIAL REPORTING

The Audit Committee received regular reports from the CFO regarding the financial performance and position of the Group, including budgets, cash forecasts, management accounts, project expenditure reporting, risk registers, to mention a few. This regular reporting forms a basis for the review of the Group's interim and annual reporting.

Interim reporting

During the year, the Audit Committee reviewed the Group's interim results for the six months ended 31 August 2021 which were issued on the JSE and ASX on 26 October 2021 following approval by the Board, in line with Renergen's continuing obligations.

Audit, Risk and IT Committee report

Quarterly reporting

The Audit Committee reviewed all the quarterly reports of the Group issued on the JSE and ASX during the year under review.

Annual financial statements

The Audit Committee reviewed the audited Group and Company annual financial statements for the year ended 28 February 2022 and further discussed these with the external auditors and Management. The Committee also reviewed the following key and significant accounting matters:

MATTER	RESPONSE OF THE COMMITTEE
Going concern.	Management performs an annual assessment of the ability of the Group and Company to remain a going concern in light of plans in place to ensure the continued sustainability of the Group. Management presented its most recent assessment to the Committee and highlighted the key assumptions and judgements which support this evaluation. The Committee was satisfied that the plans in place are adequate to support the going concern assertion.
Valuation of intangible assets - exploration and development expenditure and property, plant and equipment - assets under construction.	The Committee satisfactorily reviewed the appropriateness of the methodologies and key judgements applied by management in determining the valuation of the Group's exploration and developments costs and assets under construction.

The Audit Committee is satisfied that the Group and Company annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations as issued by the International Financial Reporting Interpretations Committee (“IFRIC”), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, ASX Listings Requirements and in a manner required by the Companies Act. It is also satisfied that the adoption of the going concern basis in preparing the annual financial statements is appropriate. The annual financial statements will be open for discussion at the forthcoming Annual General Meeting (“AGM”). The Chairperson of the Audit Committee and, in the instance of his absence, the other members of the committee will attend the AGM to answer questions falling under the mandate of the committee.

After due consideration and review the Audit Committee recommended the approval by the Board, of the Group and Company annual financial statements for the year ended 28 February 2022. The Committee is of the opinion that the audited annual financial statements should be accepted and read together with the report of the independent External Auditor. The Board approved the annual financial statements on 18 May 2022.

Audit, Risk and IT Committee report

EXTERNAL AUDIT

The Audit Committee is responsible for oversight of the external auditors of the Group and for recommending the appointment and compensation of auditors. Mazars are the auditors of the Group and Mr Shaun Vorster is the designated, JSE approved audit partner. The Committee was satisfied that the External Auditor is independent of the Group as required by the Companies Act and that it has complied with the Companies Act, the JSE Listings Requirements and all other applicable legal and regulatory requirements. Their independence is assessed on an ongoing basis and the External Auditor has provided assurance to support its claim to independence. In line with paragraph 3.84(g)(iii) of the JSE Listings Requirements, the Audit Committee is also satisfied that:

- The audit firm is accredited by the JSE;
- The quality of the external audit is satisfactory; and
- The External Auditors have confirmed their responsibilities pursuant to paragraph 22.15(h) of the JSE Listings Requirements.

Mazars has provided feedback to the Audit Committee regarding the reports of the Independent Regulatory Board for Auditors.

Mazars became auditors of the Group for the first time during the year ended 29 February 2020. As such the Committee will consider rotation of the audit partner in the coming years. Mazars does not have an affiliation to the past auditor of the Group.

Prior to the commencement of the statutory audit for the financial year ended 28 February 2022, the Audit Committee reviewed and approved the External Auditor's engagement letter, the audit plan and the audit fees payable to Mazars. The Audit Committee further satisfactorily monitored the External Auditor's progress against the approved audit plan and assessed the quality and effectiveness of the external audit function, including receiving confirmation that there was no scope limitation or restriction of access to management. Following the statutory audit, the External Auditor's report provided the Audit Committee with the necessary assurance on Renergen's risk management processes, internal control environment and IT systems. It also provided assurance that no reportable irregularities had been identified and that there are no unresolved issues that impact the annual financial statements presented.

The Committee has recommended the re-appointment of Mazars as the independent External Auditor and Mr Shaun Vorster as the designated, JSE approved audit partner for the financial year ending 28 February 2023, for consideration by shareholders at the AGM to be held on 17 June 2022.

The approved Group audit fee for the year under review is R0.850 million (2021: R0.735 million). 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. Mazars did not provide non-audit services during the year under review (2021: R21 700). Prior year non-audit services provided by Mazars comprised IFRS training and providing certificates required by a lender and the BEE auditor of Tetra4.

Audit, Risk and IT Committee report

EVALUATION OF THE CFO AND THE FINANCE FUNCTION

The Audit Committee evaluated the expertise and performance of the CFO, Brian Harvey, for the financial year ended 28 February 2022 and is satisfied that he had the appropriate expertise and experience to carry out his 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 was satisfied that these are appropriate.

RISK MANAGEMENT

The Audit Committee reviewed regular reporting on the risks facing the Group. Risk management underpins the execution of the Group's strategic initiatives and the management of material issues. The Audit Committee's responsibilities with respect to risk management encompass:

- Reviewing the effectiveness of risk management charter, policies, strategies and plans in place 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 that the appropriate risk management processes are in place, including the formulation and subsequent amendment of 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, and 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 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 the improvement of risk management plans of the Group.
- Reviewing the Group's sustainability risk and mitigating plans on a regular basis.

INFORMATION AND TECHNOLOGY GOVERNANCE

The Audit Committee is responsible for IT governance on behalf of the Board and receives regular reports from the IT Steering Committee in this regard. During the year under review the Audit Committee approved the IT charter and policy and recommended same to the Board for approval; and considered and approved enhancements to the Group's existing SAP system.

Audit, Risk and IT Committee report

COMPLIANCE

The Committee is responsible for overseeing the Group's compliance with applicable laws, regulations, rules, codes and standards. All of the laws, regulations, rules, codes and standards applicable to the Group have been identified and the responsibility for ensuring compliance has been delegated to Management. The Committee is satisfied that there was no material non-compliance with laws and regulations during the year under review.

PROACTIVE MONITORING

The Committee confirms that it has considered and reviewed the findings contained in the JSE's various proactive monitoring reports when reviewing and approving the Group annual financial statements for the year ended 28 February 2022. The Committee is satisfied that the necessary adjustments and improvements to the Group and Company annual financial statements have been made.

COVID-19 AND RUSSIA/UKRAINE WAR

COVID-19

South Africa was in lockdown level one for most of the financial year under review which enabled the Group to continue its operations with minimal disruptions having implemented the required health protocols to ensure the wellbeing of all its employees. There were no material contractual obligations or supply chain impacts during the year under review, however prior year COVID-19 global and local impacts contributed to an overall delay in the commissioning of the Virginia Gas Project which is now scheduled for June 2022 compared to the initial scheduling for Q2 2021.

The Group continues to monitor developments with COVID-19 and manage its human capital and operational and financial risks in line with these developments. As the Group moves into production in the coming financial year, Management will be alert to COVID-19 developments which may impact the Group's ability to meet contractual obligations pertaining to its new liquefied natural gas and helium supply agreements. Similarly, Management will remain alert to developments that could impact the construction of Phase 2 of the Virginia Gas Project, especially as this relates to imported components required for the project.

Management has concluded that at 28 February 2022, COVID-19 did not have an impact on the ability of the Group to continue as a going concern and does not materially affect the measurement of assets or liabilities in the annual financial statements.

Russia/Ukraine war

There is growing pressure on prices for energy, grains and metals which soared since the invasion of Ukraine by Russia. Management has considered these developments and has concluded that they do not currently present material operational or other risks. Management will continue to monitor the situation in order to identify and mitigate risks that may arise in future.

FRAUD HOTLINE

The Group has a fraud hotline in place which is managed and monitored by Whistleblowers Proprietary Limited. There were no incidents reported through the hotline during the year under review. The Group will continue to ensure the hotline is continuously enabled and monitored to facilitate the reporting of incidents by employees and external parties.

Audit, Risk and IT Committee report

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 Audit Committee has evaluated that the going concern assertion remains valid as a basis for the preparation of the Group and Company annual financial statements.

KEY FOCUS AREAS FOR THE YEAR AHEAD

- Commissioning the Virginia Gas Project in June 2022 and ensuring that operational and financial risks are adequately managed.
- Enhancing controls over the management of the Group's property, plant and equipment.
- Introduction of an internal audit function.

CONCLUSION

The Committee is satisfied that it has carried out its responsibilities in line with its mandate and as prescribed by the Companies Act for the year ended 28 February 2022.

Luigi Matteucci
Chairperson

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 28 February 2022, 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.

Acorim

Acorim Proprietary Limited
Company Secretary

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 and its subsidiary (the Group) set out on pages 106 to 183, which comprise the consolidated and separate statement of financial position as at 28 February 2022, and the consolidated and seperate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and seperate financial statements, including a consolidated and separate 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 Renergen Limited and its subsidiary as at 28 February 2022, and its consolidated and seperate 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 in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 as a whole, 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 financial statements.

Independent auditor's report

MATTER	AUDIT RESPONSE
INTANGILE ASSETS - EXPLORATION AND DEVELOPMENT COSTS (Note 4) As at the reporting date, the Group had exploration and development costs disclosed as an intangible asset (Note 4) with a carrying amount of R 137 million (2021: R 109 million). Management is required to perform an impairment test on the exploration and development costs 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 determining the recoverability of the exploration and development costs and whether the inputs considered by management in their annual impairment assessment are reliable and relevant. Further judgement is required by management due to the complexity in assessing the appropriateness of capitalising costs against exploration and development costs in terms of IFRS 6, Exploration for and Evaluation of Mineral Resources An expert has been used to estimate the amount of gas resources available and the expert was also used to forecast future cash flows, determine an appropriate discount rate and calculate the value in use. This inherently involves a high degree of estimation and judgement by management and the expert. During the period under review there was no impairment accounted for relating to the exploration and development cost intangible asset by the Group.	We have adopted a substantive audit approach to address the various assertions of the exploration and development costs intangible asset. Our key audit procedures included: • Selecting a sample of Exploration and Development Costs from the list of additions and determining whether the additions meet the criteria of capitalisation of costs in terms of IFRS 6: Exploration for and Evaluation of Mineral Resources; • Evaluating the capabilities, competency, and objectivity of the management's expert; • Testing the recoverability of the exploration and development costs by assessing the expert's value in use calculation and performing validation tests over the inputs and assumptions that were used to determine if the value in use calculation is reasonable; and • Considering the appropriateness and completeness of disclosure provided in the annual financial statements, with reference to exploration and development costs in terms of the International Financial Reporting Standards. Having performed our audit procedures and evaluated the outcomes we concluded that our audit procedures appropriately addressed the key audit matter.

EMPHASIS OF MATTER – EFFECT OF COVID-19 ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

In forming our opinion on the consolidated and separate financial statements, which is not modified, we draw your attention to the directors' view on the impact of COVID-19 as disclosed in note 35 to the consolidated and separate financial statements, and the consideration in the going concern basis of preparation as disclosed in notes 35 and 36 to the consolidated and separate financial statements.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Renergen Limited Integrated Report 2022" and in the document titled "Renergen Limited Consolidate and Separate Financial Statements for the year ended 28 February 2022", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

Independent auditor's report

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.

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 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 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 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 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 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 and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent auditor's report

- 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 and 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 and separate 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, actions taken to eliminate threats or safeguards applied.

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 and its subsidiary for 3 years.

Mazars

Mazars
Registered Auditors
Partner: Shaun Vorster
Registered Auditor
Date: 19 May 2022
Johannesburg

Directors' report

The Directors have pleasure in submitting their report on the annual financial statements of Renergen Limited for the year ended 28 February 2022.

1. NATURE OF BUSINESS

Renergen is focused on alternative and renewable energy in South Africa and Sub-Saharan Africa. The Company 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 ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC"), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE and ASX Listings Requirements and in a manner required by the Companies Act of South Africa, No 71 of 2008. The accounting policies underpinning the preparation of the financial statements have been consistently applied relative to the prior financial year, unless stipulated otherwise. The Company is in compliance with the provisions of the Companies Act and operates in conformity with its MOI.

OPERATIONAL REVIEW

The financial year ended 28 February 2022 has been a challenging yet very exciting one for the Group. Having faced significant headwinds during the construction period in relation to several significant but distinct challenges highlighted below:

- Impacts of the COVID-19 pandemic resulted in forced lockdowns, global shipping and supply chain delays.
- Nationwide strike action with workers affiliated to the National Union of Metalworkers of SA (NUMSA) in the steel and engineering industry during the 3rd quarter resulted in disruption of equipment and services required during construction.
- An extreme weather pattern known as La Niña has hit the country since December 2021 and has resulted in above average rainfall which has resulted in further construction delays on site.

Despite these extenuating circumstances the team has shown enormous maturity, resilience, and dedication to find solutions to mitigate these challenges and reduce the impact on the overall progress of the Virginia Gas Project. The speed at which the leadership team have rallied the employees, contractors, and other stakeholders is a true testament to their capability, culture and passion we are building across the Group operations. The transition from largely a project company to an operational focused company is well underway and we believe we are ready to take the next step in our exciting journey.

Key highlights for the year under review include:

- 5 out of 6 drilling successes from our exploration campaign.
- The securing of a pre-paid forward sell agreement with Argonon Helium who will issue helium backed tokens known as ArgHe's.
- Completion of the third and final disbursement of the USDFC facility.

Directors' report

- Completion and drawdown of the IDC facility.
- Securing of Several Phase 1 LNG offtake agreements.
- Significant increase in our proven reserves.
- Completion of the Phase 2 Front End Engineering Design study.
- Securing of several Phase 2 helium offtake agreements.
- Production and operation of the first Cryo-Vacc™.

Phase 1

The conclusion of two strategic contracts for the offtake and supply of LNG to Consol Glass Proprietary Limited and Ceramic Industries Proprietary Limited, a subsidiary of Italtile Limited has signalled the confidence from key players within the South African Industrial Sector in our ability to deliver a high-quality and reliable product to market. These agreements equate to 60% of our planned Phase 1 production with the remaining 40% destined for the logistics markets in a dual fuel application for the heavy trucking sector.

The Group made the third and final drawdown against the USDFC loan facility to fund the ongoing construction of the Phase 1 LNG/LHe plant. The Group also secured a facility with the IDC facility and completed the drawn down to finance the virtual pipeline infrastructure including trucks, trailers, and downstream dispensing equipment.

The construction of the Virginia Gas Plant is ongoing with hot commissioning having commenced post the year under review. We anticipate the start-up of the plant in June 2022 and are now taking every opportunity to double check and review before finally turning the plant on.

Phase 2

The global helium market has been dealt several debilitating blows recently further exacerbating a short supply in an already tight market. The helium market growth is expected to be driven by the growing demand from the healthcare, technology, and aerospace industry sectors. These are important factors that will continue to shape and manage how the Group continues to develop the next phase of the Virginia Gas Project.

The increase in our proven reserves has paved the way for the expansion of the Virginia Gas Project into a proposed Phase 2 development. The FEED study supporting this development concept was completed in parallel and has resulted in us receiving Class 3 estimate sufficient to meet stringent requirements of credit committees for debt funding institutions and preparing suitable budgets to begin approaching potential equity and debt providers.

The securing of several helium offtake agreements has resulted in approximately 65% of the planned Phase 2 production already contracted under long-term take or pay contracts ranging from 10 to 15 years in length. The contracts are all US Dollar dominated and increase annually at US CPI. The Group is strategically not looking to sell any additional helium under this type of arrangement and will look to place the balance into the spot market to enjoy the upside potential in the commodity movement. As alluded to earlier the helium market has faced several supply challenges and disruptions and the spot market has increased exponentially of the last six months.

Directors' report

Cryovations

The COVID-19 vaccination response programs started with much enthusiasm during the year under review but quickly tapered off during the 3rd Quarter. We completed the manufacturing and assembly during the 2nd and 3rd quarters of 2021 for the efficient transportation and storage of cold biologics for extended periods during transit which resulted in a mismatched timing opportunity. The waning support for ongoing vaccination has impacted the rollout and scale of the opportunity locally within South Africa. We believe the product has enormous potential and are exploring several modifications that will improve the overall concept and operational performance to enhance its appeal for the more niche Biologics and Gene-Therapy market internationally. These companies currently face substantial challenges in their cold-chain logistics which Cryo-Vacc™ is ideally placed to assist with solving these challenges.

FINANCIAL REVIEW

The Group's revenue increased by R0.7 million due to higher energy prices and fewer COVID-19 lockdown restrictions experienced in the current financial year relative to the prior year.

The Group's other operating income increased by R2.8 million primarily due to an increase in the net foreign exchange gains by R3.6 million. The Group's other operating expenses declined by R6.8 million primarily due to a decrease in the net foreign exchange losses by R8.9 million. The Group's other operating expenses are disclosed in note 21.

Share-based payments expenses increased by R1.3 million primarily due to the issuing of share options under the Equity-settled Share Appreciation Rights Plan (SAR Plan) approved by shareholders in July 2021. The current year expense includes share options granted to executive directors, senior management, and general employees of the Group. The Group's share-based payments are disclosed in note 13.

During the current year, an additional R260.7 million was spent mainly on the completion of the Virginia Gas Plant design classified as assets under construction within property, plant and equipment ("PPE"). The Group also capitalised exploration expenditure totalling R32.1 million and development costs for Cryo-Vacc™ vaccine storage units amounting to R10.9 million under intangible assets. The Group's PPE and intangible assets are disclosed in notes 3 and 4.

Further investment in our non-current assets was funded by proceeds from the issue of shares for R113.1 million, a third draw-down of R112.1 million (US$7.5 million) on the DFC loan facility and a R158.8 million drawdown on the IDC loan facility which was entered into on 17 December 2021. The increase in the loan facilities resulted in an increase in total borrowings by R288.5 million. The Group's borrowings are disclosed in note 14.

Restricted cash resources of the Group held in the Debt Service Reserve Account increased by R19.0 million in line with the terms of the DFC loan agreement which require Tetra4 at any given date to reserve in a US$ denominated bank account the sum of all obligations required to be made to the DFC within the next 6 months.

Unrestricted cash resources of the Group decreased by R35.8 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 increased by R79.9 million impacted mainly by additional investments in PPE and intangible assets and offset by debt and the losses for the year.

Directors' report

3. STATED CAPITAL

The Group increased its number of shares issued to 123 934 005 from 117 508 067 shares issued in the prior year. Refer to note 12 of the audited consolidated annual financial statements for details pertaining to the shares issued during the financial year under review.

4. DIVIDENDS

No dividends were declared or paid to shareholders during the financial year under review (2021: Rnil).

5. DIRECTORATE

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

DIRECTOR	OFFICE	DESIGNATION	APPOINTMENT DATE
Stefano Marani	Chief Executive Officer	Executive	20 November 2014
Nick Mitchell	Chief Operating Officer	Executive	25 November 2015
Brian Harvey	Chief Financial Officer	Executive	1 May 2021
David King	Chairperson	Independent Non-executive Director	4 June 2019
Mbali Swana		Independent Non-executive Director	16 February 2015
Luigi Matteucci		Independent Non-executive Director	3 May 2016
Bane Maleke		Independent Non-executive Director	7 December 2016
Alex Pickard		Non-executive Director	4 April 2022
Francois Olivier		Non-executive Director	19 November 2018

The directors below held office during the financial year under review:

DIRECTOR	OFFICE	DESIGNATION	APPOINTMENT DATE
Brett Kimber	Chairperson	Independent Non-executive Director	17 June 2015
Fulu Ravele	Chief Financial Officer	Executive	25 November 2015

Brett Kimber resigned from his position as director and chairperson of the Board on 30 November 2021. He was succeeded by David King as chairperson of the Board with effect from 1 December 2021.

Fulu Ravele resigned from her position as director and Chief Financial Officer of Renergen on 31 March 2021. She was succeeded by Brian Harvey as director and Chief Financial Officer on 1 May 2021.

6. DIRECTORS' AND PRESCRIBED OFFICERS INTERESTS IN SHARES

Directors' and prescribed officers' interests in shares of the Company as at 28 February 2022 were as follows:

EXECUTIVE DIRECTORS

			2022			2021
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
Stefano Marani	259	8 709	8 968	259	8 709	8 968
Nick Mitchell	-	8 600	8 600	-	8 600	8 600
Fulu Ravele	-	-	-	59	-	59
Total	**259**	**17 309**	**17 568**	**318**	**17 309**	**17 627**

NON-EXECUTIVE DIRECTOR

			2022			2021
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
Francois Olivier	-	10	10	9	10	19
Bane Maleke	20	-	20	20	-	20
David King	5	148	153	5	148	153
Total	**25**	**158**	**183**	**34**	**158**	**192**

PRESCRIBED OFFICERS

			2022			2021
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
Johann Weideman	11	-	11	11	-	11
Khalid Patel	2	-	2	7	-	7
Mandy-Leigh Stuart	1	-	1	1	-	1
Nalanie Naidu	5	-	5	-	-	-
Total	**19**	**-**	**19**	**19**	**-**	**19**

Fulu Ravele's prior year shareholding arose from the issuance of vested Bonus Share Scheme shares granted to her in October 2017. She resigned from her position of CFO and director of Renergen on 31 March 2021. Refer to note 13 for further details. A register of interests of Directors and prescribed officers in shares of the Company is maintained and is available on request. The Director's shareholdings have not changed from 28 February 2022, up to the date of this IAR being approved.

Directors' report

7. DIRECTORS' AND OFFICERS' INTERESTS IN CONTRACTS

Transactions with directors are entered into in the normal course of business under terms that are no more favourable than those arranged with third parties. Executive directors are entitled to Renergen ordinary shares awards, the details of which are included in note 13. No other contracts were entered into in which directors and officers of the Company had a personal financial interest and which significantly affected the business of the Group. The directors had no interest in any third party or company responsible for managing any of the business activities of the Group.

8. INTEREST IN SUBSIDIARY

The Company's interest in its wholly owned subsidiary, Tetra4 Proprietary Limited ("Tetra4"), which is material to the Group is presented in note 5 to the audited consolidated annual financial statements.

The interest of the Group in the net losses of Tetra4 is as follows:

	TETRA4	
	2022	**2021**
	R'000	R'000
Loss for the year	(26 173)	(46,787)

9. BORROWING FACILITIES AND POWERS

The Group's borrowing facilities are disclosed in note 14 of the audited consolidated annual financial statements.

10. CONTROL OF UNISSUED SHARE CAPITAL

As this general authority remains valid only until the next AGM, shareholders will be asked at that meeting to consider an ordinary resolution placing the said unissued ordinary shares, to a maximum of 5% of the Company's issued share capital, under the control of the directors until the next AGM.

11. GROUP COMPANY SECRETARY

Acorim Proprietary Limited ("Acorim") remained the Company Secretary of the Company for the year under review. All Directors have access to the services and advice of Acorim. The Company Secretary is not a Director of Renergen and maintains an arm's length relationship with the Board. The Company Secretary supports the Board as a whole, and Directors individually, by providing guidance on to how to fulfil their responsibilities as Directors in the best interest of Renergen. The Company Secretary is responsible for, amongst other matters:

- Ensuring proper administration of the Board;
- Adherence to sound corporate governance procedures; and
- The functions as specified in the Companies Act.

The Board considered the Company Secretary's competence, skills, qualifications and experience as required in terms of the JSE Listings Requirements and remains satisfied with the competency, qualifications, experience and ongoing appointment of the Company Secretary. The certificate that the Company Secretary is required to issue in terms of section 88(2)(e) of the Companies Act, is included on page 94 of the annual financial statements.

12. CHANGE IN DIRECTORATE

Changes in directorate relating to Fulu Ravele and Brian Harvey are highlighted under section 5 of the Directors' Report on page 102.

On 4 April 2022 Alex Pickard was appointed as a Non-executive Director of Renergen.

13. LITIGATION UPDATE

1. African Carbon Energy Proprietary Limited ("Africary") is in the process of applying for a mining right to conduct underground coal gasification on areas that overlap with Tetra4's Production Right. Tetra4 submitted objections in respect of the application. The proposed method of mining (underground coal gasification) may reduce Tetra4's ability to produce gas in a portion of the Production Right where the overlap occurs. In respect of the application for a mining right, all objections must be referred to the Regional Mining Development and Environmental Committee. Tetra4 is confident that this mining right will not be granted on the basis that Tetra4 is first in right and application with existing case law having set precedent further supporting our legal position.
2. Tetra4 has proceeded to institute motion proceedings in the High Court of South Af rica on the 1 December 2021 seeking an order to clarify the jurisdiction of NERSA with respect to several of Tetra4's operating activities. Tetra4 is of the opinion that these activities are currently regulated under Production Right granted in accordance with the Mineral and Petroleum Resources Development Act 28 of 2002. The order will clarify the confusion and potential contradictions of the varying sets of legislation imposed on Tetra4. Tetra4 already has all required licenses in place, and this is simply to obtain legal clarity on the regulatory framework governing upstream versus downstream.

14. EVENTS AFTER THE REPORTING PERIOD

Events which occurred after the reporting period and up to the date of this report are disclosed in note 34.

15. GOING CONCERN

The consolidated and separate financial statements have been prepared assuming the Group and Company will continue as going concerns. 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 and the Russia/Ukraine war as disclosed on page 93 of the Audit Committee report.

Consolidated and separate statements of financial position

Figures in Rand Thousands	Notes	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
ASSETS					
NON-CURRENT ASSETS		**1 008 317**	**625 576**	**1 121 667**	**1 025 162**
Property, plant and equipment	3	807 027	475 558	383	705
Intangible assets	4	154 023	112 155	745	270
Investment in subsidiary	5	-	-	627 666	624 603
Loan to subsidiary	7	-	-	488 677	395 775
Deferred taxation	8	43 529	34 976	4 196	3 809
Restricted cash	9	3 738	2 887	-	-
CURRENT ASSETS		**156 377**	**154 786**	**10 319**	**1 376**
Trade and other receivables	10	27 032	7 769	957	280
Restricted cash	9	34 257	16 139	-	-
Cash and cash equivalents	11	95 088	130 878	9 362	1 096
TOTAL ASSETS		**1 164 694**	**780 362**	**1 131 986**	**1 026 538**
EQUITY AND LIABILITIES					
Stated capital	12	563 878	453 078	1 162 277	1 051 477
Share-based payments reserve	13	11 354	8 500	11 354	8 500
Revaluation reserve	25	598	598	-	-
Accumulated loss		(289 518)	(255 768)	(42 369)	(34 792)
TOTAL EQUITY		**286 312**	**206 408**	**1 131 262**	**1 025 185**

Consolidated and separate statements of financial position

Figures in Rand Thousands	Notes	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
LIABILITIES					
NON-CURRENT LIABILITIES		**803 949**	**541 476**	**-**	**-**
Borrowings	14	773 056	534 293	-	-
Lease liabilities	15	1 407	3 183	-	-
Provisions	16	29 486	4 000	-	-
CURRENT LIABILITIES		**74 433**	**32 478**	**724**	**1 353**
Borrowings	14	49 784	-	-	-
Trade and other payables	17	21 602	27 291	724	1 353
Lease liabilities	15	1 775	3 007	-	-
Provisions	16	1 272	2 180	-	-
TOTAL LIABILITIES		**878 382**	**573 954**	**724**	**1 353**
TOTAL EQUITY AND LIABILITIES		**1 164 694**	**780 362**	**1 131 986**	**1 026 538**

Consolidated statement of changes in equity

	GROUP				
Figures in Rand Thousands	**Share capital**	**Share-based payments reserve**	**Revaluation reserve**	**Accumulated loss**	**Total equity attributable to equity holders of the Company**
Balance at 1 March 2020	**452 254**	**7 526**	**598**	**(213 148)**	**247 230**
Loss for the year	-	-	-	(42 620)	(42 620)
Total comprehensive loss for the year	**-**	**-**	**-**	**(42 620)**	**(42 620)**
Issue of shares (note 12)	824	(824)	-	-	-
Share-based payments expense (note 13)	-	1 798	-	-	1 798
Balance at 28 February 2021	**453 078**	**8 500**	**598**	**(255 768)**	**206 408**
Loss for the year	-	-	-	(33 750)	(33 750)
Total comprehensive loss for the year	**-**	**-**	**-**	**(33 750)**	**(33 750)**
Issue of shares (note 12)	113 376	(261)	-	-	113 115
Share issue costs (note 12)	(2 576)	-	-	-	(2 576)
Share-based payments expense (note 13)	-	3 115	-	-	3 115
Balance at 28 February 2022	**563 878**	**11 354**	**598**	**(289 518)**	**286 312**
Notes	12	13	25		

Company statement of changes in equity

Figures in Rand Thousands	COMPANY Share capital	Share-based payments reserve	Accumulated loss	Total equity attributable to equity holders of the Company
Balance at 1 March 2020	**1 050 653**	**7 526**	**(38 959)**	**1 019 220**
Profit for the year	-	-	4 167	4 167
Total comprehensive profit for the year	**-**	**-**	**4 167**	**4 167**
Issue of shares (note 12)	824	(824)	-	-
Share-based payments expense (note 13)	-	1 798	-	1 798
Balance at 28 February 2021	**1 051 477**	**8 500**	**(34 792)**	**1 025 185**
Loss for the year	-	-	(7 577)	(7 577)
Total comprehensive loss for the year	**-**	**-**	**(7 577)**	**(7 577)**
Issue of shares (note 12)	113 376	(261)	-	113 115
Share issue costs (note 12)	(2 576)	-		(2 576)
Share-based payments expense (note 13)	-	3 115	-	3 115
Balance at 28 February 2022	**1 162 277**	**11 354**	**(42 369)**	**1 131 262**
Notes	12	13		

Consolidated and separate statements of profit or loss and other comprehensive income

		GROUP		COMPANY	
Figures in Rand Thousands	**Notes**	**2022**	**2021**	**2022**	**2021**
Revenue	18	2 637	1 925	-	16 442
Cost of sales	19	(3 412)	(2 842)	-	-
GROSS (LOSS)/PROFIT		**(775)**	**(917)**	**-**	**16 442**
Other operating income	20	3 736	911	12	1 758
Share-based payments expense	13	(3 115)	(1 798)	(52)	(1 007)
Other operating expenses	21	(38 207)	(44 969)	(8 007)	(14 725)
OPERATING (LOSS)/PROFIT		**(38 361)**	**(46 773)**	**(8 047)**	**2 468**
Interest income	22	275	672	83	621
Interest expense and imputed interest	23	(4 217)	(4 691)	-	(246)
(Loss)/profit before taxation		**(42 303)**	**(50 792)**	**(7 964)**	**2 843**
Taxation	24	8 553	8 172	387	1 324
(LOSS)/PROFIT FOR THE YEAR		**(33 750)**	**(42 620)**	**(7 577)**	**4 167**
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		**(33 750)**	**(42 620)**	**(7 577)**	**4 167**
Loss attributable to:					
Owners of the Company		(33 750)	(42 620)	-	-
LOSS FOR THE YEAR		**(33 750)**	**(42 620)**	**-**	**-**
Total comprehensive loss attributable to:					
Owners of the Company		(33 750)	(42 620)	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(33 750)**	**(42 620)**	**-**	**-**
Loss per ordinary share					
Basic and diluted loss per share (cents)	32	(27,73)	(36,29)	-	-

Consolidated and separate statements of cash flows

		GROUP		COMPANY	
Figures in Rand Thousands	**Notes**	**2022**	**2021**	**2022**	**2021**
Cash flows used in operating activities		**(79 175)**	**(24 486)**	**(9 048)**	**(1 750)**
Cash used in operations	26	(78 941)	(24 580)	(9 131)	(2 125)
Interest received	22	275	672	83	621
Interest paid	23	(509)	(578)	-	(246)
Cash flows used in investing activities		**(306 956)**	**(196 338)**	**(93 377)**	**(25 124)**
Investment in property, plant and equipment	3	(260 723)	(163 079)	-	-
Investment in intangible assets	4	(46 233)	(23 207)	(475)	(256)
Purchase of options		-	(16 197)	-	-
Proceeds on exercise of options		-	6 145	-	-
Loans granted to subsidiary	29	-	-	(92 902)	(24 868)
Cash flows from/(used in) financing activities		**347 227**	**213 758**	**110 539**	**(1 052)**
Proceeds from share issue	12	113 115	-	113 115	-
Share issue costs	12	(2 576)	-	(2 576)	-
Repayment of borrowings	27	(31 293)	-	-	-
Proceeds from borrowings	27	270 989	216 282	-	-
Right-of-use - lease payments	15	(3 008)	(2 524)	-	(1 052)
TOTAL CASH MOVEMENT FOR THE YEAR		**(38 904)**	**(7 066)**	**8 114**	**(27 926)**
Cash and cash equivalents at the beginning of the year	11	130 878	140 972	1 096	29 022
Effects of exchange rate changes on cash and cash equivalents		3 114	(3 028)	152	-
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**11**	**95 088**	**130 878**	**9 362**	**1 096**

Significant accounting policies

1. BASIS OF PREPARATION

The consolidated and separate annual financial statements of the Group and Company for the year ended 28 February 2022 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations as issued by the International Financial Reporting Interpretations Committee (IFRIC), the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, the Listing Rules of the ASX and in a manner required by the Companies Act of South Africa, No 71 of 2008. The accounting policies applied in the preparation of these consolidated and separate annual financial statements of the Group and Company are consistent in all material respects with those used in the prior financial year, except for the adoption of new standards, interpretations and amendments to published standards which became effective for the first time for the financial year ended 28 February 2022. Note 2 discloses the impact of new standards, interpretations and amendments to published standards on the consolidated and separate annual financial statements of the Group and Company.

These consolidated and separate annual financial statements have been prepared under the historical cost convention except for land that is carried at a revalued amount and financial instruments that are carried at fair value; are presented in the functional currency of the Company and presentation currency of the Group, being South African Rand (Rand); and are rounded to the nearest thousand (R'000), except where otherwise stated.

Going concern

The consolidated and separate annual financial statements of the Group and Company have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Refer to note 36 for further disclosures on going concern matters.

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 subsidiary

All intercompany transactions and balances between the Company and its subsidiary have been eliminated on consolidation. Cost includes all directly attributable costs of the investment.

The Company initially recognised its investment in its subsidiary at cost and subsequently measures this investment at cost less accumulated impairment losses.

The Company's subsidiary as at 28 February 2022 is set out below. Its share capital consists solely of ordinary shares that are held directly by the Company, and the proportion of ownership interest held equals the voting rights held by the Company. Further details on this investment are disclosed in note 5.

Significant accounting policies

NAME OF ENTITY	PLACE OF BUSINESS	OWNERSHIP INTEREST HELD BY THE GROUP	OWNERSHIP INTEREST HELD BY NON-CONTROLLING INTEREST	PRINCIPAL ACTIVITIES
Tetra4 Proprietary Limited	South Africa	100% (2021: 100%)	0% (2021: 0%)	Explores for, develops and sells compressed natural gas to the South African market. It also explores for and develops helium gas.

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATATION 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. Areas of significant judgements and estimation uncertainty include:

Going concern

Management's assessment of the entity's ability to continue as a going concern involves making a judgment, at a particular point in time, about inherently uncertain future outcomes of events or conditions. Any judgment about the future is based on information available at the time at which the judgment is made. Subsequent events may result in outcomes that are inconsistent with judgments that were reasonable at the time they were made. Management have taken into account the following:

- The Group's financial position; and
- The risks facing the Group that could impact key projects and capital adequacy.

Management consider it appropriate to continue to adopt the going concern basis in preparing the consolidated and separate annual financial statements of the Group and Company.

Exploration and development costs

The application of the Group's accounting policy for exploration and development costs requires judgement to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact whether the Group capitalises exploration and development costs. The capitalisation policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is impaired in profit or loss in the period when the new information becomes available. The Group's exploration and development costs are disclosed in note 4.

Expected units of production

Exploration and development costs are depreciated using the expected units of production (UOP) method which takes the production in the current period as a percentage of total expected production in current and future periods, based on total proved plus probable developed and undeveloped hydrocarbon reserves. Application of the UOP method requires the use of estimates and assumptions, including the amount

Significant accounting policies

of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of amortisation will be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves.

Borrowing costs

The Group applies judgement in determining when it commences and ceases to capitalise borrowing costs. When the plant is ready for use, capitalisation of borrowing costs ceases and depreciation commences. Management places reliance on experts to certify that the plant is ready for use.

Financial assets

At the end of each reporting period the Group determines a loss allowance for expected credit losses on financial assets carried at amortised cost. The expected credit losses are estimated with reference to current observable data and forward-looking information including projected market conditions (including conditions arising from COVID-19 and the Russia/Ukraine war), macro-economic factors and knowledge about the future performance of parties from which the Group' financial assets are due. Due to the estimation involved, actual default in the future may be different from the loss allowances recognised.

The Group recognises a loss allowance for financial assets measured at amortised cost, excluding trade receivables, 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.

The Group applies a simplified approach of recognising lifetime expected credit losses for trade receivables as these items do not have a significant financing component. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, adjusted as appropriate for current observable data. Current observable data includes market conditions, macroeconomic factors and known data about the financial position of the customer.

Determining an increase in significant credit risk is a significant judgement call and determining expected credit losses is subject to 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 an 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.

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 and intangible assets are sensitive to various factors and could materially change over time. Value in use calculations are also sensitive to changes in discount rates, helium reserve estimates and projected prices of helium. Key factors which impact expected cash flows include market conditions, levels of production that are actually achieved and growth rates used for extrapolation purposes.

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 values that may impact 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 current 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 the changes in laws, regulations, technology, costs and timing, the provisions including the estimates and assumptions contained therein are reviewed annually 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. The extent that future cash flows and taxable income significantly differ from estimates, impacts the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period.

Development costs

The Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The Group's development costs are presented in note 4.

Significant accounting policies

Commissioning date for the plant

The Group is currently constructing Phase 1 of the Virginia Gas Plant. Judgement is involved in determining the commissioning date of the plant which is the date on which the capitalisation of borrowing costs ceases, depreciation commences and assets are transferred from assets under construction to their relevant categories within property, plant and equipment. Management places reliance on experts to determine the commissioning date by way of certification. A variation in the commissioning date may materially impact the categorisation of assets, capitalisation of borrowing costs and the recognition of depreciation.

1.3 PROPERTY, PLANT AND EQUIPMENT

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 including capitalised borrowing costs.

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment and borrowing costs 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Day to day servicing costs are included in profit or loss during the year in which they are incurred.

Depreciation is charged to write off the cost of assets over their estimated useful lives, using the straight line method. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Assets under construction are not depreciated as they are not ready and available for the use as intended by management. Leased assets are depreciated over the shorter of the asset's useful life and the lease term. When a purchase option is included in the lease terms, the asset is depreciated over its estimated useful life.

Land is carried under the revaluation model and revalued with sufficient frequency, usually every three years, to ensure that at any point in time the carrying amount still approximates fair value. A revaluation surplus is recorded in other comprehensive income and credited to the revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation reserve. Upon disposal, any revaluation surplus relating to the revalued land being sold is transferred to the accumulated loss.

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

ITEM	DEPRECIATION METHOD	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	5-15 years
Office building	Straight line	10 years
Leasehold improvements - furniture and fixtures	Straight line	6 years
Leasehold improvements - office equipment	Straight line	6 years
Right of use - motor vehicle	Straight line	5 years
Right of use - head office building	Straight line	3 years
Land	Not depreciated	Not applicable

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 within cost of sales and other operating expenses.

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, net of tax, in other comprehensive income or loss on the Statement of Comprehensive Income and accumulated 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. Following initial recognition intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Exploration and development costs

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

Significant accounting policies

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in other operating expenses within profit or loss. During the period of development, the asset is tested for impairment annually.

Computer software

Computer software licences 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.

Other intangible assets

These assets primarily include the Company's internet domain, patents and trademarks which are amortised as shown below.

The amortisation periods and the amortisation methods for intangible assets are as follows and are reviewed annually.

ITEM	AMORTISATION METHOD
Exploration and development costs	Units of production over 30 years
Development costs - Cryo-Vacc™	Straight line basis (12 years)
Development costs - Helium Token System	Straight line basis (10 years)
Computer software	Straight line basis (10 years)
Other intangible assets	Straight line basis (10 years)

Impairment tests are performed on intangible assets other than development costs when there is an indicator that they may be impaired. As noted above, development costs are tested annually for impairment. When the carrying amount of an intanible asset 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.

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 or at fair value through profit or loss (FVTPL).
- Financial liabilities are measured at amortised cost, except for derivative financial liabilities that are measured at fair value through profit or loss.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial asset and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated as FVTPL if, by designating the financial asset as FVTPL, this eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. Gains or losses are recognised in profit or loss.

Initial recognition and measurement

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

At initial recognition, financial assets (excluding trade receivables) and financial liabilities are measured at fair value adjusted for transaction costs (where applicable). 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.

Trade receivables, at initial recognition, are measured at their transaction price if the trade receivables do not contain a significant financing component as defined in IFRS 15: Revenue from contracts with customers.

Subsequent measurement

Trade receivables, loans receivable, cash and cash equivalents and restricted cash are carried at amortised cost adjusted for any loss allowance. Borrowings are subsequently measured at amortised cost, using the effective interest method.

Significant accounting policies

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.

Trade receivables

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.

Loans receivable

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.

For those balances that are beyond 30 days over-due, it is presumed to be an indicator of a significant increase in credit risk. Under these circumstances the Group recognises lifetime expected credit losses.

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.

The Group considers the following as constituting events of default:

1) The debtor is past due by more than 90 days on any credit obligation to the Group; or

2) The debtor is unlikely to pay its credit obligations to the Group in full.

Loan to subsidiary

Loans to the subsidiary are included in non-current assets as management expects the loan to be repaid later than 12 months after the reporting period. Loans to subsidiary 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.

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 and separate statements of financial position and the consolidated and separate statements of cash flows, cash and cash equivalents include cash on hand, at banks and short-term deposits. 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 which will be used for environmental rehabilitation and the settlement of debt obligations (due within a six month period at any given time) under the DFC Finance Agreement (see note 14). This cash is not treated as cash and cash equivalents and is measured at amortised cost.

Derecognition of financial assets and liabilities

The Group derecognises a financial asset on trade date 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 or financial liability in its entirety, the difference between the carrying amount of the financial asset or financial liability and the sum of the consideration received or receivable / paid or payable is recognised in profit and loss within other operating expenses or other operating income depending on whether a gain or loss is recognised.

The recovery of financial assets previously written off is recorded in other operating income in profit or loss.

1.6 FAIR VALUE MEASUREMENT

Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising, where possible, the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

Gains and losses on changes in the fair value of derivative instruments are recognised in profit or loss.

Significant accounting policies

1.7 SHARE BASED PAYMENTS

Long-term employee benefits - Bonus Shares

The Group operates an equity-settled compensation plan where the Governance, Ethics, Transformation, Social and Compensation Committee makes an award of forfeitable shares to the Executive Directors, prescribed officers, senior management and general employees of the Group. These are referred to as Bonus Shares. This plan has no cash settlement alternatives. The number of Bonus Shares awarded depends on the individual's annual 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 ("VWAP") market price of the equity-settled instrument 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.

The Bonus Shares grant the holder a right to acquire shares for no consideration.

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 immediately in profit or loss. The fair value of the options granted is measured using the Monte Carlo Method, 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 lapses (other than by forfeiture when vesting conditions are not satisfied) it is treated as if it had vested on the date it lapses and any expense not yet recognised for the option is recognised immediately.

The vesting of share options awarded to the Non-executive director occurs annually after each year of completed service (over a 4 year period). These are the only vesting condition attributable to these share options. The share options awarded to the Non-executive director grant him the right to acquire shares at a specific price.

The share options awarded to the lead and corporate advisors also vest over a 4 year period and there are no other vesting conditions. The share options awarded to the lead and corporate advisors grant them the right to acquire shares at a specific price.

Share Appreciation Rights Plan

The Group operates an equity-settled Share Appreciation Rights Plan ("SAR Plan") where the Governance, Ethics, Transformation, Social and Compensation Committee makes a once-off award of forfeitable shares to the Executive Directors, prescribed officers, senior management and general employees of the Group who can influence the growth of the Company. This plan has no cash settlement alternatives. The terms and conditions of the shares issued under the plan after vesting are the same as those traded publicly.

The fair value of the share appreciation rights shares granted is measured using the Monte Carlo Method, taking into account the terms and conditions under which the options were 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.

The Bonus Shares grant the holder a right to acquire shares for no consideration.

Shares awarded under the SAR Plan will vest subject to the achievement of Performance Condition(s) which are pre-determined and linked to the growth of Renergen's share price, with Participants having 5 years from the Award Date to achieve any or all Performance Conditions. Both the vesting and exercise of the shares awarded under the plan is subject to continued employment of a participant. Depending on the applicable job level and level of seniority of the employee, the shares awarded may be divided into no more than 4 separate portions, each of which will be linked to separate Performance Condition(s) and Performance Period(s) as follows:

Portion 1:
Performance Condition of delivering a share price of at least R75 per share – 2 year Performance Period

Portion 2:
Performance Condition of delivering a share price of at least R100 per share – 3 year Performance Period

Portion 3:
Performance Condition of delivering a share price of at least R125 per share – 4 year Performance Period

Portion 4:
Condition of delivering a share price of at least R150 per share – 5 year Performance Period

The Governance, Ethics, Transformation, Social and Compensation Committee will review the Performance Condition(s) on a monthly basis throughout the Performance Period(s). Participants will be required to achieve and sustain the target share price for a 30-day period and that achievement against each Performance Condition will be assessed against a 30-day VWAP. Settled Shares can be made subject to a Holding Period up to a maximum period of 5 (five) years, during which time the Shares cannot be encumbered or disposed of.

The table below summarises each portion of the award with its associated Award Price and Performance Condition, the Share Price growth that is required and the corresponding impact it will have on the market cap of Renergen.

PORTION	AWARD PRICE	SHARE PRICE PERFORMANCE CONDITION WHICH MUST BE ACHIEVED	SHARE PRICE PERCENTAGE GROWTH FROM AWARD DATE[1]	ESTIMATED MARKET CAP AT ACHIEVEMENT OF SHARE PRICE PERFORMANCE HURDLE (RAND)[2]
1	R37.50	R75.00	231%	R8,813,105,025
2	R50.00	R100.00	341%	R11,750,806,700
3	R62.50	R125.00	452%	R14,688,508,375
4	R75.00	R150.00	562%	R17,626,210,050

[1] Calculated on a 30 day VWAP as at 31 May 2021 (R22.65)
[2] Calculated as Share Price which must be achieved multiplied by the number of shares in issue (117 508 067 shares)

All Awards are subject to Malus and Clawback, meaning unvested awards can be reduced or cancelled (by application of Malus) and Exercised and Settled Awards can be recouped (by application of Clawback), should a Trigger Event occur during the Holding Period. The trigger events include but are not limited to:

Significant accounting policies

- A material misstatement of the financial results resulting in an adjustment in the audited consolidated accounts of the Company or the audited accounts of any member of the Group;
- The fact that any information used to determine the quantum of an incentive was based on error or inaccurate or misleading information;
- Action or conduct of a participant which, in the reasonable opinion of the Board, amounts to serious misconduct or gross negligence; or
- Events or behaviour of a participant, or the existence of events attributable to a participant, which led to the censure of the Company or a member of the Group by a regulatory authority or have had a significant detrimental impact on the reputation of the Company.

1.8 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 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 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 reporting period.

At a company level deferred tax is not recognised for outside basis differences relating to the investment in subsidiary. This is because the investment is controlled by the holding company and there is no plan to reverse the temporary differences in the foreseeable future.

Deductions applicable to oil and gas companies

The Tenth Schedule of the South African Income Tax Act permits special tax allowances for companies involved in the exploration of oil and gas. This incentivises companies to pursue oil and gas exploration and creates fiscal certainty for companies involved in oil and gas activities in South Africa. The Tenth Schedule provides a 200%/150% super tax deduction for capital expenditure incurred for exploration and post-exploration respectively, in terms of an oil and gas right.

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 or equity if they relate to items that are credited or charged, in the same or a different period, to other comprehensive income or equity.

1.9 LEASES

The Group assesses whether a contract contains a lease at inception of the contract. The Group recognises a right-of-use asset and a 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 at cost, which comprises the amount of the initial measurement of the corresponding lease liability, adjusted for 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.

1.10 PROVISIONS AND ACCRUALS

The amount of a provision is the present value of management's best estimate 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 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 which do not have a future economic benefit are recognised immediately in profit or loss.

The Group's is required by law to undertake rehabilitation work to address the environment damange arising from its operations. Part of the cash required to settle the rehabilitation obligation is held in a cash investment account which is restricted (see note 9).

b) Royalty accrual

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 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 accrual. The accrual for royalties is included in trade and other payables.

c) Carbon tax accrual

The Carbon Tax Act of 2019 came into effect on 01 June 2019, it will be administered and collected by the South African Revenue Services (SARS). This 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. This 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 accrual 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 Province of South Africa. The accrual for carbon tax is included under trade and other payables.The current carbon tax accrual is calculated based on all carbon emissions from Tetra4’s activities and all other emission on the land that Tetra4 holds a production right in the Free State provision of South Africa. The accrual for carbon tax is included under trade and other payables.

1.11 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from the sale of Compressed Natural Gas (CNG) in the Free State province of South Africa to one customer.

Prior year intercompany revenue relates to management fees earned by the holding company from its subsidiary Tetra4. Renergen provided Tetra4 with management advisory services (see note 18).

Revenue is recognised when the performance obligations have been satisfied, which is once control of the products and/or services has transferred from the Group to the buyer. Revenue is measured based on regulated prices and volumes delivered to the 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 products 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 products based on their selling price per the sales agreement. All the CNG produced and delivered by Tetra4 is used by its one customer and thus no inventory is held by Tetra4 at period end.

Significant accounting policies

All sales of CNG during the exploration phase are accounted for as revenue.

Management fees earned by the holding company

Prior year intercompany revenue relating to the management fees paid to the holding company was recognised over time as the subsidiary benefited from the services as they were provided. The management fees were paid monthly by the subsidiary company. The consideration is allocated based on the management fees as per the contract.

The Group's customer is afforded 30 day terms. The Company's customer also trades on 30 days terms.

1.12 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.

1.13 TRANSLATION OF FOREIGN CURRENCIES

Functional and presentation currency

All entities within the Group have the same functional and presentation currency, being the South African Rand.

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, with the exception of exchange differences accounted for as part of borrowing costs as disclosed in note 1.14. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 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 (Group Executive Committee) 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 an investment holding company focused on investing in prospective green projects.

Tetra4 (Proprietary) Limited

Tetra4 explores for, develops and sells compressed natural gas to the South African market. It also explores for and develops helium gas.

Significant accounting policies

1.14 BORROWING COSTS

Specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. The LNG and LHe plant is a qualifying asset in terms of IAS 23 - Borrowing costs.

Investment income earned on the Debt Service Reserve Account (see note 9), is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

The DFC and IDC loans were 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. 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.

2. NEW STANDARDS AND INTERPRETATION

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.

IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Disclosure Initiative relating to the Definition of Material that:

- Clarifies that materiality will depend on the nature and/or magnitude of information individually or in combination in the context of the financial statements.
- Explains how 'obscured' information is similar to omitting or misstatement.
- Replaces the threshold of 'could influence' with 'could reasonably be expected to influence' in the definition of 'material'. The materiality assessment only considers reasonably expected influence on economic decisions of primary users.

This amendment did not have a material impact on the Group.

COVID-19 - Related Rent Concessions - Amendment to IFRS 16 (effective 1 June 2020)

This amendment provides lessees with an exemption from assessing whether a COVID-19-related concession is a lease modification. As a practical expedient, a lessee may elect not to assess whether a concession from a lessor is a lease modification if the rent concessions occurred as a direct result of the COVID-19 pandemic and if all the following conditions are met:

- The change in lease payments resulted in revised consideration for the lease that is substantially the same, or less than, the consideration immediately preceding the change;
- Any reduction in lease payments affects payments originally due on or before 30 June 2021; and
- There is no substantive change to other terms and conditions of the lease.

The amendment did not have an impact on the Group as there were no COVID-19-related concessions in the financial year under review.

Interest Rate Benchmark Reform (IBOR) - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 (effective 1 January 2021)

Amendments provide temporary relief to address financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR) ('IBOR reform') including:

- Contractual and cash flow changes to be treated as changes due to a floating rate of interest.
- Changes to hedge designations and documentation do not result in the discontinuation of the hedge relationship.
- The 'separately identifiable' requirement is not required when a RFR instrument is designated as a hedge of a risk component.
- Additional disclosures required.

The amendment did not have an impact on the Group as its current borrowings are not subject to interbank offered rates (IBOR).

Notes to the financial statements

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 01 March 2022 or later periods but which the Group has not early adopted. The Group will adopt these standards when they become effective.

COVID-19 - Related Rent Concessions beyond 30 June 2021 -
Amendments to IFRS 16
(effective date 1 April 2021)

The amendment extends the May 2020 amendment, by one year, that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

This amendment is not expected to have an impact on the Group as there are no COVID-19 related rent concessions. A further assessment will be made should transactions of this nature arise.

Onerous contracts- cost of fulfilling a contract -
Amendments to IAS 37
(effective date 1 January 2022)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

This amendment is not expected to have an impact on the Group as there are no onerous contracts currently in place. A further assessment will be made should contracts of this nature arise.

Property, Plant and Equipment — Proceeds before Intended Use -
Amendments to IAS 16
(effective 1 January 2022)

This amendment prohibits the deduction (from the cost of the asset) of any proceeds from selling items produced while bringing that asset to the location and condition required for operation. An entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendment is applied retrospectively but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the annual financial statements in which this amendment is first applied. The cumulative effect of initially applying the amendment is an adjustment to the opening balance of retained earnings (of other component of equity as appropriate) at the beginning of that earliest period presented.

This amendment is not expected to have an impact on the Group as the principles of this amendment are already applied. Proceeds before intended use is recognised as revenue in terms of IFRS 15.

Annual Improvements 2018-2020 Cycle
(effective 1 January 2022)

These improvements make amendments the following standard:

IFRS 9 - Fees in the '10 per cent' test for
derecognition of financial liabilities

The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. Early application is permitted.

This amendment is not expected to have an impact on the Group as there was no modification of financial liabilities. A further assessment will be made should the modification of financial liabilities occur.

Reference to the Conceptual Framework -
Amendments to IFRS 3
(effective 1 January 2022)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard. Early application is permitted.

This amendment is not expected to have an impact on the Group as there are no business combinations in progress. The impact of this amendment will be evaluated again should the Group enter into business combinations in future.

Classification of Liabilities as Current of Non-Current -
Amendments to IAS 1
(effective date 1 January 2023)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

This amendment is not expected to have an impact on the Group as it currently does not have liabilities with uncertain settlement dates. A further assessment will be made should liabilities of this nature arise.

Deferred Tax related to Assets and Liabilities arising from a single transaction -
Amendments to IAS 12
(effective date 1 January 2023)

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The amendment is not expected to have an impact on the Group as the principles of this amendment are already applied.

Notes to the financial statements

Disclosure of Accounting Policies
(Amendments to IAS 1 and IFRS Practice Statement 2)
(effective 1 January 2023)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Management has assessed the impact of these amendments on the reported results of the Group and Company and foresee only minor disclosure changes.

Definition of Accounting Estimates
(Amendments to IAS 8)
(effective 1 January 2023)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

The above amendments are not expected to have a material impact on the Group.

The Group has completed its assessment of the impact of the above standard and concluded that the amendment would not have a material impact on the financial statements.

3. PROPERTY, PLANT AND EQUIPMENT

GROUP

Figures in Rand Thousands	2022 Cost or Valuation	2022 Accumulated depreciation	2022 Net book value	2021 Cost or Valuation	2021 Accumulated depreciation	2021 Net book value
Assets under construction	785 460	-	785 460	451 576	-	451 576
Right-of-use asset - head office building	2 243	(1 590)	653	2 243	-	2 243
Land - at revalued amount	3 473	-	3 473	3 473	-	3 473
Plant and machinery	22 928	(11 345)	11 583	20 714	(9 451)	11 263
Furniture and fixtures	1 024	(691)	333	1 206	(679)	527
Motor vehicles	2 152	(1 962)	190	2 095	(2 051)	44
Office equipment	171	(108)	63	208	(132)	76
IT equipment	910	(581)	329	541	(438)	103
Right-of-use assets - motor vehicles	4 526	(1 462)	3 064	4 526	(547)	3 979
Office building	2 065	(476)	1 589	2 065	(270)	1 795
LEASEHOLD IMPROVEMENTS						
Office equipment	142	(128)	14	152	(110)	42
Furniture and fixtures	885	(609)	276	887	(450)	437
TOTAL	**825 979**	**(18 952)**	**807 027**	**489 686**	**(14 128)**	**475 558**

COMPANY

Figures in Rand Thousands	2022 Cost or Valuation	2022 Accumulated depreciation	2022 Net book value	2021 Cost or Valuation	2021 Accumulated depreciation	2021 Net book value
Furniture and fixtures	605	(520)	85	747	(543)	204
Office equipment	90	(82)	8	95	(73)	22
IT equipment	31	(31)	-	38	(38)	-
LEASEHOLD IMPROVEMENTS						
Office equipment	142	(128)	14	152	(110)	42
Furniture and fixtures	885	(609)	276	887	(450)	437
TOTAL	**1 753**	**(1 370)**	**383**	**1 919**	**(1 214)**	**705**

Notes to the financial statements

RECONCILIATION OF PROPERTY, PLANT AND EQUPMENT

	GROUP 2022					
Figures in Rand Thousands	**At 1 March 2021**	**Reclassification from intangible assets[2]**	**Environmental rehabilitation costs[3]**	**Additions**	**Depreciation**	**At 28 February 2022**
Assets under construction	451 576	4 000	26 758	303 126	-	785 460
Right-of-use assets - head office building	2 243	-	-	-	(1 590)	653
Land - at revalued amount	3 473	-	-	-	-	3 473
Plant and machinery	11 263	-	-	2 248	(1 928)	11 583
Furniture and fixtures	527	-	-	21	(215)	333
Motor vehicles[1]	44	-	-	24	122	190
Office equipment	76	-	-	41	(54)	63
IT equipment	103	-	-	406	(180)	329
Right-of-use assets - motor vehicles	3 979	-	-	-	(915)	3 064
Office building	1 795	-	-	-	(206)	1 589
LEASEHOLD IMPROVEMENTS						
Office equipment	42	-	-	-	(28)	14
Furniture and fixtures	437	-	-	-	(161)	276
TOTAL	**475 558**	**4 000**	**26 758**	**305 866**	**(5 155)**	**807 027**

[1] *Impacted by an immaterial adjustment to correct the over-depreciation of motor vehicles in the prior comparative period.*

[2] *Rehabilitation costs transferred from exploration and evaluation assets within intangible assets (see note 4).*

[3] *Current year rehabilitation costs as outlined in note 16.*

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

** additions to right-of-use assets relate to new leases.*

Notes to the financial statements

Figures in Rand Thousands	COMPANY 2022 At 1 March 2021	Depreciation	At 28 February 2022
Furniture and fixtures	204	(119)	85
Office equipment	22	(14)	8
LEASEHOLD IMPROVEMENTS			
Office equipment	42	(28)	14
Furniture and fixtures	437	(161)	276
TOTAL	**705**	**(322)**	**383**

Figures in Rand Thousands	COMPANY 2021 At 1 March 2020	Depreciation	Lease terminations	At 28 February 2021
Right-of-use assets - head office building	2 753	(1 262)	(1 491)	-
Right-of-use assets - motor vehicles	367	-	(367)	-
Furniture and fixtures	326	(122)	-	204
Office equipment	37	(15)	-	22
LEASEHOLD IMPROVEMENTS				
Office equipment	68	(26)	-	42
Furniture and fixtures	584	(147)	-	437
TOTAL	**4 135**	**(1 572)**	**(1 858)**	**705**

Pledge of assets

Tetra4 concluded finance agreements with the Development Finance Corporation on 20 August 2019 and the Industrial Development Corporation on 17 December 2021 (see note 14). All assets under construction and the land are held as security for the debt under these agreements. Pledged assets under construction and land have a carrying amount of R788.9 million as at 28 February 2022 (2021: R455.0 million), representing 100% (2021: 100%) of each of these asset categories.

Additions and borrowing costs - Group

Additions include unrealised foreign exchange differences (attributable to the DFC loan) and interest capitalised as part of borrowing costs in line with the Group's policy , and non-cash additions to right-of-use assets. These costs and exchange differences were capitalised within assets under construction. The Group's borrowings are disclosed in note 14.

A reconciliation of additions to exclude the impact of capitalised borrowing costs, foreign exchange differences and non-cash additions to right-of-use assets is provided below:

Figures in Rand Thousands	GROUP 2022	2021
Additions as shown above	305 866	131 061
Capitalised borrowing costs attributable to the DFC loan (note 14)	(31 293)	-
Unrealised foreign exchange (losses)/gains attributable to the DFC loan (note 14)	(10 619)	37 284
Capitalised borrowing costs attributable to the IDC loan (note 14)	(3 231)	-
Non-cash additions to right-of-use assets	-	(5 266)
Additions as reflected in the cash flow statement	**260 723**	**163 079**

The rate used to determine the amount of interest eligible for capitalisation was 3.68% (2021: 1.69%), which is the weighted average interest rate of the specific borrowings.

Capital commitments

Capital commitments attributable to assets under construction are disclosed in note 28.

Lease termination: right-of-use assets - head office building

In the prior year the Group restructured its leasing arrangements with a third party such that the head office building previously leased by Renergen Limited ("Renergen") is now leased by Tetra4 (Proprietary) Limited ("Tetra4"). This transaction which became effective on 28 February 2021 was recognised as a lease termination by Renergen and a new lease by Tetra4 of the right-of-use-asset – head office building. The Group recognised a loss of R0.5 million with respect to this restructuring in the prior year.

Revalued property

On 28 February 2020 the Group revalued its land on two farm properties in the Free State by R0.7 million (R0.6 million net of taxation). The properties were revalued to their market value by using the comparable sales method which relied on level 3 inputs as per the IFRS 13 requirements for determining fair value. The comparable sales method assumes that the market value of property should be the average of similar properties that have been sold in the area. The net gain on revaluation was recognised against the revaluation reserve (see note 25).

The significant unobservable input is the average price per hectare which was R8 500 at 28 February 2020. Significant increases (decreases) in the estimated price per hectare in isolation would result in a significantly higher (lower) fair value on a linear basis. The total land size is 408.5897 hectares. At 28 February 2022, the land was not revalued as management determined that the effect of changes in fair values between the last valuation date and the reporting date is immaterial.

If the land was stated on the historical cost basis, the net book value would be as follows:

	2022	2021
Cost	2 777	2 777
Net book value	**2 777**	**2 777**

Land is not depreciated.

4. INTANGIBLE ASSETS

	GROUP					
			2022			2021
Figures in Rand Thousands	Cost	Accumulated amortisation and impairment	Net book value	Cost	Accumulated amortisation and impairment	Net book value
Exploration and development costs	137 161	(32)	137 129	109 026	(32)	108 994
Computer software	4 184	(804)	3 380	3 303	(439)	2 864
Development costs - Cryo-Vacc™	10 948	-	10 948	-	-	-
Development costs - Helium Tokens System	2 048	-	2 048	-	-	-
Other intangible assets	518	-	518	297	-	297
Total	**154 859**	**(836)**	**154 023**	**112 626**	**(471)**	**112 155**

	COMPANY					
			2022			2021
Figures in Rand Thousands	Cost	Accumulated amortisation and impairment	Net book value	Cost	Accumulated amortisation and impairment	Net book value
Development costs - Cryo-Vacc™	475	-	475	-	-	-
Other intangible assets	270	-	270	270	-	270
Total	**745**	**-**	**745**	**270**	**-**	**270**

RECONCILIATION OF INTANGIBLE ASSETS

GROUP 2022

Figures in Rand Thousands	At 1 March 2021	Reclassification to property, plant and equipment[1]	Additions	Amortisation	At 28 February 2022
Exploration and development costs	108 994	(4 000)	32 135	-	137 129
Computer software	2 864	-	881	(365)	3 380
Development costs - Cryo-Vacc™	-	-	10 948	-	10 948
Development costs - Helium Tokens System	-	-	2 048	-	2 048
Other intangible assets	297	-	221	-	518
Total	**112 155**	**(4 000)**	**46 233**	**(365)**	**154 023**

[1] *Transfer of rehabilitation costs to assets under construction within property, plant and equipment (note 3).*

GROUP 2021

Figures in Rand Thousands	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**

COMPANY 2022

Figures in Rand Thousands	At 1 March 2021	Additions	At 28 February 2022
Development costs - Cryo-Vacc™	-	475	475
Other Intangible assets	270	-	270
Total	**270**	**475**	**745**

COMPANY 2021

Figures in Rand Thousands	At 1 March 2020	Additions	At 28 February 2021
Other Intangible assets	14	256	270
Total	**14**	**256**	**270**

Notes to the financial statements

Exploration and development costs

These are costs incurred in the exploration and development of natural gas reserves by Tetra4 pursuant to its exploration and production rights (reference 24/04/07PR) in the Free State Province, South Africa. Exploration and development costs will be recovered through use as determined through the units of production and life of the Virginia Gas Project. Amortisation will commence upon the start of production.

Impairment of exploration and development costs

A Reserve and Resource Evaluation Report ("Evaluation Report") was completed as at 1 September 2021 by Sproule Incorporated ("Sproule"), an independent sub-surface consultancy based in Calgary, Canada. The evaluation is both a geologic and an economic update, based on technical and economic data supplied by Tetra4. Material changes to this Evaluation Report compared to the last one completed in 2019 are the inclusion of the 5 newly completed wells, the initial flow testing of two wells with new "slant completions", a more detailed sub-surface geologic model, updated capital expenditure and operating costs, updated currency exchange rates, new gas sales agreements and an updated field development plan.

The independent Reserve and Resource estimates and associated economics contained in the Evaluation Report are prepared in accordance with the Society of Petroleum Engineers (SPE) Petroleum Resources Management (PRMS) guidance. Proved Plus Probable Helium and Methane Reserves ("2P Gas Reserves") measured at 420.5 BCF (billion cubic feet) as at 1 September 2021 (2019: 142.4 BCF) with a net present value of R31.0 billion (2019: R9.8 billion).

The net present value above equates to the recoverable amount and was determined using value-in-use calculations were future estimated cash flows attributable to the 2P Gas Reserves were discounted at 15% (2021: 15%). In order to determine whether the Group's exploration and evaluation assets were impaired as at 28 February 2022 the carrying amount of these assets of R137.1 million (2021: R109.0 million) was compared to the recoverable amount of R31.0 billion (2021: R9.8 billion) which resulted in no impairment charge being recognised for the year under review (2021: Rnil). Management concluded that the impairment assessment is not sensitive to a change in the recoverable amount or other factors due to the available headroom of R30.9 billion (2021: R9.7 billion), being the difference between the carrying amount of exploration and evaluation assets of R137.1 million (2021: R109.0 million) and their recoverable amount of R31.0 billion (2021: R9.8 billion).

Development costs - Cryo-Vacc™

Development costs comprise expenditure incurred during the internal development of Cryo-Vacc™ vaccine storage units. No amortisation was recognised during the year as the storage units have not yet been brought into use. Development costs include costs that meet the criteria in note 1.4 and are directly attributable to the development of the storage units. At 28 February 2022 the development costs are not impaired based on an assessment performed by management.

Development costs - Helium Tokens System

Development costs comprise expenditure incurred during the internal development of the helium tokens system. Once fully developed, these tokens will be traded and will allow holders to purchase helium from Tetra4. No amortisation was recognised during the year as the tokens system has not yet been brought into use. Development costs include costs that meet the criteria in note 1.4 and are directly attributable to the development of the tokens. At 28 February 2022 the development costs are not impaired based on an assessment performed by management.

Computer Software

Computer software comprises costs incurred to acquire the Group's risk management system and costs attributable to the development of the Group's ERP system. Internal salaries allocated based on time spent on the development of the ERP system were capitalised to computer software, however these costs are not material. The ERP system was implemented in the second quarter of the prior financial year and system improvements were further implemented during the current financial year.

Other intangible assets

Other intangible assets comprise patents and trademarks attributable to the Group's Cryo-Vacc™ project and the domains on which the Group's websites are hosted. These costs are not material and have not been amortised during the year under review.

5. INVESTMENT IN SUBSIDIARY

			COMPANY			
			2022	**2021**	**2022**	**2021**
Figures in Rand Thousands	**Country of registration**	**Principle place of business**	**% Holding**	**% Holding**	**Carrying amount**	**Carrying amount**
Tetra4 (Proprietary) Limited (Tetra4)	South Africa	South Africa	100%	100%	624 603	623 812
Equity contribution relating to share based payments (note 13)					3 063	791
Total					**627 666**	**624 603**

Tetra4 is a wholly owned subsidiary of Renergen Limited. This was the only subsidiary of the Group during the current and prior year.

On 29 September 2017 shareholders of Renergen approved a Group bonus share scheme for participation by employees and Executive Directors of the Group. Similarly, on 30 July 2021 shareholders of Renergen approved an Equity-settled Share Appreciation Rights Plan ("SAR Plan") for participation by Executives, senior management and other employees who can influence the growth of the Company. The shares or share options granted to employees, senior management and Executives of Tetra4 who participate in the bonus share scheme or the SAR Plan are Renergen shares. The investment in subsidiary is therefore increased by the share-based payments expenses attributable to bonus scheme shares and SAR Plan share options granted to Tetra4 employees which are treated as an equity contribution. Refer to note 13.

Notes to the financial statements

6. 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:

a) Corporate head office

Corporate head office is a segment where all investment decisions are made. Renergen Limited is an investment holding company focussed on investing in prospective green projects. Green projects entail pursuing knowledge and practices that can lead to more environmentally friendly and ecologically responsible decisions and lifestyles which can help protect the environment and sustain its natural resources for current and future generations.

b) Tetra4

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

No geographical information is provided as all assets are situated in South Africa and all sales are made to one South African customer.

The analysis of reportable segments as at 28 February 2022 is set out below:

					2022
Figures in Rand Thousands	**Corporate Head Office**	**Tetra4**	**Total**	**Eliminations**	**Consolidated**
Revenue	-	2 637	2 637	-	2 637
External	-	2 637	2 637	-	2 637
Depreciation and amortisation	(322)	(5 198)	(5 520)	-	(5 520)
Employee costs	-	(3 280)	(3 280)	-	(3 280)
Net foreign exchange gain	12	3 557	3 569	-	3 569
Interest income	83	192	275	-	275
Imputed interest	-	(3 708)	(3 708)	-	(3 708)
Interest expense	-	(509)	(509)	-	(509)
Taxation	387	8 166	8 553	-	8 553
Loss for the year	(7 577)	(26 173)	(33 750)	-	(33 750)
Total assets	**1 131 986**	**1 149 051**	**2 281 037**	**(1 116 343)**	**1 164 694**
Total liabilities	**(724)**	**(1 366 335)**	**(1 367 059)**	**488 677**	**(878 382)**

Figures in Rand Thousands	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)**

During the year ended 28 February 2022, R2.6 million or 100% (2021: R1.9 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 and balances are eliminated upon consolidation and are reflected in the 'eliminations' column. The management service arrangement between Renergen and Tetra4 was suspended on 28 February 2021, refer to note 18 for further details. As such there were no management fees (inter-segmental revenue) earned during the year. The nature of the Group's revenue and its disaggregation are provided in note 18.

7. LOAN TO SUBSIDIARY

	COMPANY	
Figures in Rand Thousands	**2022**	**2021**
NON-CURRENT		
Tetra4	**488 677**	**395 775**

The loan to Tetra4 is interest free, unsecured and has no fixed repayment terms. This loan is not expected to be repaid within the next 12 months. The Company determines the expected credit loss on this loan underpinned by the probability of default by Tetra4, which has been assessed as very low as at 28 February 2022 given the prospects associated with its Virginia Gas Plant and exploration and evaluation assets. As such the expected credit loss on this loan has been considered to be immaterial.

Notes to the financial statements

8. DEFERRED TAX

GROUP 2022

Figures in Rand Thousands	At 1 March 2021	Recognised in profit or loss	At 28 February 2022	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(49 692)	(53 127)	(102 819)	-	(102 819)
Intangible assets	(8 530)	(11 203)	(19 733)	-	(19 733)
Leases	-	(146)	(146)	-	(146)
Provisions	2 991	6 967	9 958	9 958	-
Unutilised tax losses	90 207	66 062	156 269	156 269	-
	34 976	**8 553**	**43 529**	**166 227**	**(122 698)**

GROUP 2021

Figures in Rand Thousands	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)	(45 651)	(49 692)	-	(49 692)
Intangible assets	(2 123)	(6 407)	(8 530)	-	(8 530)
Put option contracts	(69)	69	-	-	-
Provisions	-	2 991	2 991	2 991	-
Unutilised tax losses	33 037	57 170	90 207	90 207	-
	26 804	**8 172**	**34 976**	**93 198**	**(58 222)**

COMPANY 2022

Figures in Rand Thousands	At 1 March 2021	Recognised in profit or loss	At 28 February 2022	Deferred tax asset	Deferred tax liability
Property, plant and equipment	177	-	177	177	-
Unutilised tax losses	3 632	387	4 019	4 019	-
	3 809	**387**	**4 196**	**4 196**	**-**

COMPANY 2021

Figures in Rand Thousands	At 1 March 2020	Recognised in profit or loss	At 28 February 2021	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(177)	354	177	177	-
Unutilised tax losses	2 662	970	3 632	3 632	-
	2 485	**1 324**	**3 809**	**3 809**	**-**

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 June 2022.

As at 28 February 2022 the Group's estimated tax losses were R964.6 million (2021: R603.0 million). These tax losses do not expire unless the tax entity concerned ceases to operate for a period longer than a year. The tax losses are available to be offset against future taxable profits. For tax years ending on or after 31 March 2023, companies with assessed losses will be entitled to set off a maximum of 80% of their assessed losses (subject to a minimum of R1.0 million) against taxable income in a specific year. A Group net deferred taxation asset of R43.5 million (2021: R35.0 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 R385.9 million as at 28 February 2022 (2021: R334.8 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.

9. RESTRICTED CASH

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
NON-CURRENT				
Environmental rehabilitation guarantee cash	3 738	2 887	-	-
CURRENT				
Debt Service Reserve account	34 257	16 139	-	-
	37 995	**19 026**	**-**	**-**

Environmental Rehabilitation Guarantee Cash

The Group has an obligation to manage the negative environmental impact associated with its exploration activities in the Free State. In this regard, the Group has recognised a rehabilitation provision of R30.8 million (2021: R4.0 million) as disclosed in note 16. Tetra4 has invested R3.7 million (2021: R2.9 million) in a call account which has been ringfenced for use towards the settlement of the environmental rehabilitation obligation. Interest earned on the call account is re-invested. This restricted cash has been classified as a non-current asset as the rehabilitation programme is not expected to commence in the next 12 months.

Debt Service Reserve Account

As part of the terms of the DFC finance agreement (see note 14) Tetra4 is required at any given date, to reserve in a US dollar denominated bank account the sum of all payments of principal, interest and fees required to be made to the DFC within the next 6 months. Should Tetra4 default on any payments due and payable, the DFC reserves the right to fund the settlement of amounts due from this bank account. The bank account is restricted and all interest earned accrues to Tetra4. This interest is recorded in interest income on the Statement of Profit or Loss and Other Comprehensive Income.

The Debt Service Reserve Account is held as security for the DFC loan (see note 14). Foreign exchange gains amounting to R1.8 million were recognised during the year under review with respect to this account. Excluding the impact of foreign exchange differences the year-on-year increase in total restricted cash amounted to R17.2 million as shown in note 26.

10. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
FINANCIAL INSTRUMENTS				
Trade receivables	565	2 312	-	100
Other receivables	927	138	882	-
	1 492	**2 450**	**882**	**100**
NON-FINANCIAL INSTRUMENTS				
Value-added tax	25 529	5 139	75	-
Prepayments	11	180	-	180
	25 540	**5 319**	**75**	**180**
Total trade and other receivables	**27 032**	**7 769**	**957**	**280**

Current year other receivables primarily comprise amounts due for shares issued in February 2022. Due to banking delays the funds were received immediately after the year end. Prior year other receivables comprised bursary repayments receivable.

The increase in value-added tax ("VAT") receivable is attributable to the recovery of VAT on the importation of equipment for the Virginia Gas Plant. There was an increase in the importation of equipment in the current year relative to the prior year, as the construction of Phase 1 of the plant nears completion.

Trade receivables are generally on 30 day terms and are not interest bearing. At 28 February 2022, the Group is subjected to significant concentration risk as it only has one customer.

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	**2022**	**2021**	**2022**	**2021**
At amortised cost	1 492	2 450	882	100
Non-financial instruments	25 540	5 319	75	180
Total	**27 032**	**7 769**	**957**	**280**

The Group applies a simplified approach of recognising lifetime expected credit losses for trade receivables as these items do not have a significant financing component. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience, adjusted as appropriate for current observable data. Current observable data includes market conditions, macroeconomic factors and known data about the financial position of the customer. Expected credit losses attributable to trade receivables were assessed as immaterial as at 28 February 2022 (2021: Rnil).

11. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Cash and cash equivalents consist of:				
Cash at banks and on hand	36 714	24 219	2 769	1 096
Short-term deposits	58 374	106 659	6 593	-
Total	**95 088**	**130 878**	**9 362**	**1 096**

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 R2.2 million (2021: nil) denominated in Australian Dollars. There are no amounts denominated in US Dollars at 28 February 2022 (2021: R17.2 million).

Notes to the financial statements

12. STATED CAPITAL

	GROUP		COMPANY	
	2022	**2021**	**2022**	**2021**
AUTHORISED	**'000**	**'000**	**'000**	**'000**
500 000 000 no par value shares (number)	500 000	500 000	500 000	500 000
RECONCILIATION OF NUMBER OF SHARES ISSUED				
Balance at 1 March	117 508	117 427	117 508	117 427
Issue of shares - ordinary shares issued for cash	6 400	-	6 400	-
Issue of shares - share incentive scheme, non-cash	26	81	26	81
Balance at 28 February	**123 934**	**117 508**	**123 934**	**117 508**
RECONCILIATION OF ISSUED STATED CAPITAL	**R'000**	**R'000**	**R'000**	**R'000**
Balance at 1 March	453 078	452 254	1 051 477	1 050 653
Issue of shares	113 376	824	113 376	824
Issue of shares - ordinary shares issued for cash	113 115	-	113 115	-
Issue of shares - share incentive scheme, non-cash	261	824	261	824
Share issue costs	(2 576)	-	(2 576)	-
Balance at 28 February	**563 878**	**453 078**	**1 162 277**	**1 051 477**

Shares issued for cash during the year under review comprise:

Nature	**Date**	**Number of shares issued '000**	**Issue price Rand**	**Value of shares issued R'000**
Issue of Chess Depositary Interests on the Australian Stock Exchange[1]	25 June 2021	2 474	18,24	45 129
Issue of shares on the Johannesburg Stock Exchange[1]	25 June 2021	3 178	19,10	60 709
Exercise of options[2]	Various	748	9,73	7 277
		6 400		**113 115**

[1] *Shares were issued to numerous parties consisting of existing and new domestic and international institutions and sophisticated investors, under the Company's general authority to issue shares for cash.*

[2] *Issue price represents the average exercise price of the options exercised during the year, under the Company's specific authority to issue shares for cash.*

The shareholder analysis is provided on page 184. Numbers presented above are impacted by rounding.

Notes to the financial statements

13. EQUITY SETTLED SHARE-BASED PAYMENTS

EMPLOYEE BONUS SHARE SCHEME

Shares were granted to executive directors, senior management and general employees on 6 July 2018, 17 May 2019, 1 March 2020 and 1 July 2021 pursuant to the Bonus Share Scheme approved by shareholders in September 2017. 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 an executive director, senior management and general employees on 6 July 2018 vested on 6 July 2021.

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).

	GROUP AND COMPANY					
	28 FEBRUARY 2022			28 FEBRUARY 2021		
Reconciliation of shares granted to date:	**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	433		4 864	277		2 479
ALLOCATION FOR THE YEAR	145	22,78	3 325	252	13,55	3 411
Executive Directors	106	22,78	2 425	195	13,55	2 648
Senior management	20	22,78	457	53	13,55	715
General employees	19	22,78	443	4	13,55	48
VESTED SHARES FOR THE YEAR	(27)	9,90	(261)	(81)	10,22	(824)
Executive Directors	(10)	9,90	(97)	(59)	10,22	(600)
Senior management	(7)	9,90	(67)	(22)	10,22	(224)
General employees	(10)	9,90	(97)	-	-	-
LAPSED SHARES FOR THE YEAR	(65)	12,15	(790)	(15)	13,34	(202)
Senior management	(61)	11,59	(707)	(11)	13,55	(147)
General employees	(4)	22,78	(83)	(4)	12,81	(55)
Balance at the end of the year	**486**		**7 138**	**433**		**4 864**

Notes to the financial statements

SHARE OPTIONS GRANTED

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

On 6 June 2019, 1 million share options with a strike price of AUD0.96 per option were granted to Dr David King, a Non-executive Director. A quarter (250 000) of these share options vest annually after every year of completed service.

On 6 June 2019, 3.4 million share options with a strike price of AUD0.96 per option and 1.7 million share options with a strike price of AUD0.80 per option were granted to the lead and corporate advisors. These share options vested on the grant date.

During the year under review the ASX lead advisor and corporate advisor exercised 0.3 million share options (at AUD0.80 or R10.33) and 0.4 million share options (at AUD0.80 or R9.23), respectively.

On 17 December 2021, 9.9 million share options were granted to executive directors, senior management and general employees of the Group as follows:

- 1.3 million share options with a strike price of R37.50 which vest over a 2 year period;
- 2.1 million share options with a strike price of R50.00 which vest over a 3 year period;
- 2.9 million share options with a strike price of R62.50 which vest over a 4 year period; and
- 3.6 million share options with a strike price of R75.00 which vest over a 5 year period.

The above share options were granted pursuant to the Equity-settled Share Appreciation Rights Plan (SAR Plan) approved by shareholders in July 2021. Awards will be subject to the fulfilment of both predetermined Performance Condition(s) and continued employment, with Participants having 5 (five) years from the Award Date to achieve any or all Performance Conditions. Depending on the applicable job level and level of seniority of the employee, the Award may be divided into no more than 4 (four) separate portions, each of which will be linked to separate Performance Condition(s) and Performance Period(s) as follows:

Portion 1:
Performance Condition of delivering a share price of at least R75 per share – 2 year Performance Period

Portion 2:
Performance Condition of delivering a share price of at least R100 per share – 3 year Performance Period

Portion 3:
Performance Condition of delivering a share price of at least R125 per share – 4 year Performance Period

Portion 4:
Performance Condition of delivering a share price of at least R150 per share – 5 year Performance Period

SHARE OPTIONS	GROUP AND COMPANY							
	28 FEBRUARY 2022				28 FEBRUARY 2021			
Reconciliation of share options granted to date to the ASX lead advisor, corporate advisor and Non-executive Director:	Number of share options granted ('000)	Fair value per share option at grant date Rand	Value of share options (R'000)	Weighted average exercise price (Rand)[1]	Number of shares awarded ('000)	Fair value per share option at grant date Rand	Value of shares (R'000)	Weighted average exercise price (Rand)1
Balance at 1 March	5 549		6 342	10,37	5 299		6 289	10,28
Granted during the year	**250**		**52**	**10,59**	**250**		**53**	**11.18**
Non-executive Director	250	0,21	52	10,59	250	0,21	53	11,18
Exercised during the year	**(748)**		**(1 025)**	**9,73**	**-**		**-**	**-**
ASX lead advisor	(338)	1,03	(348)	10,33	-	-	-	-
Corporate advisor	(410)	1,65	(677)	9,23	-	-	-	-
Total share options awarded to date	**5 051**		**5 369**	**8,92**	**5 549**		**6 342**	**10,37**
Exercisable at 28 February	**5 051**		**5 369**	**8,92**	**5 549**		**6 342**	**10,37**

[1] Exercise prices are denominated in Australian Dollars and have been translated into South African Rand at the prevailing exchange rate at each year end date or on the date that the share options were exercised.

The fair value at grant date of all share options awarded was determined using Monte Carlo Method.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

			Exercise price (Rand)[1]		Number of share options ('000s)	
	Grant date	Expiry date	2022	2021	2022	2021
ASX lead advisor	6 June 2019	6 June 2023	10,59	11,18	3 041	3 379
Corporate advisor	6 June 2019	6 June 2023	8,82	9,32	1 260	1 670
Non-executive Director	6 June 2019	6 June 2023	10,59	11,18	750	500
					5 051	**5 549**

[1] Exercise prices are denominated in Australian Dollars and have been translated into South African Rand at the prevailing exchange rate at each year end date.

Notes to the financial statements

	GROUP AND COMPANY							
SAR PLAN	**28 FEBRUARY 2022**				**28 FEBRUARY 2021**			
Reconciliation of share options granted to date under the SAR Plan:	**Number of share options granted ('000)**	**Fair value per share option at grant date Rand**	**Value of share options (R'000)**	**Weighted average exercise price (Rand)**	**Number of shares awarded ('000)**	**Fair value per share option at grant date Rand**	**Value of shares (R'000)**	**Weighted average exercise price (Rand)**
Balance at 1 March	-		-	-	-		-	-
Granted during the year								
Executives, senior management and general employees	9 956		15 479	61,10	-		-	-
Tier 1	1 344	4,64	6 236	37,50	-	-	-	-
Tier 2	2 067	2,20	4 547	50,00	-	-	-	-
Tier 3	2 906	1,14	3 313	62,50	-	-	-	-
Tier 4	3 639	0,38	1 383	75,00	-	-	-	-
Total shares awarded to date	**9 956**		**15 479**	**61,10**	**-**		**-**	**-**
Exerciseable at 28 February	**-**		**-**	**-**	**-**		**-**	**-**

The fair value at grant date of all share options awarded was determined using Monte Carlo Method. The significant inputs into the model are provided below.

	Tier 1	**Tier 2**	**Tier 3**	**Tier 4**
Spot price	R30.14	R30.14	R30.14	R30.14
Volatility	52,6%	39,5%	32,9%	26,3%
Risk-free rate	5%	5%	5%	5%
Option life	2 years	3 years	4 years	5 years
Strike price	37,50	50,00	62,50	75,00
Dividend yield	0%	0%	0%	0%

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

	Grant date	Expiry date	Exercise price (Rand) 2022	Exercise price (Rand) 2021	Number of share options ('000s) 2022	Number of share options ('000s) 2021
Tier 1	17 Dec 2021	17 Dec 2023	37,50	-	1 344	-
Tier 2	17 Dec 2021	17 Dec 2024	50,00	-	2 067	-
Tier 3	17 Dec 2021	17 Dec 2025	62,50	-	2 906	-
Tier 4	17 Dec 2021	17 Dec 2026	75,00	-	3 639	-
					9 956	**-**

RECONCILIATION OF SHARE-BASED PAYMENTS RESERVE

	GROUP	
Figures in Rand Thousands	**2022**	**2021**
Balance at the beginning of the year	8 500	7 526
Bonus share scheme - share-based payments expense for Renergen participants charged to profit or loss[1]	**-**	**1 007**
Executive Directors	-	921
Senior management	-	86
Bonus share scheme - share-based payments expense for Tetra4 participants[1]	**2 086**	**791**
Executive Directors	1 609	463
Senior management	252	310
General employees	225	18
Share options - share-based payments expense charged to profit or loss[1]	**1 362**	**52**
Tetra4 Executives, senior management and general employees	1 310	-
Non-executive Director	52	52
Shares which lapsed during the year[1]	(333)	(52)
Vested shares issued during the year	(261)	(824)
Balance at the end of the year	**11 354**	**8 500**

[1] *Total share-based payments expenses amount to R3 115 000 for the year under review as presented in the statement of comprehensive income (2021: R1 789 000).*

Notes to the financial statements

Figures in Rand Thousands	COMPANY 2022	2021
Balance at the beginning of the year	8 500	7 526
Bonus share scheme - share-based payments expense for Renergen participants charged to profit or loss[1]	**-**	**1 007**
Executive Directors	-	921
Senior management	-	86
Bonus share scheme - share-based payments expense for Tetra4 participants[2]	**2 086**	**791**
Executive Directors	1 609	463
Senior management	252	310
General employees	225	18
Share options - share-based payments expense charged to profit or loss	**1 362**	**52**
Tetra4 Executives, senior management and general employees[2]	1 310	-
Non-executive Director[1]	52	52
Shares which lapsed during the year - Tetra4[2]	(333)	-
Shares which lapsed during the year - Renergen[1]	-	(52)
Vested shares issued during the year	(261)	(824)
Balance at the end of the year	**11 354**	**8 500**

[1] Total share-based payments expenses amount to R52 000 for the year under review as presented in the statement of comprehensive income (2021: R1 007 000).
[2] Total share-based payments recognised as an equity contribution amount to R3 063 000 for the year under review (2021: R791 000).
Read together with note 5.

14. BORROWINGS

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
HELD AT AMORTISED COST				
Molopo Energy Limited (Molopo)	46 761	43 053	-	-
US International Development Finance Corporation (DFC)	614 004	491 240	-	-
Industrial Development Corporation (IDC)	162 075	-	-	-
Total	**822 840**	**534 293**	**-**	**-**

The classification of the above borrowings between long-term and short-term is as follows:

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Non-current liabilities				
Molopo	46 761	43 053	-	-
DFC	564 220	491 240	-	-
IDC	162 075	-	-	-
	773 056	**534 293**	**-**	**-**
Current liabilities				
DFC	49 784	-	-	-
	49 784	**-**	**-**	**-**
Total	**822 840**	**534 293**	**-**	**-**

Movements in the Group's borrowings are analysed in note 27.

Molopo

Tetra4 entered into a R50.0 million loan agreement with Molopo on 1 May 2013. This loan was part of the conditions of the sale of shares in Tetra4 from Molopo 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. 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 the prime lending rate plus 2% and will have no repayment terms. It is not expected that the loan will be repaid in the next 12 months given the unavailability of distributable profits based on Tetra4's most recent forecasts. As such, the loan has been classified as long term. The loan advanced to Tetra4 by Renergen can only be repaid after the loan from Molopo has 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 2.00% which at 28 February 2022 is 9.50% (prime lending rate of 7.50% plus 2.00%) (2021: 9.00%) The imputed interest expense is included in profit and loss. The fair value of the loan amount outstanding at 28 February 2022 amounts to R46.8 million (2021: 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, the second draw down of US$12.5 million in June 2020 and the final drawdown of US$7.5 million on 28 September 2021. Tetra4 shall repay the loan in equal quarterly instalments of US$1.1 million (R16.6 million using the rate at 28 February 2022) on each payment date beginning on 1 August 2022 and ending on 15 August 2031. The loan is secured by a pledge of the Group's assets under construction, land and the Debt Service Reserve Account disclosed in notes 3 and 9.

Interest

The first drawdown of $20.0 million attracts interest of 2.11% per annum. Interest on the second and final drawdowns is 1.49% and 1.24% per annum, respectively.

Interest is payable by Tetra4 to the DFC quarterly on 15 February, 15 May, 15 August and 15 November 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 US$0.6 million (R9.7 million) (2021: US$0.5 million (R9.0 million)).

Guaranty fee

A guaranty fee of 4% per annum is 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 US$1.3 million (R21.0 million) during the year under review (2021: US$1.1 million (R18.6 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 US$2 500 (R38 250) during the year under review (2021: US$0.04 million (R0.6 million)).

Facility fee

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

Maintenance fee

An annual maintenance fee of US$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, commencing on 15 November 2020. The maintenance fee covers administrative costs relating to the loan. Tetra4 paid US$0.04 million (R0.5 million) during the year under review (2021: US$0.04 million (R0.5 million)).

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 (note 9) 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.

IDC

Tetra4 entered into a R160.7 million loan agreement with the IDC on 17 December 2021. An amount of R158.8 million was drawn down on 22 December 2021 and is repayable in 102 equal monthly payments commencing in July 2023. The loan terms include a 12-month interest capitalisation and an 18-month capital repayment moratorium. The loan accrues interest at the prime lending rate plus 3.5% and is secured by a pledge of the Group's assets under construction, land and the Debt Service Reserve Account disclosed in notes 3 and 9.

Debt coventants

The following debt covenants apply to the IDC loan.

a) Tetra4 is required to maintain the following the same financial and reserve tail ratios as mentioned under the DFC loan.

b) In addition, Tetra4 shall not make any shareholder dividend distribution, repay any shareholders' loans and/or pay any interest on shareholders' loans or make any payments whatsoever to its shareholders without the IDC's prior written consent, if:

- Tetra4 is in breach of any term of the loan agreement; or
- The making of such payment would result in a breach of any one or more of the financial ratios above.

The covenants in a) will apply from 1 August 2023.

Notes to the financial statements

15. LEASE LIABILITIES

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Non-current liabilities	1 407	3 183	-	-
Current liabilities	1 775	3 007	-	-
	3 182	**6 190**	**-**	**-**

The maturity analysis of lease liabilities is as follows:

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Lease payments				
Due within one year	1 990	3 487	-	-
Due within two to five years	1 518	3 509	-	-
	3 508	**6 996**	**-**	**-**
Finance charges	(326)	(806)	-	-
Net present value	**3 182**	**6 190**	**-**	**-**

The lease liability relates to the lease of certain motor vehicles and the head office building. At the end of the lease term, the Group will take ownership of the motor vehicles. The net book value of the right of use assets as at 28 February 2022 is R3.7 million (28 February 2021: R6.2 million). The lease term for motor vehicles is 5 years and 3 years for the head office building.

There were no breaches or defaults on 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:

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Short term leases	-	-	-	-
Leases of low value assets	386	227	-	-
Total	**386**	**227**	**-**	**-**

As at 28 February 2022 the Group was committed to leases of low value assets and total commitments at that date were R0.5 million (2021: R0.9 million). Payments made during the year relating to low value leases totalled R0.4 million (2021: R0.2 million).

A reconciliation for the related right-of-use assets is provided in note 3 and the interest expense on leases are disclosed in note 23.

The movement in lease liabilities is outlined below:

Group 2022

Figures in Rand Thousands	At 1 March 2021	Interest expense	Interest paid	Lease payments	At 28 February 2022
Lease liabilities	6 190	480	(480)	(3 008)	3 182
Total	**6 190**	**480**	**(480)**	**(3 008)**	**3 182**

Group 2021

Figures in Rand Thousands	At 1 March 2020	Non-cash movements: terminations	Non-cash movements: additions	Interest paid	Lease payments	At 28 February 2021
Lease liabilities	5 512	(2 076)	5 850	(572)	(2 524)	6 190
Total	**5 512**	**(2 076)**	**5 850**	**(572)**	**(2 524)**	**6 190**

Company 2021

Figures in Rand Thousands	At 1 March 2020	Non-cash movements: terminations	Interest paid	Lease payments	At 28 February 2021
Lease liabilities	3 370	(2 075)	(243)	(1 052)	-
Total	**3 370**	**(2 075)**	**(243)**	**(1 052)**	**-**

Notes to the financial statements

16. PROVISONS

RECONCILIATION OF PROVISIONS

	GROUP					
			2022			2021
Figures in Rand Thousands	Opening Balance	Additions / (reversals)	Total	Opening Balance	Additions / (reversals)	Total
NON-CURRENT LIABILITIES						
Environmental rehabilitation	4 000	25 486	29 486	4 000	-	4 000
CURRENT LIABILITIES						
Environmental rehabilitation	-	1 272	1 272	-	-	-
Provision for IDC costs	2 180	(2 180)	-	2 180	-	2 180
	2 180	**(908)**	**1 272**	**2 180**	**-**	**2 180**
Total	**6 180**	**24 578**	**30 758**	**6 180**	**-**	**6 180**

Additional amounts recognised with respect to the rehabilitation provision were recorded against assets under construction within property, plant and equipment (see note 3). There is no unwinding of the discount typically applied on initial recognition of provisions as the additional rehabilitation costs amounting to R26.8 million were recognised at 28 February 2022. The unwinding of the discount applicable to the opening balance of R4.0 million is immaterial.

ENVIRONMENTAL REHABILITATION

The Group has production and exploration rights on land in the Free State (South Africa). Exploration is currently ongoing and a provision of R30.8 million (2021: R4.0 million) has been recognised with respect to the rehabilitation of this land. This amount is based on an estimate of the costs to be incurred to address the following:

- Disturbed infrastructure areas;
- Existing production wells and all exploration wells;
- General surface rehabilitation;
- Monitoring; and
- Latent/residual environmental risk related to resealing wells.

This note should be read together with notes 3 and 9.

IDC PROVISION

The Group entered into a loan agreement with the IDC on 31 March 2017 for an amount equal to R218.0 million to fund the acquisition and construction of the gas gathering pipeline and associated installation costs, compression stations, power steam and plant in Virginia in the Free State province. Shortly after concluding the loan agreement the Board took a strategic decision to pivot away from compressed natural gas (CNG) and opted to develop a liquified natural gas (LNG) and helium facility. The loan agreement was cancelled during the 2019 financial year and 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 2020 year to 1% of the amount that would have been advanced. During the current year the provision was reversed due to the cancellation by the IDC of the historical commitment and administration fees on inception of the new loan agreement referred to in note 14.

17. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
FINANCIAL INSTRUMENTS				
Trade payables	6 225	3 976	180	64
Accrued bonus	3 344	5 637	-	1 034
Accrued expenses*	9 275	14 133	544	196
NON-FINANCIAL INSTRUMENTS				
Accrued leave pay	2 758	3 486	-	-
Value-added tax	-	59	-	59
Total	**21 602**	**27 291**	**724**	**1 353**

*Accrued expenses includes an accrual for new plant preparation costs of R5.9 million (included in assets under construction note 3). Prior year accruals included gas gathering costs (also included in assets under construction note 3) of R10.1 million.

The carrying values of the Group's trade and other payables are denominated in the following currencies:

US Dollar	28	-	-	-
Australian Dollar	144	-	139	-
South African Rand	21 430	27 291	585	1 353
	21 602	**27 291**	**724**	**1 353**

Notes to the financial statements

18. REVENUE

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of CNG	2 637	1 925	-	-
Management fees	-	-	-	16 442
	2 637	**1 925**	**-**	**16 442**

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
SALE OF GOODS				
Sale of CNG	2 637	1 925	-	-
PROVISION OF SERVICES				
Management fees	-	-	-	16 442
Total revenue from contracts with customers	**2 637**	**1 925**	**-**	**16 442**

Revenue increased by 37% during the year under review as Tetra4 was fully operational throughout the year. Tetra4 did not trade for two months in the prior comparative period due to COVID-19 lockdown restrictions.

The management service fee arrangement between Renergen and Tetra4 was suspended on 28 February 2021 pending the finalisation of the management restructuring which will allocate the existing management team between the two entities based on the requirements of the Group once the plant becomes operational. As such there were no management fees earned during the period.

This note should be read together with note 6 which provides details on the disaggregation and concentration of revenue.

19. COST OF SALES

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Employee costs	689	838	-	-
Plant depreciation	2 142	1 841	-	-
Repairs and maintenance	-	59	-	-
Fuel and lubricants	88	-	-	-
Utilities	493	104	-	-
	3 412	**2 842**	**-**	**-**

20. OTHER OPERATING INCOME

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Rental income	-	144	-	899
Profit on disposal of asset	-	460	-	460
Net foreign exchange gains	3 569	-	12	-
Other income	167	307	-	399
	3 736	**911**	**12**	**1 758**

The net foreign exchange gains above (losses in the prior year per note 21) arose on translation of foreign creditors.

21. OTHER OPERATING EXPENSES

Figures in Rand Thousands		GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
OPERATING EXPENSES BY NATURE					
Consulting and advisory fees	1	1 883	6 099	1 148	3 258
Listing costs	2	1 568	437	1 568	437
Employee costs	3	3 280	6 417	-	1 017
Depreciation and amortisation	4	3 378	3 060	322	1 572
Net foreign exchange losses	5	-	8 916	-	100
Computer and IT expenses		3 412	2 619	16	4
Security		1 871	1 095	-	-
Insurance		1 548	1 534	-	-
Legal and professional fees		4 529	3 336	2 230	2 675
Other operating costs	7	9 107	3 132	428	378
Directors fees - Non-executive		2 295	2 162	2 295	2 162
Executive directors' remuneration	6	5 336	6 162	-	3 122
		38 207	**44 969**	**8 007**	**14 725**

1 *Prior year consulting and advisory fees were significantly higher than the current year due to expertise sought to enhance and further define the Group's exploration strategy. Current year fees primarily comprise tax advisory, remuneration consultancy and corporate research costs.*
2 *Listing costs in the current year were impacted by additional listing fees for the shares issued as highlighted in note 12.*
3 *Excludes employee costs amounting to R0.7 million (2021: R0.8 million) attributable 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.*
4 *Excludes depreciation for plant and machinery amounting to R2.1 million (2021: R1.8 million) which is included in cost of sales.*
5 *There is a net foreign exchange gain of R3.6 million in the current year (see note 20).*
6 *Directors fees amounting to R9.7 million (2021: R7.1 million) were capitalised to assets under construction (note 3) during the year under review.*
7 *The remaining other operating costs primarily consist of marketing and advertising expenses, travel and accomodation costs, training expenses, office expenses, motor vehicle costs, repairs and maintenance and exploration expenses.*

Notes to the financial statements

22. INTEREST INCOME

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Interest income - cash and cash equivalents	275	672	83	621
	275	**672**	**83**	**621**

23. INTEREST EXPENSE AND IMPUTED INTEREST

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
Interest - leasing arrangements	480	572	-	243
Imputed interest - borrowings	3 708	4 113	-	-
Interest - other	29	6	-	3
	4 217	**4 691**	**-**	**246**

24. TAXATION

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
MAJOR COMPONENTS OF THE TAX INCOME				
Deferred				
Originating and reversing temporary differences	8 553	3 343	387	(1 132)
Prior year underprovision	-	4 829	-	2 456
	8 553	**8 172**	**387**	**1 324**
RECONCILIATION OF EFFECTIVE TAX RATE				
Accounting (loss)/profit before taxation	(42 303)	(50 792)	(7 964)	2 843
Tax at the applicable tax rate of 28% (2021: 28%)	11 845	14 222	2 230	(796)
Tax effect of:				
Non-deductible expenses[1]	(1 440)	(1 736)	(14)	(336)
Current year losses for which no deferred tax asset has been recognised	(9 288)	(9 143)	(1 614)	-
Increase in rehabilitation guarantee	9 057	-	-	-
Effect of change in tax rate	(1 621)	-	(215)	-
Prior year underprovision[2]	-	4 829		2 456
	8 553	**8 172**	**387**	**1 324**

[1] Non-deductible expenses primarily comprise share-based payments expenses and imputed interest expense.
[2] Attributable to deferred tax credits on accruals leave and bonus.

25. REVALUATION RESERVE

Figures in Rand Thousands	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Balance at the beginning of the year	598	598	-	-
Balance at the end of the year	**598**	**598**	**-**	**-**

Details pertaining to the revaluation of properties are provided in note 3.

26. CASH USED IN OPERATIONS

Figures in Rand Thousands	Notes	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
Loss before taxation		**(42 303)**	**(50 792)**	**(7 964)**	**2 843**
CASH ADJUSTMENTS					
Interest received	22	(275)	(672)	(83)	(621)
Cash interest paid	23	29	6	-	3
Allocation of restricted cash	9	(17 184)	(6 136)	-	-
Right of use liability - interest expense	23	480	572	-	243
NON-CASH ADJUSTMENTS					
Imputed interest	23	3 708	4 113	-	-
Depreciation and amortisation	19, 21	5 520	4 744	322	1 572
Net fair value losses on put option contracts		-	10 298	-	-
Share-based payments expense	13	3 115	1 798	52	1 007
Profit on lease termination		-	(460)	-	(460)
Decrease in IDC provision	16	(2 180)	-	-	-
Decrease in leave pay accrual		(728)	(924)	-	(1 461)
Decrease in bonus accrual		(2 293)	(2 340)	-	(4 872)

Figures in Rand Thousands	Notes	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS					
Net foreign exchange (gains)/losses		(4 899)	3 028	(152)	-
CHANGES IN WORKING CAPITAL					
Trade and other receivables		(19 263)	(1 985)	(677)	284
Trade and other payables		(2 668)	14 170	(629)	(663)
		(78 941)	**(24 580)**	**(9 131)**	**(2 125)**

27. CHANGES IN LIABILITES ARISING FROM FINANCING ACTIVITIES

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Figures in Rand Thousands	GROUP 2022 At 1 March 2021	Additions	Interest[1]	Non-cash movements: foreign exchange losses[2]	Repayments[3]	At 28 February 2022
Molopo Energy Limited (Molopo)	43 053	-	3 708	-	-	46 761
US International Development Finance Corporation (DFC)	491 240	112 145	31 293	10 619	(31 293)	614 004
Industrial Development Corporation (IDC)	-	158 844	3 231	-	-	162 075
Total liabilities from financing activities	**534 293**	**270 989**	**38 232**	**10 619**	**(31 293)**	**822 840**

[1] Interest on the Molopo loan is non-cash imputed interest representing the unwinding of the discount applied on initial recognition of the loan (see notes 14 and 23). Interest on the DFC and IDC loans is cash in nature and is capitalised to assets under construction within property, plant and equipment (see note 3).

[2] Exchange differences are capitalised to assets under construction within property, plant and equipments (see note 3)

[3] Repayments of interest and fees attributable to the DFC loan in line with loan terms (see note 14).

Figures in Rand Thousands	At 1 March 2020	Additions	Non-cash movements: imputed interest[1]	Non-cash movements: foreign exchange gains[2]	At 28 February 2021
	GROUP 2021				
Molopo Energy Limited (Molopo)	38 940	-	4 113	-	43 053
US International Development Finance Corporation (DFC)	312 242	216 282	-	(37 284)	491 240
Total liabilities from financing activities	**351 182**	**216 282**	**4 113**	**(37 284)**	**534 293**

[1] *Interest on the Molopo loan is non-cash imputed interest representing the unwinding of the discount applied on initial recognition of the loan (see notes 14 and 23).*
[2] *Exchange differences are capitalised to assets under construction within property, plant and equipments (see note 3)*

28. COMMITMENTS

Contingent liabilities

There are no contingent liabilities as at 28 February 2022 (2021: nil) attributable to any of the Group companies.

Commitments			**2022**
Figures in Rand Thousands	**Spent to date**	**Contractual commitments**	**Total approved**
Capital equipment	390,0	219,7	609,7
TOTAL	**390,0**	**219,7**	**609,7**

Commitments			**2021**
Figures in Rand Thousands	**Spent to date**	**Contractual commitments**	**Total approved**
Capital equipment	321,6	207,5	529,1
TOTAL	**321,6**	**207,5**	**529,1**

The Board approved total project costs amounting to R1.1 billion relating to the construction of the Virginia Gas Plant which consist of R609.7 million (2021: R529.1 million) in contractual commitments for capital equipment. The remaining amount of R516.3 million has not been contracted or does not relate to capital equipment. 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 amounting to R219.7 million (2021: R207.5 million) for the acquisition of property, plant and equipment under various contracts.

Notes to the financial statements

29. RELATED PARTIES

RELATIONSHIPS

Subsidiary	Tetra4 (Proprietary) Limited (see note 5)
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. Refer to the directors' report for more detail.

RELATED PARTY BALANCES

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
LOAN TO SUBSIDIARY (note 7)				
Balance at the beginning of the year	-	-	395 775	370 907
Loans advanced	-	-	92 902	24 868
Balance at the end of the year	**-**	**-**	**488 677**	**395 775**

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
COSTS CHARGED TO SUBSIDIARY BY PARENT COMPANY				
Office rental	-	-	-	899
Management fees (note 18)	-	-	-	16 442
Total cost	**-**	**-**	**-**	**17 341**

This note should be read together with note 18 regarding management fees.

30. DIRECTORS' AND PRESCRIBED OFFICERS EMOLUMENTS

Figures in Rand Thousands	GROUP					
	NON-EXECUTIVES					
			2022			2021
Fees paid to Non-executive Directors:	**Directors' board fees**	**Committee fees**	**Total**	**Directors' board fees**	**Committee fees**	**Total**
Brett Kimber	550	59	609	647	71	718
David King	338	4	342	240	-	240
Mbali Swana	240	207	447	240	165	405
Luigi Matteucci	254	224	478	240	185	425
Bane Maleke	254	165	419	240	134	374
TOTAL	**1 636**	**659**	**2 295**	**1 607**	**555**	**2 162**

Francois Olivier appointed as a Non-executive Director in November 2019 to represent Mazi Asset Management (one of Renergen's shareholders) does earn Directors fees.

Figures in Rand Thousands	GROUP								
	EXECUTIVES								
					2022				2021
Remuneration paid to Executive Directors:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Other[3]**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**
Stefano Marani	4 320	860	860	-	6 040	4 000	1 003	1 003	6 006
Fulu Ravele[1]	227	-	-	1 444	1 671	2 721	486	486	3 693
Brian Harvey[2]	2 917	-	500	-	3 417	-	-	-	-
Nick Mitchell	4 320	916	916	-	6 152	4 000	1 003	1 003	6 006
	11 784	**1 776**	**2 276**	**1 444**	**17 280**	**10 721**	**2 492**	**2 492**	**15 705**

[1] *Resigned on 31 March 2021*

[2] *Appointed on 1 May 2021*

[3] *Payment made as part of exit package upon resignation on 31 March 2021*

Notes to the financial statements

Figures in Rand Thousands	GROUP							
	PRESCRIBED OFFICERS							
	2022				2021			
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**
Johann Weideman	1 953	198	198	2 349	1 750	236	236	2 222
Khalid Patel	1 552	149	149	1 850	1 309	155	155	1 619
Mandy-Leigh Stuart	1 399	111	111	1 621	1 017	121	121	1 259
Nalanie Naidu	1 610	148	148	1 906	-	-	-	-
Muhammed Khan[1]	-	-	-	-	1 236	147	147	1 530
	6 514	**606**	**606**	**7 726**	**5 312**	**659**	**659**	**6 630**

[1] *Resigned on 31 January 2021*

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

Figures in Rand Thousands	GROUP					
	EXECUTIVES AND PRESCRIBED OFFICERS					
	2022			2021		
Bonus shares granted to Executive Directors and Prescribed Officers:	**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 (R000)**
Stefano Marani	38	22,78	860	74	13,55	1 003
Brian Harvey	22	22,78	500	-	-	-
Fulu Ravele	-	-	-	36	13,55	486
Nick Mitchell	40	22,78	916	74	13,55	1 003
Johann Weideman	9	22,78	198	17	13,55	236
Khalid Patel	6	22,78	149	11	13,55	155
Mandy-Leigh Stuart	5	22,78	111	9	13,55	121
Nalanie Naidu	6	22,78	148	-	-	-
Muhammed Khan	-	-	-	11	13,55	147
	126		**2 882**	**232**		**3 151**

Figures in Rand Thousands	GROUP		
	EXECUTIVES AND PRESCRIBED OFFICERS		
			2022
Share options granted to Executive Directors and Prescribed Officers pursuant to the SAR Plan:	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)**
Stefano Marani	2 360		3 687
Tier 1	320	4,64	1 485
Tier 2	500	2,20	1 100
Tier 3	680	1,14	775
Tier 4	860	0,38	327
Brian Harvey	1 652		2 581
Tier 1	224	4,64	1 039
Tier 2	350	2,20	770
Tier 3	476	1,14	543
Tier 4	602	0,38	229
Nick Mitchell	2 360		3 687
Tier 1	320	4,64	1 485
Tier 2	500	2,20	1 100
Tier 3	680	1,14	775
Tier 4	860	0,38	327
Johann Weideman	400		597
Tier 1	50	4,64	232
Tier 2	75	2,20	165
Tier 3	125	1,14	143
Tier 4	150	0,38	57
Khalid Patel	400		597
Tier 1	50	4,64	232
Tier 2	75	2,20	165
Tier 3	125	1,14	143
Tier 4	150	0,38	57
Mandy-Leigh Stuart	400		597
Tier 1	50	4,64	232
Tier 2	75	2,20	165
Tier 3	125	1,14	143
Tier 4	150	0,38	57
Nalanie Naidu	400		597
Tier 1	50	4,64	232
Tier 2	75	2,20	165
Tier 3	125	1,14	143
Tier 4	150	0,38	57
	7 972		12 343

The performance and service conditions for the above share options and bonus scheme shares are provided in note 13.

Notes to the financial statements

31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

CATEGORIES OF FINANCIAL INSTRUMENTS

Categories of financial assets

		GROUP					
		2022			2021		
Figures in Rand Thousands	Notes	Amortised cost	Total	Fair value	Amortised cost	Total	Fair value
Restricted cash	9	37 995	37 995	37 995	19 026	19 026	19 026
Trade and other receivables	10	27 032	27 032	27 032	7 769	7 769	7 769
Cash and cash equivalents	11	95 088	95 088	95 088	130 878	130 878	130 878
		160 115	**160 115**	**160 115**	**157 673**	**157 673**	**157 673**

		COMPANY					
		2022			2021		
Figures in Rand Thousands	Notes	Amortised cost	Total	Fair value	Amortised cost	Total	Fair value
Loan to subsidiary	7	488 677	488 677	488 677	395 775	395 775	395 775
Cash and cash equivalents	11	9 362	9 362	9 362	1 096	1 096	1 096
Trade and other receivables	10	957	957	957	280	280	280
		498 996	**498 996**	**498 996**	**397 151**	**397 151**	**397 151**

Categories of financial liabilities

		GROUP 2022			
Figures in Rand Thousands	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	17	21 602	-	21 602	21 602
Borrowings	14	822 840	-	822 840	822 840
Lease liabilities	15	-	3 182	3 182	3 182
		844 442	**3 182**	**847 624**	**847 624**

Figures in Rand Thousands			GROUP 2021		
Figures in Rand Thousands	Notes	Amortised cost	Leases	Total	Fair value
Trade and other payables	17	27 291	-	27 291	27 291
Borrowings	14	534 293	-	534 293	534 293
Lease liabilities	15	-	6 190	6 190	6 190
		561 584	**6 190**	**567 774**	**567 774**

		COMPANY 2022		
Figures in Rand Thousands	Notes	Amortised cost	Total	Fair value
Trade and other payables	17	724	724	724
		724	**724**	**724**

		COMPANY 2021		
Figures in Rand Thousands	Notes	Amortised cost	Total	Fair value
Trade and other payables	17	1 353	1 353	1 353
		1 353	**1 353**	**1 353**

Notes to the financial statements

PRE-TAX GAINS AND LOSSES ON FINANCIAL INSTRUMENTS

Gains and (losses) on financial assets

		GROUP			
		2022		2021	
Figures in Rand Thousands	Notes	Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income	22	275	275	672	672

		GROUP			
		2022		2021	
Figures in Rand Thousands	Notes	Fair value	Total	Fair value	Total
Net fair value gains on put option contracts	26	-	-	10 298	10 298

		COMPANY			
		2022		2021	
Figures in Rand Thousands	Notes	Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income	22	83	83	621	621

Gains and (losses) on financial liabilities

		GROUP			
		2022		2021	
Figures in Rand Thousands	Notes	Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Gains/(losses) on foreign exchange	20, 21	3 569	3 569	(8 916)	(8 916)
Interest expense	23	(509)	(509)	(578)	(578)
Imputed interest expense	23	(3 708)	(3 708)	(4 113)	(4 113)
		(648)	**(648)**	**(13 607)**	**(13 607)**

		COMPANY			
		2022		2021	
Figures in Rand Thousands	**Notes**	**Amortised cost**	**Total**	**Amortised cost**	**Total**
RECOGNISED IN PROFIT OR LOSS					
Interest expense	23	-	-	(246)	(246)
Gains/(losses) on foreign exchange	20, 21	12	12	(100)	(100)
		12	**12**	**(346)**	**(346)**

CAPITAL RISK MANAGEMENT

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

The Group's borrowings, cash and cash equivalents and equity are disclosed in notes 14, 11 and 12, respectively. Debt covenants relating to loans are disclosed in note 14.

FINANCIAL RISK MANAGEMENT

Overview

The Group is exposed to a variety of financial risks: market risk (including price risk, 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 focusses 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 cash resources.

Credit risk

Credit risk is managed on a Group basis as well as on an individual company basis. Credit risk arises mainly from restricted cash (note 9), cash and cash equivalents (note 11), trade and other receivables (note 10) and the loan to subsidiary (note 7). The Company and Group only deposit cash with major banks with high-quality credit standing and limit exposure to any one counterparty. With respect to trade receivables, it is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures which include an assessment of credit worthiness, short term liquidity and financial position. The maximum credit risk exposure of the Company and the Group is the carrying values of trade and other receivables, restricted cash, cash and cash equivalents and the loan to subsidiary disclosed in notes 10, 9, 11 and 7

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Notes to the financial statements

GROUP

Figures in Rand Thousands	**Notes**	**2022** Gross carrying amount	**2022** Credit loss allowance	**2022** Amortised cost / fair value	**2021** Gross carrying amount	**2021** Credit loss allowance	**2021** Amortised cost / fair value
Trade and other receivables	10	1 492	-	1 492	2 450	-	2 450
Restricted cash	9	37 995	-	37 995	19 026	-	19 026
Cash and cash equivalents	11	95 088	-	95 088	130 878	-	130 878
		134 575	**-**	**134 575**	**152 354**	**-**	**152 354**

COMPANY

Figures in Rand Thousands	**Notes**	**2022** Gross carrying amount	**2022** Credit loss allowance	**2022** Amortised cost / fair value	**2021** Gross carrying amount	**2021** Credit loss allowance	**2021** Amortised cost / fair value
Loan to subsidiary	7	488 677	-	488 677	395 775	-	395 775
Trade and other receivables	10	882	-	882	100	-	100
Cash and cash equivalents	11	9 362	-	9 362	1 096	-	1 096
		498 921	**-**	**498 921**	**396 971**	**-**	**396 971**

At 28 February 2022, the Group's exposure to credit risk is not material for reasons highlighted above (also see note 10).

Liquidity risk

Management manages cash flows on a Group basis through an ongoing review of future commitments against available cash and credit facilities. Cash flow forecasts are prepared and spending is monitored for compliance with internal targets.

Figures in Rand Thousands	Notes	GROUP 2022 Within 3 months	Within 4 - 6 months	Within 7 -12 months	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES								
Borrowings	14	-	-	-	652 427	341 668	994 095	773 056
Lease Liabilities	15	-	-	-	1 518	-	1 518	1 407
CURRENT LIABILITIES								
Borrowings	14	8 831	25 426	50 673	-	-	84 930	49 784
Trade and other payables	17	18 844	-	2 758	-	-	21 602	21 602
Lease liabilities	15	498	498	994	-	-	1 990	1 775
		28 173	**25 924**	**54 425**	**653 945**	**341 668**	**1 104 135**	**847 624**

Figures in Rand Thousands	Notes	GROUP 2021 Within 3 months	Within 4 - 6 months	Within 7 -12 months	2 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES								
Borrowings[1]	14	7 211	7 211	14 422	291 134	402 151	722 129	534 293
Lease Liabilities	15	-	-	-	3 509	-	3 509	3 183
CURRENT LIABILITIES								
Trade and other payables	17	23 805	-	3 486	-	-	27 291	27 291
Lease liabilities	15	872	872	1 744	-	-	3 488	3 007
		31 888	**8 083**	**19 652**	**294 643**	**402 151**	**756 417**	**567 774**

[1] *Amounts shown as due in 12 months relate to interest and fees that will accrue and become payable during the 12 months after 28 February 2021, and do not relate to the payment of principal on the DFC which becomes due and payable from August 2022. As such all borrowings are reflected as non-current in the statement of financial position. Payment terms of the borrowings are disclosed in note 14.*

Notes to the financial statements

Figures in Rand Thousands	Notes	COMPANY 2022 Within 3 months	Within 4 - 6 months	Within 7 -12 months	2 to 5 years	Over 5 years	Total	Carrying amount
CURRENT LIABILITIES								
Trade and other payables	17	724	-	-	-	-	724	724
		724	**-**	**-**	**-**	**-**	**724**	**724**

Figures in Rand Thousands	Notes	COMPANY 2021 Within 3 months	Within 4 - 6 months	Within 7 -12 months	2 to 5 years	Over 5 years	Total	Carrying amount
CURRENT LIABILITIES								
Trade and other payables	17	1 353	-	-	-	-	1 353	1 353
		1 353	**-**	**-**	**-**	**-**	**1 353**	**1 353**

Market risk

The Group's financial assets and liabilities affected by market risk include cash and cash equivalents (note 11), restricted cash (note 9) and borrowings (note 14).

Foreign currency risk

The Group is exposed to foreign exchange risk arising from the US Dollar and the Australian Dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The Company and Group review foreign currency exposure, including exposures arising from commitments on an ongoing basis.

Included in the statement of financial position are the following carrying values denominated in currencies other than the Rand:

		GROUP		COMPANY	
Figures in Rand Thousands	**Notes**	**2022**	**2021**	**2022**	**2021**
Restricted cash	9	34 257	16 139	-	-
Cash and cash equivalents	11	2 206	17 248	-	-
Trade and other payables	17	28	-	-	-
Borrowings	14	(614 004)	(491 241)	-	-
		(577 513)	**(457 854)**	**-**	**-**

The above financial assets and liabilities are denominated in US Dollars except for the current year cash and cash equivalents which are denominated in Australian Dollars.

	GROUP		COMPANY	
Figures in Rand Thousands	**2022**	**2021**	**2022**	**2021**
A variation in the exchange rate would impact the Group post tax loss as follows:				
Weakening of Rand against the US dollar by 2%	(11 594)	(9 157)	-	-
Strengthening of Rand against the US dollar by 2%	11 594	9 157	-	-

The impact of fluctuations in the Australian Dollar against the Rand is not material at 28 February 2022.

Price risk

The Group is exposed to the risk of fluctuations in the prices of helium and CNG. The Group manages this risk through the use of contract-based prices with its customer which mitigate the volatity that may arise. As the Group grows and the Virginia Gas Plant becomes operational, the Group will consider options available to hedge its price risk exposure and is currently exploring the use of helium tokens currently under development (see note 4) as one way to manage this risk. At 28 February 2022 the Group's exposure to price risk is not material.

Interest rate risk

The Group's interest rate risk arises from its DFC and IDC borrowings disclosed in note 14. The DFC borrowings expose the Group to fair value interest rate risk as they are secured at fixed interest rates. The IDC borrowings expose the Group to cash flow interest rate risk as they are secured at a variable interest rate. If the Group is unable to repay the Molopo loan by 31 December 2022 it will become exposed to further variable interest rate risk, as interest will become payable on the Molopo loan at the prime lending rate plus 2% (see note 14). The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings, and also by monitoring interest rates on a regular basis.

A variation in the interest rate would impact the Group post tax loss as follows:

	GROUP 2022	GROUP 2021	COMPANY 2022	COMPANY 2021
USD borrowings - DFC				
A 2% increase in the interest rate	(12 280)	(9 825)	-	-
A 2% decrease in the interest rate	12 280	9 825	-	-
Rand borrowings - IDC				
A 5% increase in the interest rate	(8 104)	-	-	-
A 5% decrease in the interest rate	8 104	-	-	-

Notes to the financial statements

32. LOSS PER SHARE

Figures in Rand Thousands		GROUP 2022	GROUP 2021
Loss per share			
Basic and diluted	(cents)	(27,73)	(36,29)
Loss attributable to equity holders of the Company used in the calculation of the basic and diluted loss per share	R'000	(33 750)	(42 620)
Weighted average number of ordinary shares used in the calculation of basic loss per share:	**(000's)**	**121 689**	**117 454**
Issued shares at the beginning of the year	(000's)	117 508	117 427
Effect of shares issued during the year (weighted)	(000's)	4 181	27
Add: Dilutive share options		-	-
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**(000's)**	**121 689**	**117 454**

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 are anti-dilutive because of the loss position of the Group.

		2022	2021
Headline loss per share			
Basic	(cents)	(27,73)	(36,29)
Diluted	(cents)	(27,73)	(36,29)
Reconciliation of headline loss			
Loss attributable to equity holders of the Company	R'000	(33 750)	(42 620)
Headline loss	**R'000**	**(33 750)**	**(42 620)**

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

33. NET ASSET VALUE PER SHARE

Figures in Rand Thousands		GROUP 2022	GROUP 2021
Number of shares in issue	(000's)	123 934	117 508
Net assets	R'000	286 312	206 408
Tangible net assets	R'000	132 289	94 253
Net asset value per share	**(cents)**	**231,02**	**175,65**
Tangible net asset value per share	**(cents)**	**106,74**	**80,21**

34. EVENTS AFTER THE REPORTING PERIOD

Funding for Phase 2 Helium and LNG development

On 14 March 2022 Ivanhoe Mines Limited ("Ivanhoe") became a 4.35% shareholder in Renergen through an initial placement of 5,631,787 shares at R35.625 per share (equal to a 5% discount to 30-day VWAP) raising a total of R200.6 million. Ivanhoe is a Canadian mining company focused on developing disruptive projects, including the world-class Kamoa-Kakula Copper Project in the Democratic Republic of the Congo.

This strategic investment establishes a pathway for Ivanhoe to increase its shareholding in Renergen up to a 25% shareholding through a market-related (10% discount to 30-day VWAP) Second Subscription, following completion of a 120-day due diligence period (commencing immediately).

Following completion of the Second Subscription, Ivanhoe thereafter has the option to increase its shareholding in Renergen up to 55%, by electing to provide equity funding of up to US$250,000,000 at a market related price (10% discount to 30-day VWAP) for further development and up-scaling of the Virginia Gas Project.

The strategic investment by Ivanhoe comes at a time where the current global LNG and helium markets are in shortfall. It also highlights the excellent growth of Renergen and significant and exciting opportunity for the Virginia Gas Project to become a significant global LNG and helium producer.
This transaction also paves the way for Renergen to access significant capital towards the Phase 2 development, diversifies its investor base into North America, and minimises potential dilution to existing shareholders as further investments from Ivanhoe are linked to the prevailing share price at the time of subsequent investments.

Planned disposal of a 10% interest in Tetra4 by Renergen

On 28 March 2022 Renergen signed a non binding term sheet with State-owned Central Energy Fund (CEF) to sell 10% of its subsidiary company Tetra4, 100% owner of Virginia Gas Project for R1.0 billion. Renergen and the CEF have 141 days to execute binding agreements and following completion Renergen has the right to renegotiate price. Proceeds from the CEF subscription will be used to progress development of Phase 2 of the Virginia Gas Project.

The transaction is subject to the following conditions precedent:

- Successful completion of a technical, commercial, financial, legal and tax due diligence;
- Internal CEF approval;
- Department of Minerals and Energy ministerial approval;
- National Treasury approval; and
- Signing of binding legal agreements.

Early success in production drilling programme

On 31 March 2022 Renergen announced early success in its recently commenced production drilling campaign for feed to Phase 1 of the Virginia Gas Project. The first two wells in the campaign have flowed initial gas (gas composition yet to be determined). In addition, the previously reported R2D2 has following clean-up operations increased its flow rate by 18,000 standard cubic feet, or 15% since the well was first completed. The two new wells drilled are as follows:

- Frodo: first well drilled since R2D2 and C3PO. The well was drilled to target depth within 10 days and struck gas early with a flow rate of 23,000 standard cubic feet per day.
- Balrog: the second well drilled and struck gas during the last weekend of March 2022. The flow rate through a diverter is recording 90,000 standard cubic feet per day, indicating potentially higher stabilised flow following clean-up. Drilling is not yet complete and there is still some way to go before reaching target depth

New director appointment

On 4 April 2022 Alex Pickard was appointed as a Non-executive Director of Renergen. Alex Pickard is Vice President, Corporate Development for Ivanhoe.

Commencement of hot commissioning

On 12 April 2022 Renergen announced the commencement of hot commissioning of Phase 1 of the Virginia Gas Project. On 10th of April the generators where synchronised and breaker to the main supply substation was opened and tests conducted. The breaker to the two 6.6/400Kv transformers were opened and will run on a low load condition, to allow the transformers to soak until operating conditions are attained.

In the following days, hot commissioning of various utility systems commenced, starting with Air and Nitrogen. This will enable the flushing of some of the process plant areas to commence and is anticipated to start after the Easter weekend.

Lifting of state of disaster

The National State of Disaster in South Africa was lifted on 5 April 2022 and became effective on that date.

Cold boxes being pre-cooled in preparation for gas

On 2 May 2022 Renergen announced that it has made strong progress in commissioning of Phase 1 of the Virginia Gas Project. The cold boxes are currently in the process of being purged and pre-cooled using liquid nitrogen, which is an important process in preparing the units for acceptance of gas from the field in the coming weeks. A major advantage of using nitrogen to cool the system is that it simultaneously purges the system of any oxygen rich air, which significantly reduces risks associated with fires during start up. Further testing is underway as part of the commissioning process and the Company will inform the market as milestones are reached.

35. COVID-19

Refer to the commentary provided on page 39 regarding the impact of developments with COVID-19 on the Group's operations.

36. GOING CONCERN

The consolidated and separate financial statements have been prepared assuming the Group and Company will continue as going concerns. 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 and the Russia/Ukraine war which had a minimal impact on the Group and its operations during the year under review.

6

Shareholder Information

Analysis of shareholders

ANNUAL REPORT SHAREHOLDER ANALYSIS

Company: Renergen Limited
Register date: 25 February 2022
Issued Share Capital: 123 934 005

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
1 - 1 000 shares	27 804	84,49	3 981 961	3,21
1 001 - 10 000 shares	4 273	12,99	13 767 504	11,11
10 001 - 100 000 shares	730	2,22	19 899 246	16,06
100 001 - 1 000 000 shares	89	0,27	22 608 701	18,24
1 000 001 shares and over	11	0,03	63 676 593	51,38
Totals	**32 907**	**100,00**	**123 934 005**	**100,00**

DISTRIBUTION OF SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Banks/Brokers	59	0,18	9 080 509	7,33
Close Corporations	59	0,18	321 796	0,26
Endowment Funds	9	0,03	257 636	0,21
Individuals	31 724	96,41	35 832 355	28,91
Insurance Companies	11	0,03	820 369	0,66
Investment Companies	4	0,01	94 451	0,08
Medical Schemes	2	0,01	332 746	0,27
Mutual Funds	22	0,07	3 039 275	2,45
Other Corporations	127	0,39	225 644	0,18
Private Companies	525	1,60	48 140 462	38,84
Public Companies	8	0,02	10 976 991	8,86
Retirement Funds	87	0,26	12 510 406	10,09
Treasury Stock	1	0,00	26 401	0,02
Trusts	269	0,82	2 274 964	1,84
Totals	**32 907**	**100,00**	**123 934 005**	**100,00**

Analysis of shareholders

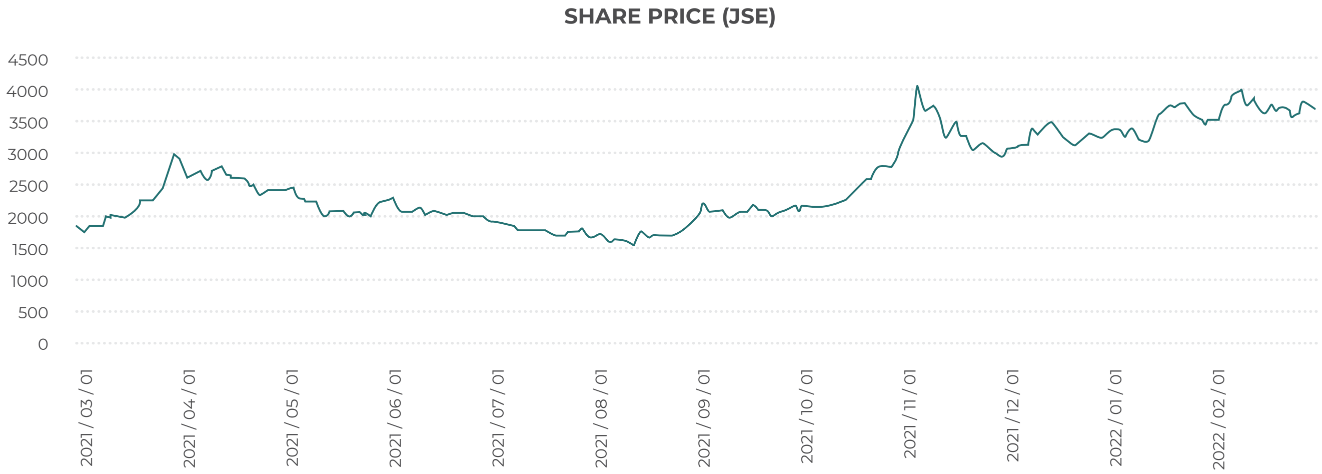
PUBLIC / NON - PUBLIC SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Non - Public Shareholders	*20*	*0,06*	*39 777 108*	*32,10*
Directors, Associates and Prescribed Officers of the Company	14	0,04	17 778 559	14,35
Strategic Holders more than 10%	6	0,02	21 998 549	17,75
Public Shareholders	*32 887*	*99,94*	*84 156 897*	*67,90*
Totals	**32 907**	**100,00**	**123 934 005**	**100,00**

Beneficial shareholders holding 5% or more	No of Shares	%
Tamryn Investment Holding (Pty) Ltd	21 998 549	17,75
Notable Pioneer Ltd	10 880 386	8,78
MATC Investments (Pty) Ltd	8 708 806	7,03
CRT Investments (Pty) Ltd	8 600 269	6,94
Government Employees Pension Fund	6 199 953	5,00
Totals	**56 387 963**	**45,50**

Institutional shareholders holding 3% or more	No of Shares	%
Mazi Asset Management	13 914 116	11,23
Peresec Prime Brokers	1 856 396	1,50
Citicorp Nominees (Pty) Ltd	1 652 467	1,33
	17 422 979	**14,06**

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
South Africa	29 387	89,30	86 039 015	69,42
Australasia	3 196	9,71	23 627 357	19,06
Asia	31	0,09	11 018 416	8,89
United Kingdom	31	0,09	1 762 404	1,42
Europe	17	0,05	774 126	0,62
Rest of the World	232	0,72	532 474	0,44
North America	13	0,04	180 213	0,15
Totals	**32 907**	**100,00**	**123 934 005**	**100,00**

Renergen share price and top 20 shareholders



TOP 20 SHAREHOLDERS ON THE JSE AND ASX

	SHAREHOLDER	NUMBER OF SHARES	% SHAREHOLDING
1.	TAMRYN INVESTMENT HOLDING (PTY) LTD	21 998 549	17,75%
2.	NOTABLE PIONEER LTD	10 880 386	8,78%
3.	MATC INVESTMENTS (PTY) LTD	8 708 806	7,03%
4.	CRT INVESTMENTS (PTY) LTD	8 600 269	6,94%
5.	GOVERNMENT EMPLOYEES PENSION FUND	6 199 953	5,00%
6.	ESKOM PENSION AND PROVIDENT FUND	2 558 390	2,06%
7.	HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	2 428 894	1,96%
8.	PERESEC PRIME BROKERS (PTY) LTD	1 856 396	1,50%
9.	CITICORP NOMINEES PTY LTD	1 652 467	1,33%
10.	ZOGHBY STEPHEN MICHAEL MR	975 659	0,79%
11.	FRB ITF 36ONE SNN QI HEDGE FUND	798 413	0,64%
12.	OTTO LOUANNE MARGARET MRS	700 253	0,57%
13.	UBS NOMINEES PTY LTD	643 595	0,52%
14.	CLEARSTREAM BANKING S.A LUXEMBOURG	576 839	0,47%
15.	SBSA ITF SIM SML CAP FND	573 973	0,46%
16.	SBG SECURITIES STRATE PROP TRADING	546 561	0,44%
17.	BRISPOT NOMINEES PTY LTD	545 442	0,44%
18.	MUNICIPAL WORKERS RETIREMENT FUND	540 473	0,44%
19.	TANMI PTY LTD	500 000	0,40%
20	BNP PARIBAS NOMINEES PTY LTD	498 098	0,40%

Notice of annual general meeting

Notice of annual general meeting

RENERGEN LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2014/195093/ 06)
JSE and A2X Share code: REN   ISIN code: ZAE000202610
LEI: 378900B1512179F35A69
Australian Business Number (ABN): 93 998 352 675
ASX Share code: RLT
("Renergen" or "the Company")

NOTICE TO SHAREHOLDERS OF THE ANNUAL GENERAL MEETING (AGM) OF RENERGEN LIMITED

Notice is hereby given that the AGM of shareholders of the company for the year ended 28 February 2022 will be held at 12:00 on Friday, 17 June 2022 in the boardroom at Renergen's offices situated at 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg. Registration for attendance will commence at 11:30.

QUORUM

A quorum for the purpose of considering the resolutions set out below consists of three shareholders of the Company, personally present or represented by proxy and entitled to vote at the AGM. In addition, a quorum will comprise 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions above.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services (Pty) Ltd, to be entitled to attend, participate in and vote at the AGM is Friday, 10 June 2022.

VOTING AND PROXIES

To record the votes more effectively and give effect to the intentions of shareholders, voting on all resolutions will be conducted by way of a poll. Any shareholder entitled to attend and vote at the AGM may appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the Company.

The attached form of proxy is to be completed only by those shareholders who are:

- Holding the Company's ordinary shares in certificated form; or
- Recorded on the electronic sub-register in "own name" dematerialised form.

Completion of a form of proxy will not preclude a shareholder from attending and voting (in preference to that shareholder's proxy) 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.

Notice of annual general meeting

A form of proxy is attached but may also be obtained on request from the company's registered office. Completed forms of proxy should be returned to the transfer secretaries, Computershare Investor Services (Pty) Ltd ("Computershare"), at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132), so as to reach them by no later than 12:00 on Tuesday, 14 June 2022. It may also be emailed to them at proxy@computershare.co.za. Any forms of proxy not submitted in this time may nevertheless be submitted to the transfer secretaries before the AGM or handed to the chairperson of the AGM before voting on a particular resolution commences.

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.

ELECTRONIC PARTICIPATION

In terms of section 61(10) of the Companies Act, every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders, or their proxies, may participate in a meeting by way of a teleconference call if they wish to do so. In this event:

- Written notice to participate via electronic communication must be sent to the company secretary, Acorim Secretarial and Governance Services ("Acorim"), at renergen@acorim.co.za to be received by no later than 12:00 on Tuesday, 14 June 2022.
- A pin number and dial-in details for the conference call will be provided.
- Shareholders will be billed separately by their own telephone service providers for the teleconference call to participate in the AGM.
- Valid identification will be required:
- If the shareholder is an individual, a certified copy of their identity document and/or passport.
- If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of teleconference call.
- No electronic voting facilities will be available so shareholders who wish to participate in the meeting by teleconference and wish to vote are still required to submit their proxy forms in advance.

Notice of annual general meeting

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:

Important dates and times (1), (2)	2022
Record date for determining which shareholders are entitled to receive the AGM notice	Friday, 13 May
Notice posted to shareholders on or about	Thursday, 19 May
Last day to trade to be eligible to participate and vote at the AGM	Tuesday, 7 June
Record date for attending and voting at the AGM(3)	Friday, 10 June
AGM to be held at 12:00	Friday, 17 June
Results of AGM to be released on SENS on	Friday, 17 June

Notes

1) All times referred to in this notice are local times in South Africa.

2) Any material variation of the above dates and times will be announced on SENS.

3) The board of directors of Renergen ("the Board") has determined that the record date for the purpose of determining which shareholders are entitled to receive the AGM notice is Friday, 13 May 2022, and the record date for purposes of determining which shareholders of the company are entitled to participate and vote at the AGM is Friday, 10 June 2022. Accordingly, only shareholders who are recorded as such in the register maintained by the transfer secretaries of the company on Friday, 10 June 2022, will be entitled to participate in and vote at the AGM.

4) Kindly note that AGM participants (including shareholders and proxies) are required to provide satisfactory picture identification before being entitled to attend or participate at the AGM. Forms of satisfactory identification include valid identity documents, driver's licences and passports.

AGENDA

The purpose of the AGM is for the following business to be transacted and the following ordinary and special resolutions to be proposed:

1. PRESENTATION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS

To present the Company's audited financial statements (as approved by the Board), as well as the reports of the external auditor, Audit, Risk and IT Committee, Governance, Ethics, Social, Transformation and Compensation ("GESTC") Committee and directors for the financial year ended 28 February 2022.

Copies of the IAR which contains the full audited annual financial statements, together with the reports referred to above, for the year ended 28 February 2022 are obtainable from the Company's website: **www.renergen.co.za** or from the company secretary.

Notice of annual general meeting

2. RE-ELECT DIRECTORS RETIRING BY ROTATION

Ordinary resolution number 1

"Resolve that Mr D King, who retires by rotation in terms of clause 5.1.7 of the Company's memorandum of incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Ordinary resolution number 2

"Resolve that Mr B Maleke, who retires by rotation in terms of clause 5.1.7 of the Company's memorandum of incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Brief curricula vitae of the directors who have offered themselves for re-election are included on pages 61 to 65 of Renergen's IAR.

The reason for ordinary resolutions numbers 1 and 2 is that the memorandum of incorporation of the Company, the JSE Ltd ("JSE") Listings Requirements and, to the extent applicable, the Companies Act, require that at least one third of the Non-executive Directors rotates at every annual general meeting of the Company and being eligible, may offer themselves for re-election as directors.

For Ordinary Resolution Numbers 1 and 2 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

3. RATIFICATION OF THE APPOINTMENT OF A DIRECTOR APPOINTED SINCE THE PREVIOUS AGM

Ordinary resolution number 3

"Resolve that Mr A Pickard, who was appointed by the board during the course of the year and who is required to retire in terms of clause 5.3.3 off the Company's memorandum of incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Mr A Pickard's brief curriculum vitae of is included on page 65 of Renergen's IAR.

Ordinary resolution number 4

"Resolve that Mr B Harvey, who was appointed by the board during the course of the year and who is required to retire in terms of clause 5.3.3 off the Company's memorandum of incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Mr B Harvey's brief curriculum vitae of is included on page 62 of Renergen's IAR.

The reason for ordinary resolution number 3 and 4 is that clause 5.3.3 of the memorandum of incorporation of the Company and the Companies Act, require the election of a director to fill a vacancy or as an addition to the Board must be confirmed by shareholders at the Company's next AGM.

For Ordinary Resolution Number 3 and 4 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

4. RE-APPOINTMENT OF THE MEMBERS OF THE AUDIT, RISK AND IT COMMITTEE

For avoidance of doubt, all references to the Audit, Risk and IT Committee of the Company refer to the audit committee as contemplated in the Companies Act.

Ordinary resolution number 5

"Resolve that Mr L Matteucci, being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the board of directors of the Company, until the next annual general meeting of the Company."

Ordinary resolution number 6

"Resolve that Mr M Swana, being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the board of directors of the Company, until the next annual general meeting of the Company."

Ordinary resolution number 7

"Resolve that Mr B Maleke, subject to the approval of ordinary resolution number 2, being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the board of directors of the Company, until the next annual general meeting of the Company."

In terms of the Companies Act, the audit committee is a committee elected by the shareholders at each AGM. A brief curriculum vitae of each of the independent Non-executive Directors mentioned above appears on pages 61 to 65 of Renergen's IAR.

The reason for ordinary resolutions numbers 5 to 7 (inclusive) is that the Company, being a public listed company, must appoint an audit committee and section 94 of the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each AGM of such company.

For ordinary resolution numbers 5 to 7 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

5. RE-APPOINTMENT OF THE EXTERNAL AUDITOR

Ordinary resolution number 8

"Resolved that Mazars be and is hereby appointed as auditor of the Company for the ensuing financial year or until the next annual general meeting of the Company, whichever is the later, with the designated auditor being Mr S Vorster, as registered auditor and partner in the firm, on the recommendation of the audit and risk committee of the Company."

The Company's Audit, Risk and IT Committee has concluded that the appointment of Mazars will comply with the requirements of the Companies Act No. 71 of 2008 ("the Companies Act"), the Companies Regulations 2011 and the Listings Requirements of the JSE Limited ("JSE Listings Requirements") and has accordingly nominated Mazars for re-appointment as the Company's external auditor.

The reason for ordinary resolution number 8 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed, as the case may be, at each AGM of the Company, as required by section 90 of the Companies Act and the JSE Listings Requirements.

Notice of annual general meeting

For Ordinary Resolution Number 8 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

6. GENERAL AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE AUTHORISED BUT UNISSUED ORDINARY SHARES FOR CASH

Ordinary resolution number 9

"Resolved that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's memorandum of incorporation, the Companies Act and the JSE Listings Requirements, provided that:

- The authority shall be valid until the date of the Company's next AGM, provided that it shall not extend beyond 15 months from the date of this AGM.
- Issues in terms of the authority will not, in any financial year, in aggregate, exceed 10% of the number of ordinary shares in the Company's issued share capital as at the date of the AGM (10% amounts to 12 936 354 shares), it being recorded that ordinary shares issued pursuant to a rights offer to shareholders, shares issued in connection with the Renergen Share Appreciation Rights Plan or options granted by thereunder in accordance with the JSE Listings Requirements shall not diminish the number of ordinary shares that comprise the 10% of the ordinary shares that can be issued in terms of this ordinary resolution. 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."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers and/or in connection with duly approved share incentive schemes), it is necessary for the board of the company to obtain prior authority from shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the company. Accordingly, the reason for ordinary resolution number 9 is to obtain such general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the Company.

In terms of the JSE Listings Requirements, for Ordinary Resolution Number 9 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

7. SIGNATURE OF DOCUMENTS

Ordinary resolution number 10

That any one director or the company secretary of Renergen be and is hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening the AGM at which this ordinary resolution will be considered.

For Ordinary Resolution Number 10 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

8. NON-BINDING ADVISORY ENDORSEMENT OF RENERGEN'S REMUNERATION POLICY AND IMPLEMENTATION REPORT

Non-binding ordinary resolution number 11

"Resolved that the Company's remuneration policy, as set out on pages 76 to 83 of the annual report to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for non-binding ordinary resolution number 11 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") recommends, and the JSE Listings Requirements require, that the remuneration policy of a listed company be tabled for a non-binding advisory vote thereon by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 11, if passed, will be to endorse the Company's remuneration policy. Ordinary resolution number 11 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements.

Non-binding ordinary resolution number 12

"Resolved that the Company's implementation report on its remuneration policy, as set out on pages 76 to 83 of the annual report to which this notice of AGM is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 12 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a listed company's remuneration policy be tabled for a nonbinding advisory vote thereon by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 12, if passed, will be to endorse the Company's implementation report on its remuneration policy. Ordinary resolution number 12 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements.

Should 25% or more of the votes exercised in respect of ordinary resolution number 11 or ordinary resolution number 12 be against either resolution, or both resolutions, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

Notice of annual general meeting

9. NON-EXECUTIVE DIRECTORS' REMUNERATION

Special resolution number 1

"Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors, which include serving on various sub-committees, and to make payment of the amounts set out below (plus any value-added tax, to the extent applicable), provided that this authority will be valid for the latter of, the period from 1 March 2022 until 28 February 2023 or until the next annual general meeting of the Company:

	PROPOSED FEES 2023	2022
ANNUAL RETAINER		
Board		
Chairperson	R579 475.00	R536 551.00
Member	R213 578.00	R197 758.00
Audit, Risk and IT Committee		
Chairperson	R41 124.00	R38 078.00
Member	R21 547.00	R19 951.00
GESTC Committee		
Chairperson	R61 219.00	R56 685.00
Member	R42 446.00	R39 302.00
PER MEETING FEES		
Board		
Chairperson	R39 877.00	R36 924.00
Member	R15 068.00	R13 952.00
Audit, Risk and IT Committee		
Chairperson	R20 420.00	R18 908.00
Member	R11 562.00	R10 706.00
GESTC Committee		
Chairperson	R20 419.00	R18 907.00
Member	R11 563.00	R10 707.00
AD HOC TELECONFERENCE FEES		
Board		
Chairperson	R4 320.00	R4 000.00
Member	R4 320.00	R4 000.00
Committees		
Chairperson	R4 320.00	R4 000.00
Member	R4 320.00	R4 000.00

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of section 66(9) of the Companies Act. The effect of special resolution number 1, if passed, is that the Company will be able to pay its non-executive directors for the services they render to the Company as directors without requiring further shareholder approval until the next annual general meeting of the Company.

For Special Resolution Number 1 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

10. PROVISION OF FINANCIAL ASSISTANCE TO RELATED OR INTER-RELATED COMPANIES

Special resolution number 2

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

The reason for and effect, if passed, of special resolution number 2 is to grant the directors of the Company the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

For Special Resolution Number 2 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Note: In the normal course of business, the Company may be required to grant financial assistance to its subsidiaries. This assistance includes, but is not limited to, loans and guarantees for banking facilities. If this authorisation is not granted, it could inhibit the Company from obtaining banking facilities without having to call a general meeting of shareholders on each occasion. Special Resolution Number 2 will enable Renergen to provide financial assistance to its subsidiaries for any purpose in the normal course of business.

Section 45 of the Companies Act provides, inter alia, that any financial assistance to related or inter-related companies, 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, the Company 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.

Notice of annual general meeting

11. PROVISION OF FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION OF SECURITIES

Special resolution number 3

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the board of the Company may deem fit to any person, including any company or corporation that is related or inter-related to the Company ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or in any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the board of the Company may determine for the purpose of, or in connection with the, subscription for any option, or any shares or other securities, issued or to be issued by the Company or by a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or of a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

The reason for and effect, if passed, of special resolution number 3 is to grant the directors the authority, until the next annual general meeting of the Company, to provide financial assistance to any person, including any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries.

Note: Section 44 of the Companies Act provides, inter alia, that any financial assistance 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, 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, the Company 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.

12. GENERAL AUTHORITY TO REPURCHASE ORDINARY SHARES IN ISSUE

Special resolution number 4

"Resolved, as a special resolution, that the Company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings

Requirements, including, inter alia, that:

- Any such acquisition of ordinary shares shall be effected through the order book operated by the JSE or the ASX 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 until the Company's next AGM, provided that it shall not extend beyond 15 months from the date of passing of this special resolution.
- An announcement will be published as soon as Renergen or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue and for each 3% in aggregate of the initial number acquired thereafter, in compliance with the JSE Listings Requirements.
- Acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of Renergen's ordinary issued share capital as at the date of passing of this Special Resolution Number 4.
- Ordinary shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE, or ASX whichever may be applicable, as determined over the five business days immediately preceding the date of repurchase of such ordinary shares by Renergen or any of its subsidiaries.
- At any point in time, Renergen may only appoint one agent to effect any repurchase on its behalf.
- Prior to entering the market to repurchase the Company's shares, a resolution authorising the repurchase will have been passed in accordance with the requirements of section 46 of the Companies Act, stating that the Board has applied the solvency and liquidity test as set out in section 4 of the Companies Act, and has reasonably concluded that the Company will satisfy the solvency and liquidity test immediately after the repurchase.
- Renergen and/or its subsidiaries may not repurchase any ordinary shares during a prohibited period as defined by the JSE Listings Requirements unless a repurchase programme is in place, where the dates and quantities of ordinary shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period.

Although there is no immediate intention to effect a repurchase of the Company's 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:

- The Company will be able to pay its debts in the ordinary course of business.
- The Company's assets, fairly valued in accordance with statements of International Financial Reporting Standards, will exceed its consolidated liabilities.
- The Company's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.
- A resolution by the Board will be passed confirming that it has authorised the repurchase, that the Company has passed the solvency and liquidity test and, since the test was performed, there have been no material changes to the Company's financial position.

Notice of annual general meeting

The reason for and effect, if passed, of special resolution number 4 is to grant the directors a general authority in terms of the Company's memorandum of incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 4. This authority will provide the board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise and it be in the best interest of the Company to do so.

The following additional information, which appears in the IAR as published on Renergen's website, is provided in terms of the JSE Listings Requirements for purposes of the general authority to repurchase shares:

- Major shareholders – pages 185 to 186; and
- Share capital – pages 185 to 186.
- Material changes

Material changes

Other than the facts and developments reported on in the IAR, there have been no material changes in the affairs or financial position of Renergen and its subsidiaries since the date of signature of the audit report and up to the date of this AGM notice.

Directors' responsibility statement

The directors, whose names appear on pages 61 to 65 of the IAR, collectively and individually accept full responsibility for the accuracy of the information pertaining to this Special Resolution Number 4 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Special Resolution Number 4 contains all information required by law and the JSE Listings Requirements.

For Special Resolution Number 4 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

13. 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

N Davies – Acorim Secretarial and Governance Services
Company secretary

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Form of proxy

To:

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)
email: proxy@computershare.co.za

Renergen Limited
(Incorporated in the Republic of South Africa)
(Registration number 2014/195093/06)
JSE and A2X **Share code:** REN
ISIN code: ZAE000202610
LEI: 378900B1512179F35A69
Australian Business Number (ABN): 93 998 352 675
ASX Share code: RLT

("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 the annual general meeting ("AGM") of shareholders of Renergen to be held at 12:00 on Friday, 17 June 2022 at the boardroom at Renergen's offices situated at 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg, and any adjournment thereof.

Dematerialised ordinary shareholders holding ordinary shares other than with "own name" registration who wish to attend 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 and vote. 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.

I/We____

of(address)____

(Please print)

being the holder(s) of___________ordinary shares in the capital of the company, do hereby appoint (see note 2):

1. or failing him/her____

2. or failing him/her____

3. the chairperson of the AGM____

as my/our proxy to act on my/our behalf at the AGM, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of all the above ordinary shares registered in my/our name/s, in accordance with the following instructions:

Form of proxy

Please indicate with an "X" in the appropriate box below how you wish to vote.	Number of ordinary shares		
	For	**Against**	**Abstain**
Resolution			
Ordinary Resolution Number 1: To re-elect directors retiring by rotation: D King			
Ordinary Resolution Number 2: To re-elect directors retiring by rotation: B Maleke			
Ordinary Resolution Number 3: To elect a director appointed since the previous AGM: A Pickard			
Ordinary Resolution Number 4: To elect a director appointed since the previous AGM: B Harvey			
Ordinary Resolution Number 5: Appointment of a member of the Audit, Risk and IT Committee: L Matteucci			
Ordinary Resolution Number 6: Appointment of a member of the Audit, Risk and IT Committee: M Swana			
Ordinary Resolution Number 7: Appointment of a member of the Audit, Risk and IT Committee: B Maleke (subject to the passing of Ordinary Resolution Number 2)			
Ordinary Resolution Number 8: To approve the re-appointment of the external auditor			
Ordinary Resolution Number 9: General authority to directors to allot and issue authorised but unissued ordinary shares			
Ordinary Resolution Number 10: Signature of documents			
Non-binding Ordinary Resolution Number 11: Advisory endorsement of Renergen's remuneration policy			
Non-binding Ordinary Resolution Number 12: Advisory endorsement of Renergen's remuneration implementation report			
Special Resolution Number 1: Approval of non-executive directors' remuneration			
Special Resolution Number 2: Authorising the provision of financial assistance to related or inter-related companies			
Special Resolution Number 3: Authorising the provision of financial assistance for subscription of securities			
Special Resolution Number 4: General authority to repurchase ordinary shares in issue			

Signed at____________________________________on____________________________2022

Signature____

Assisted by (if applicable) ____

Notes to the form of proxy

Notes

1. *Shareholders who have dematerialised their shares through a CSDP or broker must either inform their CSDP or broker of their intention to attend the AGM to provide them with the necessary authority to attend or provide the CSDP or broker with their voting instruction in terms of the custody agreement entered into between the beneficial owner and the CSDP or broker.*

2. *A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided. The person whose name appears first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.*

3. *A shareholder's instructions to the proxy must be indicated by "X" in the appropriate box provided on the proxy form. Failure to comply with the above will be deemed to authorise a proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of all the members' votes exercisable at the annual general meeting.*

4. *The completion and lodging of this form of proxy will not preclude the shareholder from attending the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof should the shareholder wish to do so (see note 1 above).*

5. *The chairperson of the AGM may reject or accept any proxy form that is completed and/or received, other than in accordance with these notes. Proxy forms received by way of facsimile will be acceptable.*

6. *Each shareholder is entitled to appoint one or more proxies (none of whom needs to be a shareholder of Renergen) to attend, speak and vote in place of the shareholder at the AGM.*

7. *Any alteration to this form of proxy, other than a deletion of alternatives, must be initialled by the signatories.*

8. *Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by Renergen.*

9. *Where there are joint shareholders –*
   a. Any one shareholder may sign the form of proxy.
   b. The vote of the senior (for that purpose seniority will be determined by the order in which the names of shareholders appear in Renergen's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote/s of the other joint shareholder/s.

10. *For administrative purposes only, forms of proxy should be lodged with the transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or be posted to them at Private Bag X9000, Saxonwold, 2132, or emailed to them at proxy@computershare.co.za, by Tuesday, 14 June 2022, at 12:00 or thereafter to the Company by hand at its offices situated at 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg. Any forms of proxy not submitted by this time may nevertheless be submitted to the transfer secretaries before the AGM or handed to the chairperson of the AGM prior to the shareholder exercising any rights of a shareholder at the AGM.*

Notes to the form of proxy

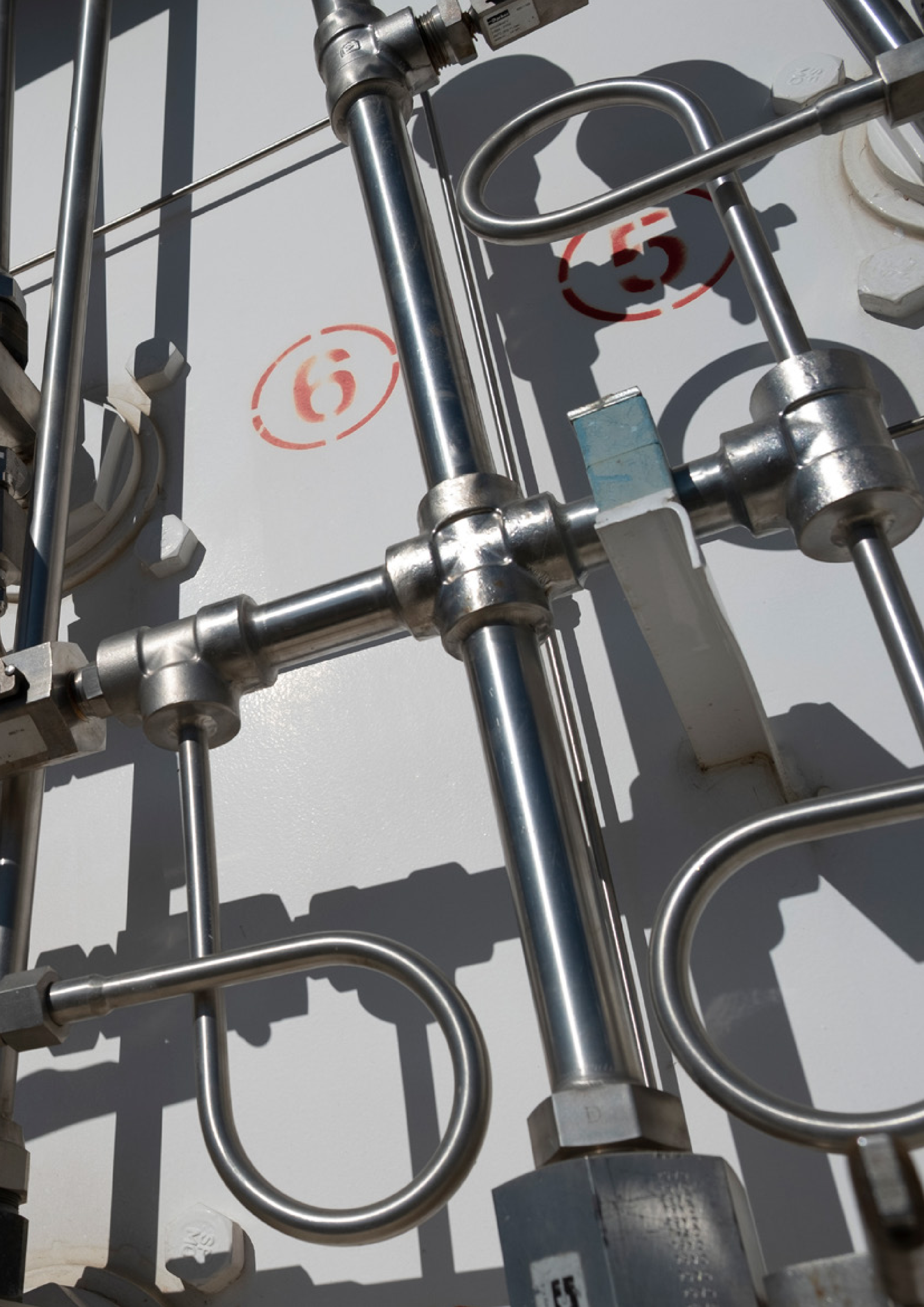
11. *In terms of section 61(10) of the Companies Act, every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders or their proxies may participate in a meeting by way of teleconference if they wish to do so. In this event:*

    - *Renergen's company secretary must be contacted by email (at the address renergen@acorim.co.za) by no later than 12:00 on Tuesday, 14 June 2022 in order to obtain dial-in details for participation.*
    - *Valid identification will be required:*
        - *if the shareholder is an individual, a certified copy of their identity document and/or passport.*
        - *if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of video conference call as well as a valid email address and/or facsimile number; and*
    - *No electronic voting facilities will be available so shareholders who wish to participate in the meeting by teleconference and wish to vote are still required to submit their proxy forms in advance.*

Additional forms of proxy are available from the transfer secretaries on request.

7

General Information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Glossary of terms and acronyms

A$	Australian dollar
AGM	Annual General Meeting
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
ASX	Australian Stock Exchange
A2X	A2X Markets
B-BBEE	Broad-Based Black Economic Empowerment
BOP	Balance of Payments. The record of all international financial transactions made by a country's resident
Bcf	Billion cubic feet
CEO	Chief Executive Office
CFO	Chief Financial Officer
CH4	Methane
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
CSI	Corporate Social Investment
Company	Refers to Renergen only
COO	Chief Operating Officer
COVID-19	Coronavirus disease of 2019
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
EBIT	Earnings before interest and taxes
EIA	Environmental Impact Assessment
EPC	Engineering, procurement, and construction
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
Exco	Executive Committee
FCTR	Foreign currency translation reserve
FEED	Front End Engineering and Design
FVTOCI	Fair value through other comprehensive income
GETSC	Governance, Ethics, Transformation, Social and Compensation Committee
GJ	Gigajoules
Governing Body	Means the Board, as per King IV™
GRI	Global Reporting Initiatives
Group	Refers to Renergen and its subsidiary, Tetra4
GHG	Greenhouse gas emissions
HDSA	Historically Disadvantaged South Africans
He	Helium
IAS	International Accounting Standard
IDC	Industrial Development Corporation
IFRS	International Financial Reporting Standards

Glossary of terms and acronyms

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 Securities Exchange
Kg	Kilogram
King IV™	King IV™ Report on Corporate Governance for South Africa
LNG	Liquefied natural gas. A gas which has been cooled to liquid form for ease and safety of non-pressurized storage or transport
LHE	Liquid Helium
LPG	Liquid petroleum gas
LTIFR	Lost Time Injury Frequency Rate
LTI	A lost time injury (LTI) is an injury sustained on the job by an employee that results in the loss of productive work time
Mcf	Mcf is a unit of measurement for natural gas that equals 1,032 cubic feet, according to the U.S. Energy Information Administration. One Mcf is equal to approximately 1 million British Thermal Units (BTUs)
Midstream	Midstream involves the transportation (by pipeline, rail, ship, oil tanker or truck), storage, and sale marketing of crude or refined petroleum products
MRI	Magnetic Resonance Imaging
NED	Non-executive Directors
NG	Natural gas
OECD	Organisation for Economic Co-operation and Development
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
SCF	Standard cubic feet
SENS	Stock Exchange News Service
SOx	Sulfur Dioxide
SPAC	Special purpose acquisition company
Tetra4	A subsidiary of Renergen
UNGC	United Nations Global Compact
Upstream	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
US dollar	United States dollar ($)
WHO	World Health Organization
Windfall	Windfall Energy Proprietary Limited

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
South Africa

Postnet Suite 610
Private Bag x10030
Randburg, 2125
South Africa

DESIGNATED ADVISER

PSG CAPITAL

(Registration number 2006/015817/07)

2nd Floor, Building 3
11 Alice Lane
Sandton, 2196
South Africa

PO Box 650957
Benmore, 2010
South Africa

CORPORATE COMMUNICATIONS FIRM (AUSTRALIA)

CITADEL-MAGNUS

Suite 27.03, Level 27
420 George Street
Sydney
New South Wales, 2000
Australia

AUDITORS

MAZARS

Mazars is a partnership, not a registered company.
IRBA membership number 888648 and IRBA practice number 900222

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

ATTORNEYS

RENERGEN REGISTERED OFFICE IN AUSTRALIA

Norton Rose Fulbright Australia
Level 15, RACV Tower
485 Bourke Street
Melbourne, Australia
+61 3 8686 6000

RENERGEN REGISTERED OFFICE IN SOUTH AFRICA

First Floor
1 Bompas Road
Dunkeld West, 2196
Gauteng, South Africa

TRANSFER SECRETARIES

COMPUTERSHARE INVESTOR SERVICES PROPRIETARY LIMITED (SOUTH AFRICA)

(Registration number 2004/003647/07)

Rosebank Towers
15 Biermann Avenue
Rosebank
South Africa
+27 11 370 5000

PO Box 61051
Marshalltown, 2107
South Africa

COMPUTERSHARE INVESTOR SERVICES LIMITED (AUSTRALIA)

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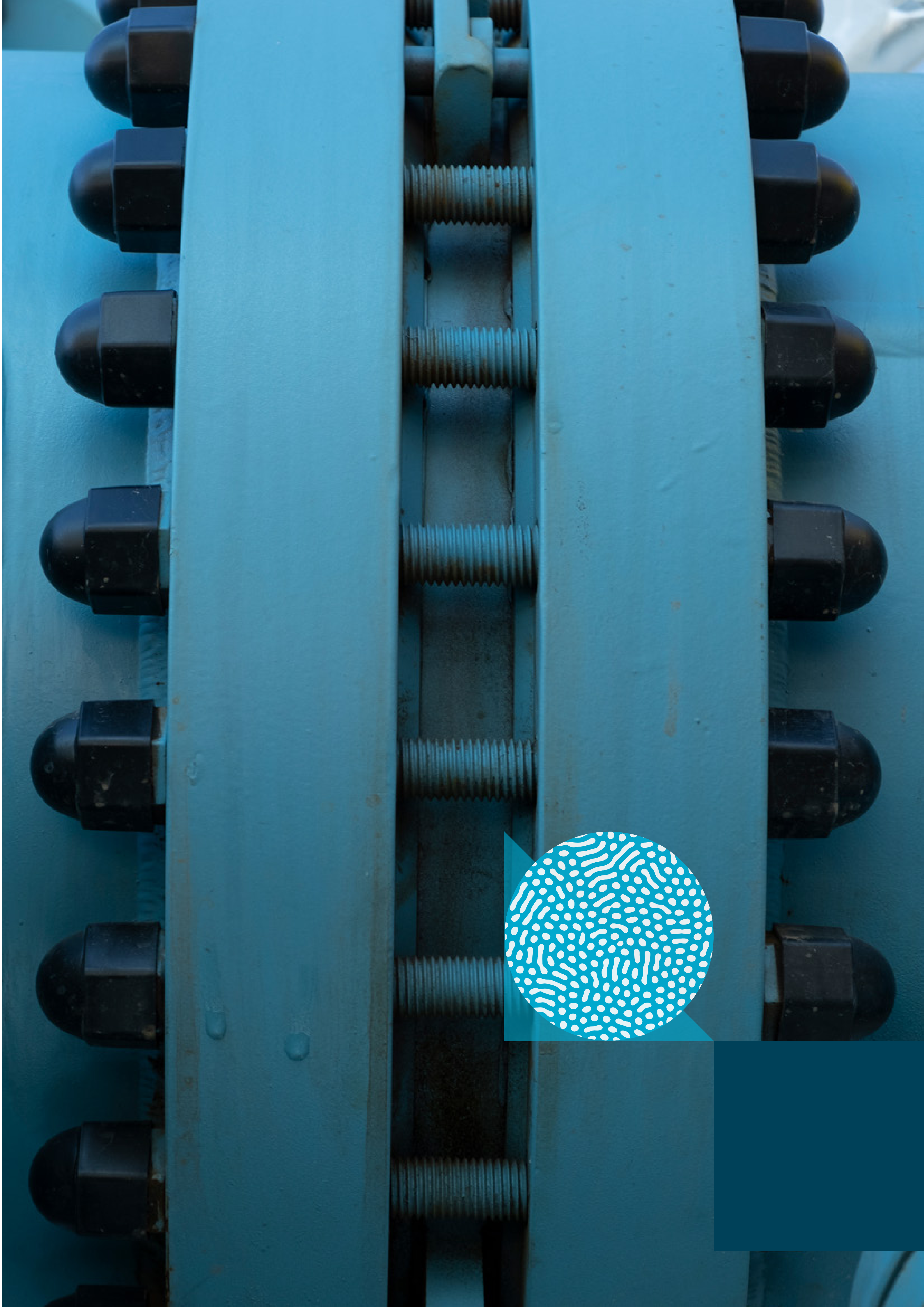

RENERGEN

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