RENERGEN LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
JSE Share code: REN
A2X Share code: REN
ISIN: ZAE000202610
LEI: 378900B1512179F35A69
Australian Business Number (ABN): 93 998 352 675
ASX Share code: RLT
("**Renergen**" or "**the Company**")

RENERGEN QUARTERLY UPDATE

Highlights from the quarter include:

- Geological surveys complete and indicating potentially larger reservoirs than originally anticipated,
- Striking gas in new well Jabba,
- First liquid helium produced in the helium liquefier,
- Completing due diligence of Phase 2 funding with US DFC and Standard Bank, finalising credit submissions.

Significant progress on identifying additional reservoirs

As a result of the surveys previously completed, full 3D modelling and inversions of gas bearing features have been completed, the results of which are currently being incorporated into an updated 3D geological block model.

In addition to the magnetic data already collected, the gravity gradient data has indicated further areas of interest within the field, specifically a series of low-density areas. These low-density features, mainly attributable to previously undiscovered faults which are potentially gas bearing, are more numerous than previously thought and of significant extent, which may indicate a larger reservoir than previously estimated. Initial review of the Tetra4 drillhole database has indicated that in all low-density areas identified, gas occurrence has occurred historically.

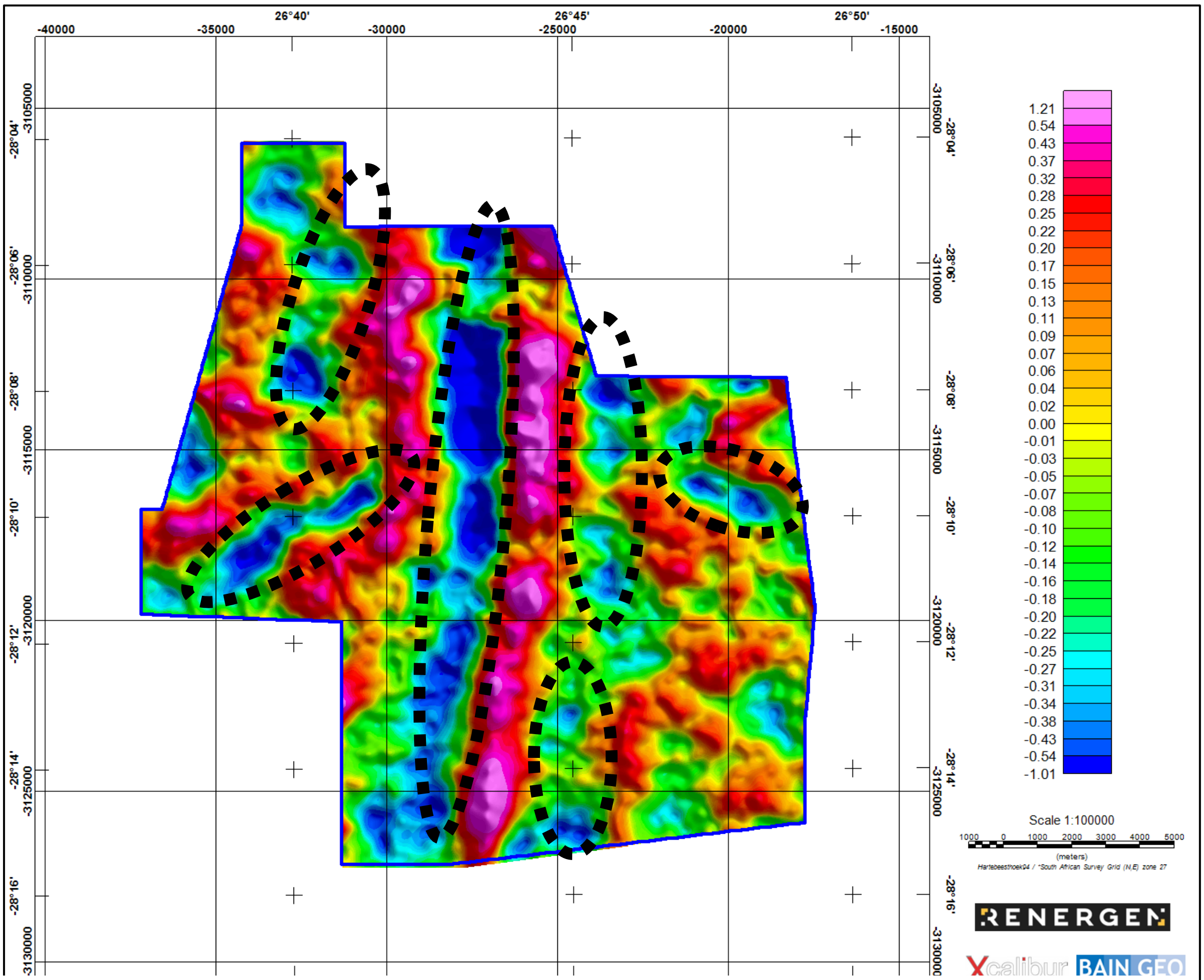


Figure 1: Low-Density Signatures

In early January we struck a new gas strike named Jabba. The well is producing helium at 1.6% helium, with strong flow. The drilling and casing of the well has cost ZAR 3 million. We have now drilled 5 successful wells within 100 meters of each other, and there is no indication that the wells are communicating. This is a significant development as our Reserve Report assumes a 300-meter spacing between wells, but this data is indicating the potential that we may be able to drill more wells in the faults. As we continue to produce gas from these wells, in time we believe we may potentially be able to use this data to increase the size of the Reserves assuming the wells continue to flow without communication.

The continued improvement in the successful production drilling campaigns should be further supported by the above initiatives and we aim to demonstrate this as we close out the remaining Phase 1 drilling campaign.

Project and Operations report

Power

The construction and commissioning of an approximate 8,5 km, 33Kv overhead line and corresponding substation grid connection was executed under an Eskom Self-Build option. The preferred Contractors completed the works and fully commissioned their respective scopes on the 15th of September 2022, the project is now complete. Given our power line is connected to the main 132kV line and priority substation, it is not susceptible to load shedding, which significantly enhances our energy security in Phase 1.

Gas gathering pipeline

The construction and commissioning of the gas gathering pipeline which includes approximately 60 kilometres of HDPE pipeline, 16 well head connections and two booster compressor stations is now complete, in operation and running. As the drilling of remaining wells for Phase 1 commences, the new wells will be tied in and connected to the gas gathering pipeline and compressor stations.

Balance of plant and utilities

The balance of plant contract has two components namely:

1. Internal battery limit (IBL) which supplies the requisite utilities to the LNG/LHE process plant
2. Outside battery limit (OBL) which incorporates the requisite civil and general construction works

The IBL section was completed in August 2022 and handed over under a sectional take over scenario. We forecast that the remaining OBL project scope will be completed within the next quarterly reporting period and have no impact on the operations of the plant which continue as per normal.

LNG/Lhe processing plant

The LNG/Lhe processing plant has progressed in two stages:

1. LNG system
2. Helium system

The LNG system including pre-treatment modules achieved initial production in September 2022, since then, we have completed both the OEM facilitated operator training and the assisted operations with the OEM. Our team is now running the LNG system independently of the OEM.

The team commenced with commissioning of the helium system and achieved liquid helium production on the 22nd of January 2023. We are now finalising the integrating of the LNG and Lhe modules to stabilise and commence with combined production of both LNG and liquid helium.

Downstream dispensing infrastructure

We constructed two facilities for the delivery and gasification of LNG on behalf of our customers. The commissioning for Ceramic Industries was achieved in October 2022 and Consol (rebranded as Ardagh Glass Bottling) in November 2022. Both projects are complete.

Phase 2 Project Update

In parallel to the Phase 1 project, we are developing the proposed Phase 2 expansion of the Virginia Gas project. Phase 2 entails drilling of additional gas wells, construction of additional gas gathering pipelines and construction of a larger processing and liquefaction facility as well as the associated road tanker distribution and downstream customer dispensing facilities. Production output will increase by 34,400 GJ per day of LNG and 4,200 KG of liquid helium per day in addition to the Phase 1 operation.

To date we have achieved the following milestones:

- Completed the Pre-feasibility
- Completed the Feasibility
- Completed the Front-End Engineering and Design
- Scope definition prepared for bidding of the owners engineer role

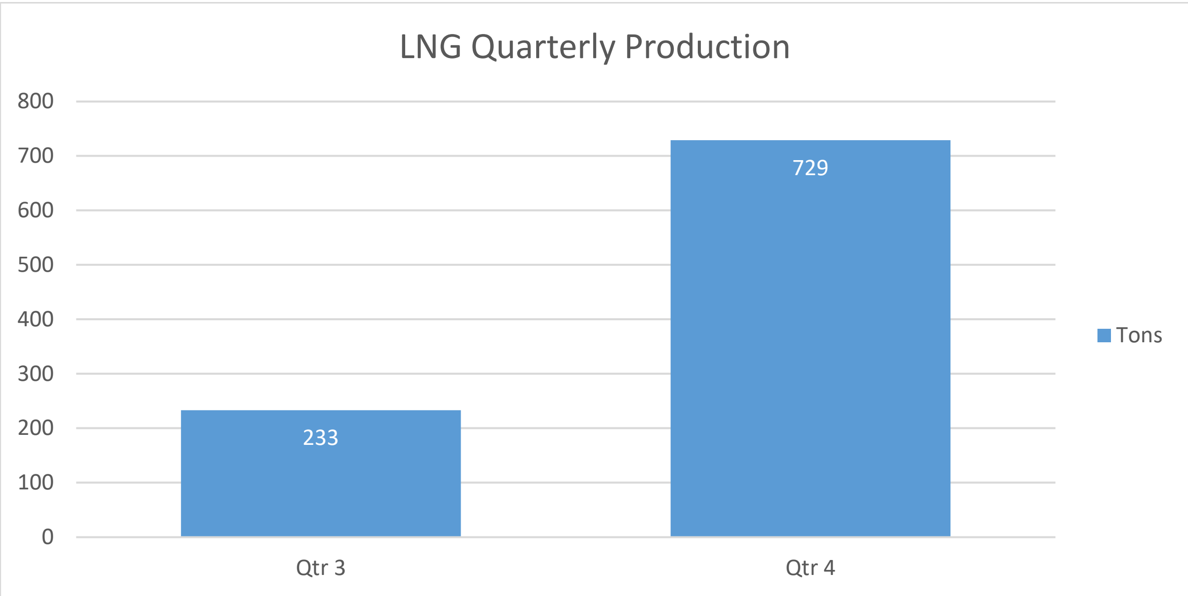
- Evaluated and selected Worley RSA (Pty) Limited ("Worley") for the scope of Owners Engineer role to execute the expansion of the Virginia Gas Project. Worley is a global leader in project management and engineering consulting services in the energy, chemicals and resources sectors
- Completing due diligence and funding process advancement with the United States Development Finance Corporation and Standard Bank South Africa for a combined US$ 750 million, now preparing for credit submissions
- Secured several helium offtake agreements with several top-tier global industrial gas companies and end users
- Received multiple Expressions Of Interest for future LNG supply
- Submitted the Environmental, Social, Impact Assessment ("ESIA") to the regulatory authority for review and consideration, having completed the mandatory public consultation processes.

Production operations

Natural gas facilities are complex, very bespoke and typically require several months of stabilisation and optimisation. Since our initial announcement of LNG production we have experienced outages in production associated with a new LNG/Lhe processing plant.

The utilities section of the plant including the conduction oil system, was previously reported as having significant difficulties and resulted in a shutdown of the facility late last year. Since the shutdown in which the system was reinstalled, it has been operating within specification and according to design parameters. We have not experienced any further unexpected interruptions on this section of plant.

While production continues and we have beneficial use of the system, we are still in a contractual phase with our contractors at least for the remainder of this financial year to ensure stability of operations. That said, production has increased severalfold on a quarter-on-quarter basis, and we expect this increasing production trend to continue until we reach full capacity later this financial year. The priority is to first achieve stability and then optimise production output. Stability is achieved by reducing the number of interruption faults, the frequency of these faults and lastly the duration for these faults.



When the integration of the LNG and helium systems are complete, we will commence with regular deliveries of helium. We anticipate reporting positive results on this section within the next quarterly report. While our processes continue, Linde our helium offtake customer has taken proactive steps to relocate their Iso-container to our site for filling in order to receive their initial helium from the Virginia Gas project.

Licenses and Other Matters

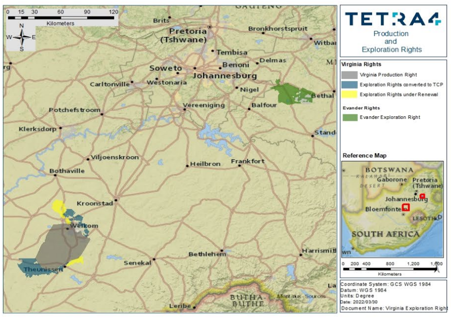
There has been no change to the Company's licence holdings.

Table 1: Exploration Right (ER) Licenses

Project	Location	License	Beneficial Interest
Virginia 2	Free State	033 ER	100%
Virginia 7	Free State	094 ER	100%
Evander 2	Mpumalanga	031 ER	100%

Table 2: Technical Cooperation Permit (TCP) Licenses

Project	Location	License	Beneficial Interest
Virginia 1	Free State	222 TCP	100%
Virginia 3	Free State	223 TCP	100%
Virginia 5	Free State	224 TCP	100%



Johannesburg
31 March 2022

Authorised by: Stefano Marani
Chief Executive Officer

Designated Advisor
PSG Capital

To readers reviewing this announcement on the Stock Exchange News Service (SENS), this announcement may contain graphics and/or images which can be found in the PDF version posted on the Company's website.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity
RENERGEN LIMITED

ABN	Quarter ended ("current quarter")
93998352675	28 February 2023

	Consolidated statement of cash flows	Current quarter ZAR'000	Year to date (12 months) ZAR'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	7 410	23 453
1.2	Payments for		
	(a) exploration & evaluation	(111)	(1 237)
	(b) development	-	-
	(c) production	(7 744)	(8 684)
	(d) staff costs	(2 704)	(8 199)
	(e) administration and corporate costs	(1 616)	(23 939)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	739	2 002
1.5	Interest and other costs of finance paid	(68)	(309)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material) – - Restricted cash	(22 483)	(53 992)
1.9	**Net cash used in operating activities**	**(26 577)**	**(70 905)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(77 668)	(352 448)
	(d) exploration & evaluation	(16 885)	(76 676)
	(e) investments	-	-
	(f) other non-current assets – other intangible assets	-	(11 713)

	Consolidated statement of cash flows	Current quarter ZAR'000	Year to date (12 months) ZAR'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	55	55
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash used in investing activities**	**(94 498)**	**(440 782)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	166 225	549 094
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	6 944	24 820
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1 367)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(32 248)	(99 185)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – lease payments	(455)	(2 128)
3.10	**Net cash from financing activities**	**140 466**	**471 234**

4.	**Net increase/(decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	44 092	95 088
4.2	Net cash used in operating activities (item 1.9 above)	(26 577)	(70 905)
4.3	Net cash used in investing activities (item 2.6 above)	(94 498)	(440 782)
4.4	Net cash from financing activities (item 3.10 above)	140 466	471 234
4.5	Effect of movement in exchange rates on cash held	(7 778)	1 070
4.6	**Cash and cash equivalents at end of period**	**55 705**	**55 705**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter ZAR'000**	**Year to date (12 months) ZAR'000**
5.1	Bank balances	17 305	17 305
5.2	Call deposits	38 400	38 400
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**55 705**	**55 705**

6.	**Payments to related parties of the entity and their associates**	**Current quarter ZAR'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	733
6.2	Aggregate amount of payments to related parties and their associates included in item 2	4 219

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The amounts disclosed under 6.1 and 6.2 relate to remuneration paid to directors and prescribed officers.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end ZAR'000**	**Amount drawn at quarter end ZAR'000**
7.1	Loan facilities	912 309	912 309
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**912 309**	**912 309**

7.5	**Unused financing facilities available at quarter end**	**-**
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

The foreign currency (USD) denominated loan included in the amount disclosed above was translated at a rate of R18.4505/US$1 on 28 February 2023.

DFC Loan

Tetra4 entered into a US$40.0 million finance agreement with the US International Development Finance Corporation (“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 (R20.3 million using the rate at 28 February 2023) 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.

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 property, plant and equipment in line with the Group policy. Interest paid during the quarter totalled US$0.17 million (R3.0 million).

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$0.38 million (R6.8 million) during the quarter.

A commitment fee of 0.5% per annum was payable by Tetra4 to the DFC on any undisbursed amounts under the Facility Agreement. Commitment fees were payable quarterly on the Repayment Dates. Tetra4 did not pay any commitment fees during the quarter as there were no undrawn amounts during the period.

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 maintenance fees totalling US$0.04 million (R0.6 million) during the last quarter.

The DFC loan outstanding at 28 February 2023 amounted to US$36.8 million (R678.2 million), having already paid down US$3.2 million.

IDC loan

Tetra4 entered into a R160.7 million loan agreement with the IDC on 17 December 2021 for the mid-stream and down-stream equipment. 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. The IDC loan outstanding at 28 February 2023 amounted to R181.8 million.

Molopo loan

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 original loan term was for the period from inception of the loan on 1 May 2013 until 31 December 2022. During this period, the loan was unsecured and interest free.

As the loan was not repaid on 31 December 2022, it now accrues interest at the prime lending rate plus 2%. The loan is still unsecured and does not have repayment terms. 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. 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 and structurally subordinated to all other forms of debt. The loan advanced to Tetra4 by Renergen can only be repaid after the loan from Molopo has been settled.

The loan was discounted to present value for the period that it was interest free, at a discount rate which was equal to the prime lending rate plus 2.00%. For the year under review the average discount rate applicable to the loan was 10.88% (2022: 9.50%). The imputed interest expense, representing the unwinding of the discount applied in recognising the present value of the loan, is included in profit and loss under interest expense. The fair value of the loan amount outstanding at 28 February 2023 amounts to R52.3 million (2022: R46.8 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 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 quarter 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.

The following debt covenants apply to the IDC loan.

a) Tetra4 is required to maintain the same financial and reserve tail ratios, and Debt Service Reserve Account 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. The Group has complied with the covenant under b) above for the quarter and believes that it will be able to comply with the covenants throughout the tenure of the loan. The Group also maintains a Debt Service Reserve Account with respect to the IDC loan.

8.	**Estimated cash available for future operating activities**	**ZAR'000**
8.1	Net cash generated from operating activities (item 1.9)	(26 577)
8.2	Payments for exploration and evaluation classified as investing activities) (item 2.1(d))	(16 885)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(43 462)
8.4	Cash and cash equivalents at quarter end (item 4.6)	55 705
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	55 705
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**1.28**

Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No, as the Company has now commenced operations following the completion of the construction and testing of its LNG plant. Regular deliveries of LNG to customers commenced in the first week of December 2022 and we are focused on increasing and ramping up production to name plate capacity of the production facility. With the helium facility coming into production, it is expected that revenues will increase substantially from previous reporting periods. Collectively, it is anticipated that this new revenue stream and increased production will improve operating cash flows. The Company has various long-term take or pay supply agreements with various customers for both LNG and helium.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company continues to engage with its lenders to raise US$750 million of additional debt funding and has also issued a Circular to shareholders to approve a Specific Authority to issue 67.5 million shares.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company is continuing operations as outlined under 8.8.1 and 8.8.2.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **31 March 2023**

Authorised by: **By the Board**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g. Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.