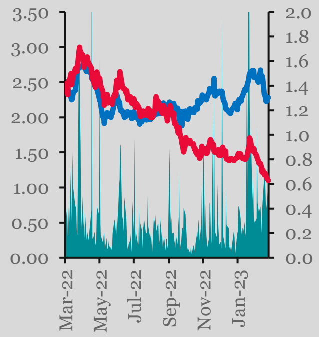
Renergen Limited

Proposed US IPO and Virginia Phase 2 Update

GICS Sector	**Energy**
Ticker	ASX:RLT; JSE:REN
Market cap 7-Mar-23 (US$mm)	170
Share price 7-Mar-23 (AUD)	1.77

NAV summary (AUD $/sh)

Asset	**Unrisked**	**Risked**
Core NAV	1.4	1.3
Development	6.2	3.7
Exploration	5.1	0.8
Total	**12.8**	**5.9**



H&P Advisory Limited is a Retained Advisor to Renergen. The cost of producing this material has been covered by Renergen as part of a contractual engagement with H&P; this report should therefore be considered an "acceptable minor non-monetary benefit" under the MiFID II Directive.

NASDAQ IPO planned for mid-2023 will increase trading liquidity

Renergen's proposed US listing is planned for Q2/Q3'23 and it has submitted a draft registration statement to the SEC. Renergen is seeking shareholder approval to issue up to 67.5mm shares. We see a US listing as helping Renergen access much deeper liquidity in North America, especially as its primary customers and lender are US based. We believe that this should help narrow the gap between the share price and our risked NAV. It will be the first helium producer to be listed on NASDAQ making it a unique opportunity for investors. There are several helium focused companies listed in North America, so investors should be more familiar with the investment case for helium and also we see Renergen as being more advanced than many of the North American peer group. There has been a pick-up in capital markets with a strong demand for energy transition focused companies in the US, which should also be positive.

Significant upside based on valuation of NASDAQ peer Montauk Renewables

Montauk Renewables (NASDAQ:MNTK) is a comparable peer to Renergen as it is also JSE listed and domiciled and is a producer of renewable natural gas. It has both a market cap and EV of ~US$1.4bn. Based on consensus median EBITDA of US$87mm in 2023 MNTK is on a 16x EBITDA multiple; in 2025 it has consensus EBITDA of US$153mm putting it on 9x. Renergen estimates R5.7-6.2bn (~US$300mm) of EBITDA at full production (assuming liquid spot helium pricing of US$600/mcf), which on a 9x EBITDA multiple would imply a valuation of US$2.7bn (EV) or US$1.9bn equity value in a few years' time, versus Renergen's current market cap of US$170mm plus a further US$350mm in equity required to be raised ahead of Phase 2 production.

Phase 2: on track for FID later in 2023 with first production in 2026

The remaining key milestones ahead of FID later this year are final approval of the loans, the awards of contracts for construction and the start of Phase 2 drilling. Phase 2 will see 350 mainly slanted wells, being drilled over a period of three to four years. Commercial production is targeted during 2026. At plateau the facility will produce 34,400GJ/d or ~35mmcf/d of LNG and 4.2t/d or 0.9mmcf/d of helium. Over half the helium is contracted for 10-15 years with the balance expected to be sold in the spot market; it is in conversations with US headquartered firms to supply liquid helium. Based on current market conditions we have raised our base case helium price for phase 2 to US$450/mcf from US$275/mcf previously. For LNG, we have adopted Renergen's pricing, which is ~US$12.5/mcf, substantially lower than current prices and we see upside to this given the chronic energy shortages in South Africa.

Phase 2 capex of US$1.2bn: 65% debt funded with US$350mm of new equity

The company provided a revised capex estimate of US$1.16bn, 30% above our previous assumption. Of this, 65% is expected to be debt funded with US$500mm from the DFC and US$250mm from another global bank. We expect that US$150mm will be raised from the proposed IPO and US$55mm from CEF's purchase of 10% of Tetra (giving an implied Renergen equity value of US$550mm), leaving approximately US$200mm in further funding required over the course of the project. Also we estimate that Phase 1 could generate ~US$50mm over the next three years. We expect Phase 1 to get to full capacity in Q4'23, producing a cargo every 2.5 weeks. At full capacity there may be volumes that could be sold onto the market a much higher pricing than its term contracts: Renergen's spot tender in 2022 saw prices bid up to US$875/mcf.

Valuation: risked NAV of A$5.9/sh or R72/sh

We have decreased our risked NAV by 12% to A$5.9/sh (on updated capex/timing/pricing for phase 2), which implies ~238% upside from the current share price. Taking just the 2P value (excluding contingent resources and exploration upside) gives a risked value of A$5/sh or R62/sh, still implying ~190% upside. On a fully unrisked basis we see ~635% upside. Our unrisked value of Phase 2 is US$438mm ($NPV_{12}$) but we apply a 60% P/NAV to factor in dilution from future equity raises to fund the project.

Anish Kapadia
Research Analyst
T +44 (0) 207 907 8500
E anish@hannam.partners

Roger Bell
Director, Research
T +44 (0) 207 907 8534
E rb@hannam.partners

Andy Crispin
Sales
T +44 (0) 207 907 2022
E andy.crispin@hannam.partners

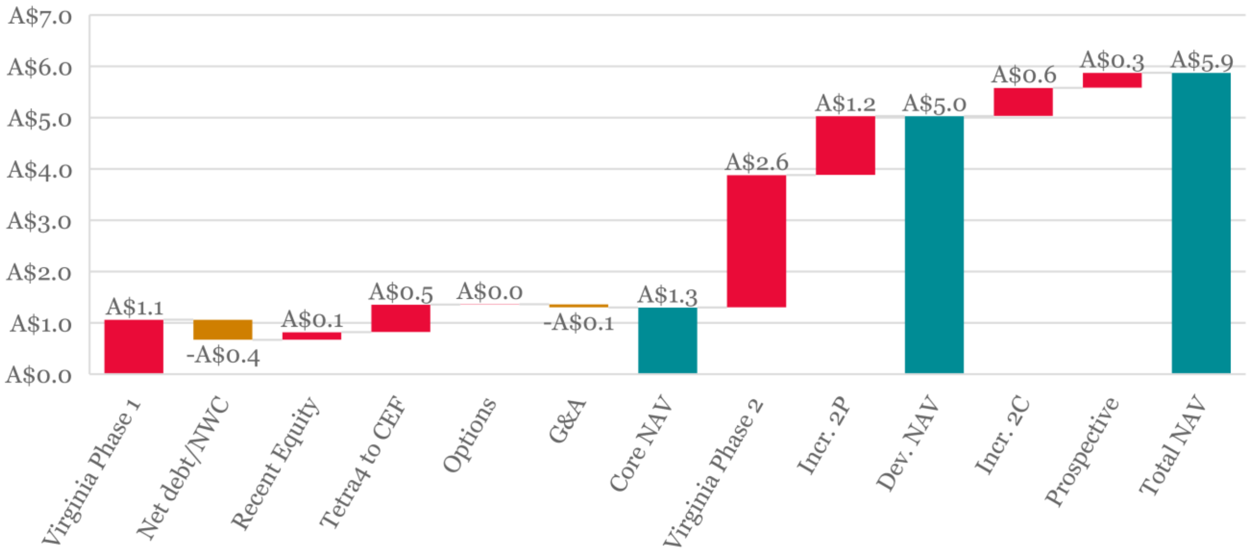
H&P Advisory Limited
3rd Floor, 7-10 Chandos Street,
London, W1G 9DQ

Investment Case

Company overview – Renergen is a South Africa domiciled and listed company with an additional listing in Australia. Its main asset is the Virginia Gas Project, which has >400bcf (~70mmboe) of 2P natural gas reserves and 14bcf of 2P helium reserves (equal to >2 years of entire global helium demand). The founders (CEO and COO) own ~15% of the company. It is the only onshore natural gas producer in South Africa: an energy-scarce area, with high customer density and limited competition. Renergen has a first mover advantage in bringing helium to market in Southern Africa. Its assets have some of the highest helium concentrations seen globally due to the unique geology of being situated in an asteroid crater. The Company has shown itself to be an innovator in the industry, launching a helium "token" which should provide the only helium pricing assessment in the market and direct commodity exposure, as well as developing a proprietary algorithm to pinpoint where to drill for gas based on various biological markers.

Investment case highlights – Whilst there has been a plethora of new helium focused companies coming to market, Renergen is one of the only independent listed companies globally that has proven helium reserves. It has two revenue streams; helium and natural gas, which are both standalone profitable given low-cost development and production plus strong pricing. Renergen has strong ESG credentials as its natural gas sales reduce South African carbon emissions by substituting coal usage (potential to reduce 2.3mm tonnes per annum of CO2). It plans to produce >40mmcf/d of raw gas, which would generate ~US$275mm in EBITDA at our base case price forecasts. Fiscal terms are attractive in South Africa with low tax and royalties meaning strong free cashflow once the project is on stream. It has long-term helium sales agreements with attractive, locked-in pricing, emphasising why helium is a high multiple business. It has strong corporate relationships with the likes of Linde, TOTAL, Messer, IDC, iSi Automotive and Consol. It has a management team that has shown its ability to spot unique market opportunities.

Risked NAV build up for Renergen (AUD/sh)



Source: H&P estimates

Strong ESG credentials – Environmental, social and corporate governance (ESG) is an increasingly important issue for investors. Renergen is focused on pioneering a cleaner energy source in an energy starved South Africa, thus both reducing the carbon footprint whilst reducing energy poverty. Renergen intends to produce 40mmcf/d of natural gas, which could power a 280MW CCGT gas power plant and by substituting coal production from Eskom, would reduce CO_2 emissions by 2.3 million tonnes. South Africa's economy is one of the most carbon-intensive in the world, with a fleet of 15 coal-fired power plants providing more than three-quarters of the nation's electricity. The helium that will be produced is an inert gas so there are no associated emissions from the use of it but it is a vital gas for many industries such as within healthcare.

South African gas market – South Africa is in the midst of an energy crisis as it has a significant fuel deficit and a reliance on coal. There is >200mmcf/d gas shortfall in Johannesburg with a further 60mmcfe/d of LPG demand and potential for LNG for trucking. Therefore, there are ample opportunities for Renergen to tap with its initial Phase 2 production plans of ~40mmcf/d of natural gas with confidence that it could further grow the business in the longer-term. In South Africa, LNG is more cost competitive and a cleaner source of fuel than diesel without the need for any legislative involvement or changes. An LNG heavy vehicle (such as a bus or truck) gets around 25% more out of a tank of LNG than diesel, and the carbon emissions are around 30% less. Renergen developed a zero-emission solution for the cold chain logistics industry deploying LNG.

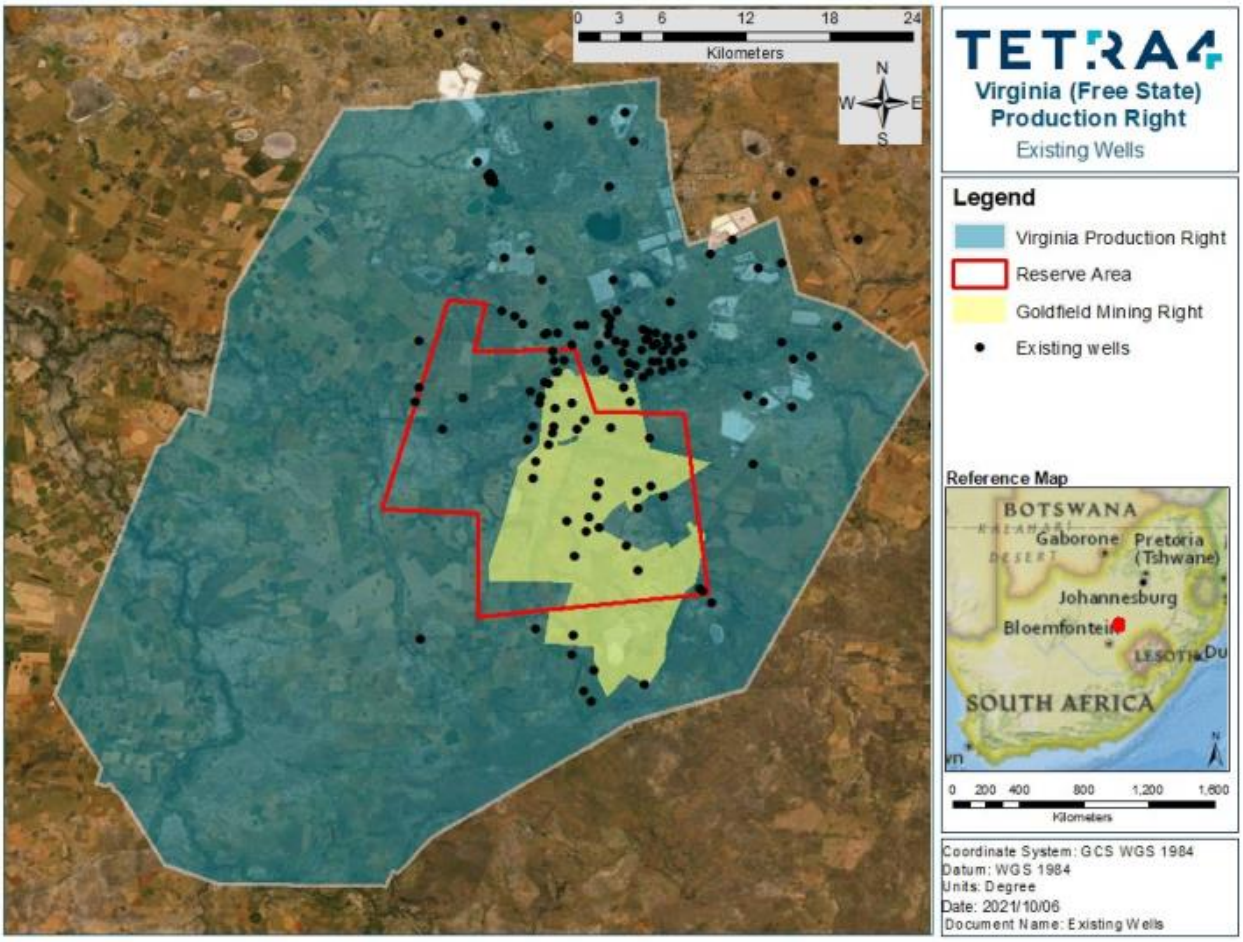
Positive helium pricing dynamics - The helium market is currently severely undersupplied (spot pricing has been over US$1,000/mcf vs. our base case of US$450/mcf) with strong demand growth prospects. There have been production disappointments from Russia and the US BLM (key strategic storage), which means end users are willing to pay higher prices for reliable low risk supply. Renergen's spot tender in 2022 saw prices bid up to US$875/mcf.

Management: innovative and ambitious – Renergen has an innovative management team with inside ownership of ~15% that has shown its ability to spot unique market opportunities. It has been a first mover in various areas ranging from the first SPAC in South Africa, the first onshore gas producer to supply CNG in country and the only company to be involved in a token securitising helium production. Rather than waiting for the demand to emerge, Renergen has looked to create its own markets showing a clear focus on commerciality. Senior management remuneration is highly incentivised by sharply growing the share price.

Renergen's competitive advantages – We believe that Renergen stands out against the peer group given that it has been involved in helium and natural gas exploration for many years longer than most, it is the only company we believe that has actual proven and certified helium reserves and we expect it to be the first company to achieve commercial helium production. Renergen will produce higher purity liquid helium, whereas much of the peer group will be selling crude helium, for which pricing is significantly lower. Furthermore, Renergen is not reliant on helium for its project's commerciality as its natural gas (LNG) sales would be commercial even without the helium. Renergen is also the only company to have announced a significant contract to sell liquefied helium direct to an end-user.

Renergen Virginia

Renergen's assets



Source: Renergen

The Virginia Gas Project is located 250km southwest of Johannesburg and consists of 187,000ha of production rights across Welkom, Virginia and Theunissen, in the Free State. It has significant reserves of helium and natural gas. The gas composition is attractive for separating out helium as it contains no H_2S, H_2 or neon and low levels of CO_2. Renergen has a production licence until 2042 with an option to extend this by a further 30 years. The fiscal terms are attractive with a 5% Government royalty and a further 1% royalty on certain wells within the Goldfields mining leases. The tax rate is 28% with favourable accelerated depreciation on inflated capex.

Phase 2

Renergen commenced the development of the Phase 2 expansion of the Virginia Gas Project in March 2020 and has completed significant milestones including demonstrating pilot production from Phase 1, feasibility studies, FEED, short-listing two bidders to execute the project, secured offtake with top-tier industrial gas companies, advanced debt funding discussions with the United States International Development Finance Corporation (DFC) and other institutions. Sproule (formerly MHA) has completed a reserves report. Since the last reserves report in 2019, the methane reserves grew by ~200% and helium reserves by 300% firmly supporting the Phase 2 project.

The remain key milestones ahead of FID later this year are final approval of the loans, the awards of contracts for construction and the start of Phase 2 drilling. Phase 2 was initially planned to be 3x larger than Phase 1 but given the strong drilling performance and reserves upgrades, it is now looking to produce ~12x more gas.

We expect Phase 1 to get to full capacity in Q4'23 at which time it will be producing an ISO cargo every 2.5 weeks. At full capacity there should be some spare volumes that could be sold onto the market a much higher pricing than its existing term contracts.

Phase 2 will see 350 mainly slanted wells (up from ~300 in the original plan), being drilled over a period of three to four years. Commercial production is targeted during 2026 at a utilisation rate of 75% with a 6-9 month ramp-up period to full capacity. The facility will produce 34,400GJ/d or ~35mmcf/d of LNG and 4.2t/d or 0.9mmcf/d of helium (almost 10% of global demand), which has been reduced slightly from previous guidance based on a more conservative helium concentration. Over half the helium is contracted for 10-15 years with the balance expected to be sold in the spot market; it is in conversations with US headquartered firms to supply liquid helium. Based on current market conditions we have raised our base case helium price for phase 2 to US$450/mcf from US$275/mcf previously.

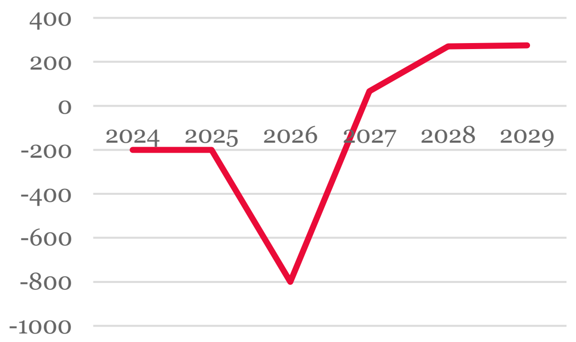
For LNG pricing, Renergen is assuming ZAR250/GJ, which is ~US$12.5/mcf, substantially lower than current pricing and we see upside to this given the chronic energy shortages in South Africa.

Capex is estimated at US$1.16bn (+30% from our previous estimate). This is significantly more expensive than the pilot project but it comes with economies of scale. Part of the increase in capex is increased midstream ownership, the inclusion of the purchase of logistics assets such as ISO tanks to transport the spot cargoes of helium. There is also cost inflation in material and build costs. 65% of the capex is expected to be debt funded with US$500mm from the DFC and US$250mm from another global bank. We expect that US$150mm will be raised from the proposed IPO and US$55mm from CEF's purchase of 10% of Tetra (giving an implied Renergen equity value of US$550mm), leaving approximately US$200mm in further funding required over the course of the project. Also Phase 1 could generate ~US$50mm over the next three years.

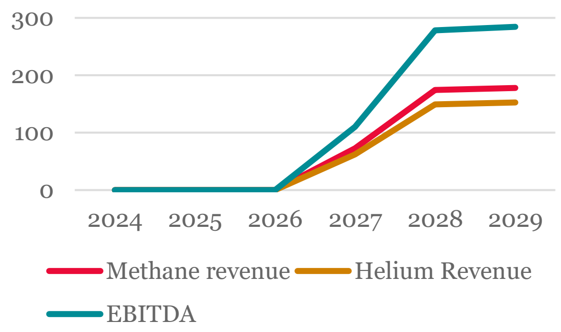
It has already contracted >50% of the plant's capacity of 0.9mmcf/d of helium to a combination of the large industrial gas companies Linde and Messer as well doing a deal with an end-user of helium in Austria, which is an airbag manufacturer called ISI Austria. The remaining is left open for token sales and spot market sales.

Economics

FCF (US$mm)



Revenue and EBITDA (US$mm)



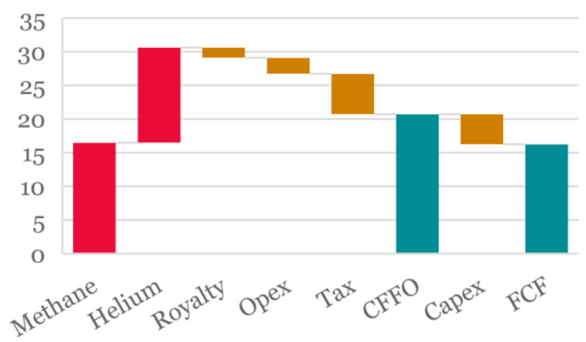
Source: H&P estimates

We have modelled out Phase 2, assuming FID is taken later this year. Total capex works out to around US$4.5/mcf of total gas recovered. We assume that production will start in 2026 and ramping up to around full capacity by 2027. At plateau we see the field generating around US$300mm of EBITDA.

On a unit basis we see Renergen generating in total >US$30/mcf of gas produced with low operating costs and taxes meaning that the life of field cash flow from operations is over US$20/mcf.

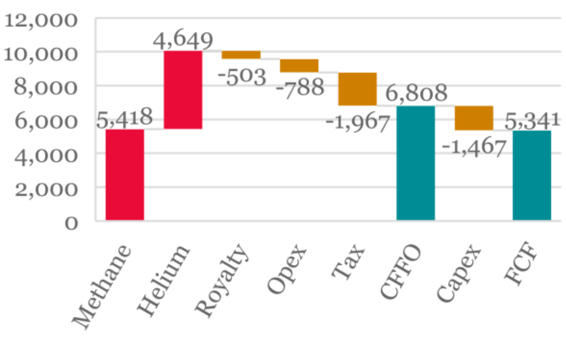
In absolute terms we see the project generating >US$10bn in revenue over 25 years with total free cash flow generated of >US$5bn. This is with Renergen contributing US$2.5bn in taxes and royalties to the SA Government.

Cash flow build up ($/mcf of total gas)



Source: H&P estimates

Cash flow build up (US$mm)



Source: H&P estimates

Sensitivities

The tables below show the sensitivity of our unrisked value of Phase 2 to helium prices, LNG prices, discount rates and the helium concentration in the gas. Our base case NPV10 is US$486mm with an IRR of 17%.

		Helium Price ($/mcf)				
		$250	$350	$450	$550	$650
Discount rate	8%	704	945	1,185	1,424	1,662
	10%	393	588	782	975	1,167
	12%	166	327	486	645	802
	14%	-4	132	265	398	529
	16%	-131	-16	98	210	321

		LNG price ($/mcf)				
		$7.5	$10.0	$12.5	$15.0	$17.5
Discount rate	8%	680	933	1,185	1,435	1,685
	10%	374	579	782	984	1,185
	12%	150	319	486	652	817
	14%	-17	125	265	404	542
	16%	-142	-22	98	215	332

		Helium Price ($/mcf)				
		$250	$350	$450	$550	$650
Helium %	1.0%	-62	11	84	157	229
	1.5%	30	138	247	353	460
	2.3%	166	327	486	645	802
	3.0%	300	513	724	932	1,141
	3.5%	389	636	880	1,123	1,365

Source: H&P estimates

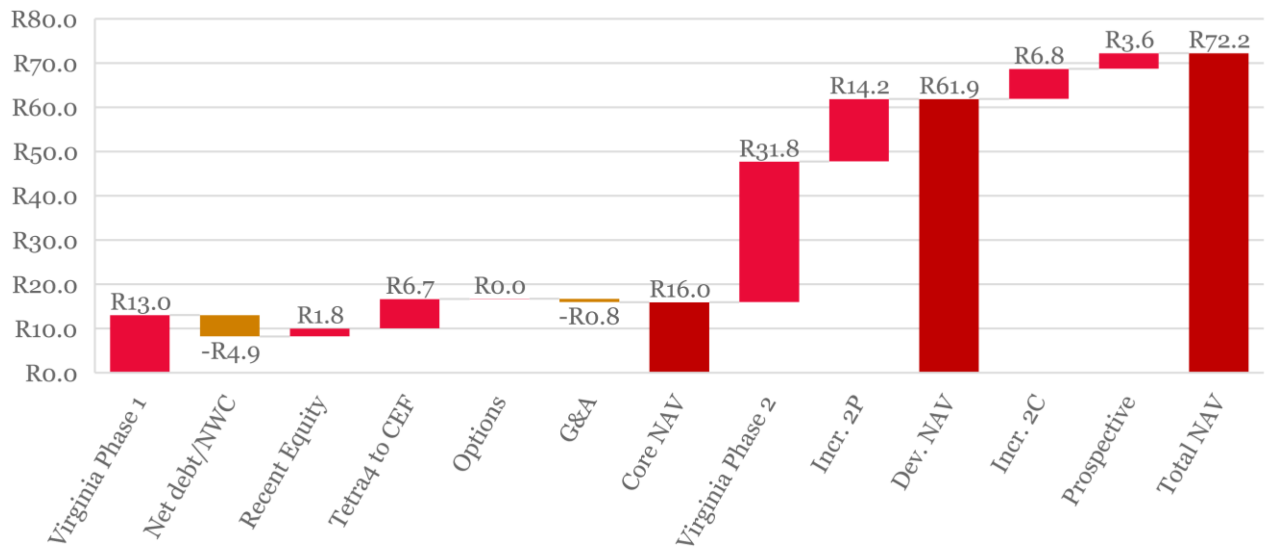
Valuation

NAV

Asset	Net bcf	NPV US$/mcf	Unrisked US$m	Unrisked R/sh	Unrisked A$/sh	Risking CoS	Risked US$m	Risked R/sh	Risked A$/sh
Net debt			-U$39	-R4.7	-A$0.4		-U$39	-R4.7	-A$0.4
Recent equity raised			U$15.1	R1.8	A$0.1		U$15.1	R1.8	A$0.1
Tetra4 sale to CEF			U$55.1	R6.7	A$0.5	90%	U$55.1	R6.7	A$0.5
Options and warrants			U$0.3	R0.0	A$0.0		U$0.3	R0.0	A$0.0
G&A @ 3x			-U$6.3	-R0.8	-A$0.1		-U$6.3	-R0.8	-A$0.1
Net working capital			-U$0.9	-R0.1	A$0.0		-U$0.9	-R0.1	A$0.0
Virginia Phase 1	18	$6.8	U$120	R14.5	A$1.2	90%	U$108	R13.0	A$1.1
Core NAV	**18**	**$8.2**	**U$144**	**R17**	**A$1.4**	**92%**	**U$132**	**R16**	**A$1.3**
Virginia Phase 2	296	$1.5	U$438	R52.9	A$4.3	60%	U$263	R31.8	A$2.6
Incremental 2P reserves	65	$3.0	U$195	R23.6	A$1.9	60%	U$117	R14.2	A$1.2
Development NAV	**361**	**$1.8**	**U$633**	**R77**	**A$6.2**	**60%**	**U$380**	**R46**	**A$3.7**
Incremental 2C reserves	224	$1.0	U$224	R27.1	A$2.2	25%	U$56	R6.8	A$0.6
Prospective resource	299	$1.0	U$299	R36.1	A$2.9	10%	U$30	R3.6	A$0.3
Contingent / Exploration	**523**	**$1.0**	**U$523**	**R63**	**A$5.1**	**16%**	**U$86**	**R10**	**A$0.8**
Total NAV	**523**	**$2.5**	**U$1,300**	**R157**	**A$12.8**	**46%**	**U$598**	**R72**	**A$5.9**

Source: H&P estimates

Risked NAV build up for Renergen (AUD/sh)



Source: H&P estimates

Risked NAV (A$/sh) at different gas prices and discount rates

		Helium Price ($/mcf)				
		$250	$350	$450	$550	$650
	8%	A$7.3	A$8.6	A$9.9	A$11.1	A$12.4
LNG	10%	A$5.5	A$6.5	A$7.6	A$8.6	A$9.6
price	12%	A$4.2	A$5.0	A$5.9	A$6.7	A$7.5
$/mcf	14%	A$3.2	A$3.9	A$4.6	A$5.3	A$6.0
	16%	A$2.4	A$3.0	A$3.6	A$4.2	A$4.8

Source: H&P estimates

Financial Summary (USD)

Operational data	**FY2023E**	**FY2024E**	**FY2025E**	**FY2026E**	**FY2027E**	**FY2028E**
Methane Production (mcf/d)	224	1,739	2,236	2,236	15,904	34,357
Helium Production (mcf/d)	0	47	61	61	402	864
Methane Production (mmcf)	82	636	816	816	5,805	12,575
Helium Production (mmcf)	0	17	22	22	147	316
Methane Production Growth		680%	28%	0%	611%	117%
Helium Production Growth			28%	0%	563%	115%

Income statement (USD mm)	**FY2023E**	**FY2024E**	**FY2025E**	**FY2026E**	**FY2027E**	**FY2028E**
Methane Revenue	0.7	9	11	12	82	178
Helium Revenue	0	6	8	8	65	143
Revenue	**1**	**15**	**19**	**21**	**146**	**322**
Cost of Sales	-1	-3	-4	-4	-26	-45
Gross Profit	**0**	**12**	**15**	**17**	**120**	**277**
Other Operating income	0	0	0	0	0	0
Other operating expenses	-3	-3	-3	-3	-3	-3
EBITDA	**-3**	**10**	**13**	**14**	**118**	**275**
Depreciation	0	-3	-4	-4	-27	-58
Operating Profit	**-4**	**7**	**9**	**11**	**91**	**217**
Net Financial Charges	-2	-10	-20	-25	-15	-5
Profit before tax	**-5**	**-3**	**-11**	**-15**	**76**	**212**
Taxation	1	1	3	4	-21	-59
Tax Rate	24%	28%	28%	28%	28%	28%
Profit for the period	**-4**	**-2**	**-8**	**-11**	**54**	**152**

Cashflow (USD mm)	**FY2023E**	**FY2024E**	**FY2025E**	**FY2026E**	**FY2027E**	**FY2028E**
Net Income (pre-tax)	**-5**	**-3**	**-11**	**-15**	**76**	**212**
Cash Adjustments	-2	0	0	0	0	0
DDA and Impairments	0	3	4	4	27	58
Non-cash Financial Charges	0	0	0	0	0	0
Net Interest	0	0	0	0	0	0
Other	0	0	0	0	0	0
CFFO (pre w/c)	**-6**	**-1**	**-8**	**-11**	**102**	**269**
Change in working capital	1	0	0	0	0	0
Cashflow from operations	**-5**	**-1**	**-8**	**-11**	**102**	**269**
Capex	-19	-180	-180	-720	-39	-7
Free Cashflow	**-23**	**-181**	**-188**	**-731**	**63**	**262**
Share buybacks/issuance	23	0	0	0	0	0
Other	0	0	0	0	0	0
Decrease in Net Debt	**-4**	**-181**	**-188**	**-731**	**63**	**262**

Source: H&P estimates

Balance Sheet (USD mm)	FY2023E	FY2024E	FY2025E	FY2026E	FY2027E	FY2028E
Property plant and equipment	73	245	416	1,111	1,123	1,074
Intangible assets	13	13	13	13	13	13
Investment in subsidiary	0	0	0	0	0	0
Loan to subsidiary	0	0	0	0	0	0
Deferred taxation	4	5	8	12	-9	-66
Restricted cash	1	1	1	1	1	1
NON-CURRENT ASSETS	**91**	**263**	**438**	**1,137**	**1,128**	**1,022**
Trade and other receivables	2	2	2	2	2	2
Inventories	0	0	0	0	0	0
Financial assets	0	0	0	0	0	0
Restricted cash	4	4	4	4	4	4
Cash and cash equivalents	101	120	132	-772	-905	-844
CURRENT ASSETS	**107**	**126**	**138**	**-766**	**-899**	**-838**
TOTAL ASSETS	**197**	**389**	**575**	**371**	**230**	**184**
Stated Capital	59	59	59	59	59	59
Share-based payments reserve	1	1	1	1	1	1
Revaluation reserve	0	0	0	0	0	0
Accumulated loss	-22	-25	-33	-43	10	158
Equity Attributable to Parent	0	0	0	0	0	0
Non-controlling interest	0	0	0	0	0	0
TOTAL EQUITY	**38**	**36**	**28**	**17**	**70**	**218**
LIABILITIES	**0**	**0**	**0**	**0**	**0**	**0**
Borrowings	149	343	537	343	149	-45
Lease liabilities	0	0	0	0	0	0
Provisions	2	2	2	2	2	2
NON-CURRENT LIABILITIES	**151**	**345**	**540**	**345**	**151**	**-43**
Borrowings	5	5	5	5	5	5
Trade and other payables	3	3	3	3	3	3
Lease liabilities	0	0	0	0	0	0
Provisions	0	0	0	0	0	0
CURRENT LIABILITIES	**8**	**8**	**8**	**8**	**8**	**8**
TOTAL LIABILITIES	**159**	**353**	**548**	**353**	**159**	**-35**
EQUITY AND LIABILITIES	**197**	**389**	**575**	**371**	**230**	**184**

Source: H&P estimate

Financial Summary (ZAR)

Operational data	FY2023E	FY2024E	FY2025E	FY2026E	FY2027E	FY2028E
Methane Production (mcf/d)	224	1,739	2,236	2,236	15,904	34,357
Helium Production (mcf/d)	0	47	61	61	402	864
Methane Production (mmcf)	82	636	816	816	5,805	12,575
Helium Production (mmcf)	0	17	22	22	147	316
Methane Production Growth		680%	28%	0%	611%	117%
Helium Production Growth			28%	0%	563%	115%

Income statement (ZAR mm)	FY2023E	FY2024E	FY2025E	FY2026E	FY2027E	FY2028E
Methane Revenue	10	139	164	185	1,215	2,660
Helium Revenue	0	92	120	123	962	2,139
Revenue	**10**	**231**	**285**	**308**	**2,177**	**4,799**
Cost of Sales	-10	-45	-54	-54	-385	-666
Gross Profit	**0**	**186**	**231**	**253**	**1,792**	**4,133**
Other Operating income	4	0	0	0	0	0
Other operating expenses	-43	-38	-38	-38	-38	-38
EBITDA	**-39**	**148**	**193**	**215**	**1,754**	**4,095**
Depreciation	-5	-43	-56	-56	-396	-858
Operating Profit	**-53**	**104**	**137**	**159**	**1,358**	**3,238**
Net Financial Charges	-24	-156	-305	-379	-230	-81
Profit before tax	**-73**	**-51**	**-168**	**-220**	**1,128**	**3,157**
Taxation	18	14	47	62	-316	-884
Tax Rate	24%	28%	28%	28%	28%	28%
Profit for the period	**-56**	**-37**	**-121**	**-158**	**812**	**2,273**

Cashflow (ZAR mm)	FY2023E	FY2024E	FY2025E	FY2026E	FY2027E	FY2028E
Net Income (pre-tax)	**-73**	**-51**	**-168**	**-220**	**1,128**	**3,157**
Cash Adjustments	-30	0	0	0	0	0
DDA and Impairments	5	43	56	56	396	858
Non-cash Financial Charges	1	0	0	0	0	0
Net Interest	1	0	0	0	0	0
Other	5	0	0	0	0	0
CFFO (pre w/c)	**-90**	**-8**	**-112**	**-164**	**1,523**	**4,014**
Change in working capital	17	0	0	0	0	0
Cashflow from operations	**-73**	**-8**	**-112**	**-164**	**1,523**	**4,014**
Capex	-276	-2,683	-2,683	-10,733	-583	-106
Free Cashflow	**-350**	**-2,691**	**-2,796**	**-10,897**	**940**	**3,908**
Share buybacks/issuance	349	0	0	0	0	0
Other	0	0	0	0	0	0
Decrease in Net Debt	**-67**	**-2,691**	**-2,796**	**-10,897**	**940**	**3,908**

Source: H&P estimates

Balance Sheet (ZAR mm)	FY2023E	FY2024E	FY2025E	FY2026E	FY2027E	FY2028E
Property plant and equipment	1,119	3,759	6,386	17,064	17,251	16,499
Intangible assets	204	204	204	204	204	204
Investment in subsidiary	0	0	0	0	0	0
Loan to subsidiary	0	0	0	0	0	0
Deferred taxation	61	76	123	184	-132	-1,015
Restricted cash	8	8	8	8	8	8
NON-CURRENT ASSETS	**1,392**	**4,046**	**6,721**	**17,460**	**17,331**	**15,695**
Trade and other receivables	33	33	33	33	33	33
Inventories	0	0	0	0	0	0
Financial assets	0	0	0	0	0	0
Restricted cash	60	60	60	60	60	60
Cash and cash equivalents	1,548	1,838	2,024	-11,855	-13,896	-12,969
CURRENT ASSETS	**1,641**	**1,931**	**2,117**	**-11,761**	**-13,803**	**-12,876**
TOTAL ASSETS	**3,033**	**5,978**	**8,838**	**5,698**	**3,529**	**2,820**
Stated Capital	914	914	914	914	914	914
Share-based payments reserve	16	16	16	16	16	16
Revaluation reserve	1	1	1	1	1	1
Accumulated loss	-345	-382	-503	-662	150	2,423
Equity Attributable to Parent	0	0	0	0	0	0
Non-controlling interest	0	0	0	0	0	0
TOTAL EQUITY	**585**	**548**	**427**	**269**	**1,081**	**3,353**
LIABILITIES	**0**	**0**	**0**	**0**	**0**	**0**
Borrowings	2,293	5,274	8,256	5,274	2,293	-689
Lease liabilities	2	2	2	2	2	2
Provisions	31	31	31	31	31	31
NON-CURRENT LIABILITIES	**2,325**	**5,307**	**8,288**	**5,307**	**2,325**	**-656**
Borrowings	77	77	77	77	77	77
Trade and other payables	45	45	45	45	45	45
Lease liabilities	1	1	1	1	1	1
Provisions	0	0	0	0	0	0
CURRENT LIABILITIES	**123**	**123**	**123**	**123**	**123**	**123**
TOTAL LIABILITIES	**2,448**	**5,430**	**8,411**	**5,430**	**2,448**	**-533**
EQUITY AND LIABILITIES	**3,033**	**5,978**	**8,838**	**5,698**	**3,529**	**2,820**

Source: H&P estimate

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