RENERGEN LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
JSE Share code: REN ISIN: ZAE000202610
Australian Business Number ABN: 93998352675 ASX Share code: RLT
(“Renergen” or “the Company” or “the Group”)

REVIEWED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE SIX MONTHS ENDED

31 AUGUST 2020

About Renergen

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

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

As the Company continues the development of the Virginia Gas Project and brings the operation closer to positive cash flow, the many risks traditionally associated to greenfield projects are rapidly reducing. Combined with a key strategic stakeholder in the form of the US Development Finance Corporation ("DFC" formerly known as OPIC), this important project is coming closer to becoming a key supplier of both clean energy in South Africa with liquefied natural gas ("LNG") and high-grade helium globally.

COMMENTARY

The first half saw the Company deliver on significant milestones once again. Highlights from the period include:

- Completion of the pipeline design;
- Drawing the second tranche of the DFC Loan;
- Commencement of drilling the first inclined well;
- Strategic tie up with Total South Africa ("Total"), a leading oil super-major, on domestic LNG distribution;
- Announcement of Prospective Helium Resources, with a 2U, or 50% probability of recovery of 106.3 billion cubic feet ("BCF");
- Identification of three additional drilling targets; and
- Announcement of South Africa's first LNG auction to be held later this year.

The strategic tie up with Total not only adds credibility to the Virginia Gas Project, but also gives the Company access to strategic sites on which to establish filling stations to dispense LNG to our customers. The conclusion of the agreement between Total and the Company was seen as a win-win for both entities, making Total part of the rollout of the first LNG in South Africa which aligns with their global strategy of becoming the largest supplier and distributer globally of LNG.

The Prospective Helium Resources announced also highlights the true potential of the Virginia Gas Project. With global helium consumption estimated at approximately 6 BCF per annum, even a small portion of these Prospective Resources would catapult the Company to becoming one of the main players in this critical commodity.

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

Financial review

The first half of the year saw the Company impacted by the South African government's response to COVID-19 with lock-downs. This is not unique to the Company, and every effort was taken to work around the lock-downs and continue development of the Virginia Gas Project with the least possible delay. The Group opted to implement drastic measures to limit the impact of the virus on staff and from 18 March all staff in Johannesburg office have been working from home in self isolation, non-essential staff were place on special leave, operations were reduced to critical team members only, both internal and external meetings were via digital platforms and significant emphasis was placed on personal hygiene and no physical contact allowed where practical.

- Group revenue decreased by 36% to R0.9 million (31 August 2019: R1.4 million) due to countrywide COVID-19 lockdown restrictions. Tetra4 did not generate revenue between April 2020 and May 2020 during level 5 of the lockdown. In June 2020, the company remobilized and resumed production at its' CNG ("Compressed Natural Gas") plant.
- Second drawn on the DFC loan of US$12.5 million (R216.3 million) in June 2020.
- The Group property, plant and equipment increased by 797% to R420.5 million (31 August 2019: R50.3 million) as a result of commencing construction of the New Liquified Natural Gas (LNG) and Liquefied Helium (LHe) plant.
- The Group's intangible assets increased by 13% due to Tetra4's gas exploration activities

Changes to the Board of Directors

There were no changes to the board of directors for the reporting period.

Condensed Consolidated Statement of Financial Position

The statement of financial position of the Group as at 31 August 2020 are set out below:

Figures in R'000	**Notes**	**Reviewed 31 August 2020**	**Audited 29 February 2020**	**Reviewed 31 August 2019 Restated***
Assets				
Non - Current Assets				
Property Plant and Equipment*	**3**	420 514	350 824	50 323
Intangible Assets		100 895	89 223	75 195
Deferred tax asset**		27 335	26 803	15 099
Restricted cash		2 842	2 729	2 452
Total non-current assets		**551 586**	**469 579**	**143 069**
Current Assets				
Trade and other receivables***		9 638	5 533	6 697
Derivative financial assets		-	246	8 659
Restricted cash		17 708	10 161	4 000
Cash and cash equivalents		250 730	140 972	129 459
Total current assets		**278 076**	**156 912**	**148 815**
Total Assets		**829 662**	**626 491**	**291 884**
Equity and Liabilities				
Equity				
Stated capital		452 254	452 254	397 771
Accumulated loss		(240 039)	(213 148)	(158 471)
Share based payment reserve	**10**	8 498	7 526	7 080
Revaluation reserve		598	598	-
Equity attributable to parent		**221 311**	**247 230**	**246 380**
Non-controlling interest	**6**	-	-	(19 046)
Total Equity		**221 311**	**247 230**	**227 334**
Liabilities				
Non-Current Liabilities				
Financial liabilities	**7**	569 764	351 182	36 670
Lease liabilities		2 122	2 963	3 796
Provisions		4 000	4 000	4 000
Total non-current liabilities		**575 886**	**358 145**	**44 466**

Current Liabilities				
Financial liabilities	**7**	10 087	-	5 480
Provisions		2 180	2 180	5 830
Trade and other payables		17 680	16 387	8 340
Lease liabilities		2 518	2 549	434
Total Current Liabilities		**32 465**	**21 116**	**20 084**
Total Liabilities		**608 351**	**379 261**	**64 550**
Total Equity and Liabilities		**829 662**	**626 491**	**291 884**

*In the prior reporting period a right-of-use asset was disclosed separately and is included as part of Property, plant and equipment in the current reporting period and prior year was re-classified to be included on property, plant and equipment.

** Deferred tax liability and deferred tax asset were shown separately in the prior year and netted off in the current year. The prior year deferred tax liability has been netted off against the deferred tax asset in this report for consistency of presentation.

*** Included in Trade and other receivables is prepaid expenses; prepaid expenses are not financial instruments.

Condensed Consolidated Statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income of the Group for the 6-month ending 31 August 2020 are set out below:

Figures in R'000	Notes	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Revenue from contracts with customers		910	2 635	1 441
- Sale of CNG gas		910	2 635	1 441
Cost of sales		(1 322)	(3 302)	(1 888)
Gross loss		**(412)**	**(667)**	**(447)**
Other income		184	81	167
Impairment loss		-	(938)	-
Share - based payments expense	**10**	(972)	(7 078)	(6 632)
Operating expenses	**4**	(25 675)	(58 703)	(35 913)
Operating loss		**(26 875)**	**(67 305)**	**(42 825)**
Interest Income		553	5 352	2 593
Interest expense and imputed interest		(2 289)	(5 325)	(2 612)
Total loss before tax		**(28 611)**	**(67 278)**	**(42 844)**
Taxation		1 720	14 659	2 856
Total loss after tax		**(26 891)**	**(52 619)**	**(39 988)**
Other comprehensive income				
Revaluation of property		**-**	598	**-**
Total comprehensive loss for the year		**(26 891)**	**(52 021)**	**(39 988)**
Total loss attributable to:				
Owners of the parent		(26 891)	(52 021)	(37 343)
Non-controlling interest		-	-	(2 645)

		(26 891)	**(52 021)**	**(39 988)**
Total comprehensive loss attributable to:				
Owners of the parent		(26 891)	(52 021)	(37 343)
Non- controlling interest		-	-	(2 645)
		(26 891)	**(52 021)**	**(39 988)**
Loss per share	**9**			
Basic loss per share (cents)		**(22.90)**	**(47.31)**	**(35.24)**
Diluted loss per ordinary share (cents)		**(22.90)**	**(47.31)**	**(35.24)**

Condensed Consolidated Statement of Changes in Equity

The statement of changes in equity of the Group for the 6-month period ended 31 August 2020 are set out below:

Figures in R'000	Stated Capital	Accu-mulated Loss	Share based payment reserve	Reval-uation Reserve	Equity Attribu-table to parent	Non-Controlling interest	Total Equity
Balance at 01 March 2019	**301 277**	**(121 128)**	**448**	**-**	**180 597**	**(16 401)**	**164 196**
Share issue	102 984	-	-	**-**	**102 984**	-	**102 984**
Share issue costs	(6 490)	-	-	**-**	**(6 490)**	-	**(6 490)**
Share based payment	**-**	**-**	6 632	**-**	**6 632**	**-**	**6 632**
Total comprehensive loss after tax		(37 343)	**-**	**-**	**(37 343)**	(2 645)	**(39 988)**
Balance at 31 August 2019	**397 771**	**(158 471)**	**7 080**	**-**	**246 380**	**(19 046)**	**227 334**
Share issue	56 762	-	-	**-**	**56 762**	-	**56 762**
Share issue costs	(2 279)	-	-	**-**	**(2 279)**	-	**(2 279)**
Share based payment	-	-	446	**-**	**446**	-	**446**
Changes in ownership	-	(39 401)	**-**	**-**	**(39 401)**	16 401	**(23 000)**
Total comprehensive loss after tax	-	(15 276)	-	598	**(14 678)**	2 645	**(12 033)**
Balance at 29							

February 2020	**452 254**	**(213 148)**	**7 526**	**598**	**247 230**	**-**	**247 230**
Share based payment	-	-	972	**-**	**972**	-	**972**
Total loss after tax	-	(26 891)	-	**-**	**(26 891)**	-	**(26 891)**
Balance at 31 August 2020	**452 254**	**(240 039)**	**8 498**	**598**	**221 311**	**-**	**221 311**

Condensed Consolidated Statement of Cash Flows

The statement of cash flow of the Group for the 6-month period ended 31 August 2020 are set out below:

Figures in R'000	Notes	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Cash flows from operating activities				
Cash used in operations	**5**	(16 989)	(42 636)	(38 378)
Interest Income		553	5 352	2 593
Interest expense		(163)	(187)	(166)
Net cash outflow from operating activities		**(16 599)**	**(37 471)**	**(35 951)**
Acquisition of property, plant and equipment		(62 022)	(298 347)	(10 884)
Acquisition of intangible assets		(11 672)	(18 728)	(4 701)
Purchase of Put Options		(16 197)	(8 256)	(9 256)
Proceeds on exercise of options		5 879	9 517	-
Net cash outflow from investing activities		**(84 012)**	**(315 814)**	**(24 841)**
Proceeds on share issue		-	159 746	102 984
Share issue costs		-	(8 769)	(6 490)
Increase in borrowings		216 282	295 976	-
Loan facility fee paid		-	(4 814)	-
Funding of the DFC debt service reserve account		(7 256)	-	-
Right of use Lease payments		(1 289)	(2 338)	(618)
Non-controlling interest buy-out		-	(23 000)	-
Settlement of convertible note		-	(5 452)	-
Net cash inflow from financing activities		**207 737**	**411 349**	**95 876**
Total cash movement for the period		107 126	58 064	35 084
Cash at the beginning of the period		140 972	97 956	97 956
Effects of exchange rate changes on cash and cash equivalents		2 632	(15 048)	(3 581)
Total cash at the end of the period		**250 730**	**140 972**	**129 459**

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial information as at 31 August 2020 are set out below:

1. Basis of preparation

The reviewed Condensed Consolidated Interim financial statements for the six months ended 31 August 2020 have been prepared and presented in accordance with the requirements of the JSE Limited ("JSE Listings Requirements") and ASX Limited ("ASX Listings Requirements) and the requirements of the South African Companies Act 71 of 2008, as amended. The JSE Listings Requirements require interim reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the Financial Reporting Pronouncements issued by Financial Reporting Standards Council, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the Condensed Consolidated Interim financial statements are in terms of IFRS.

The directors take full responsibility for the preparation of the interim report.

These Condensed Consolidated Interim financial statements have been reviewed by the Company's auditors and were prepared under the supervision of the Chief Financial Officer, Miss F Ravele CA(SA).

Auditor's Review

Mazars, the group's independent auditor, has reviewed the Condensed Consolidated Interim Results for the period ended 31 August 2020 and have expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the Company's registered office together with the financial information identified in the auditor's report. The auditor's review report does not necessarily report on all the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's review report together with the accompanying financial information from the Company's registered office.

2. Changes in accounting policies

The accounting policies assumptions adopted in the preparation of the Condensed Consolidated Interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 29 February 2020.

3. **Property, plant, and equipment**

***Assets under construction and capitalized costs**

Assets under construction relate to costs incurred in the construction of the new LNG and Liquified helium plant in Virginia

Borrowing costs

During the period borrowing costs directly attributable to funding the LNG and LHe plant project have been capitalised to assets under construction. All other borrowing costs are expensed as and when they are incurred.Net foreign exchange losses of R10 million relating to the translation of the DFC loan (see note 6) have been capitalized. Other borrowing costs such as interest and fees on the DFC loan, investment income have been capitalised.

Salaries and wages

Salaries and wages relating to the time spent by the Renergen group directors and employees on the construction project are capitalised to assets under construction. R9.4 million of group salaries and wages have been capitalised in the current period.

Figures in R'000	**Cost**	**Accumulated deprecation**	**Carrying value**
Reviewed 31 August 2020			
Assets under construction*	397 868	-	397 868
Right of use – Head office building	4 128	(2 064)	2 064
Land	3 473	-	3 473
Plant and machinery	20 715	(8 780)	11 935
Furniture and fixtures	1 206	(584)	622
Motor vehicles	2 051	(1 891)	160
Office equipment	208	(117)	91
IT equipment	503	(384)	119
Right of use – Motor vehicles	1 950	(231)	1 719
Office building	2 065	(167)	1 898
Leasehold improvements:			
Office equipment	153	(98)	55
Furniture and fixtures	888	(378)	510
	435 208	**(14 694)**	**420 514**

Figures in R'000	Cost	Accumulated depreciation	Carrying Value
Audited 29 February 2020		-	
Assets under construction	325 886	-	325 886
Right of use – Head office building	4 129	(1 376)	2 753
Land	3 473	-	3 473
Plant and machinery	20 715	(7 767)	12 948
Furniture and fixtures	1 146	(486)	660
Motor vehicles	2 050	(1 725)	325
Office equipment	209	(104)	105
IT equipment	542	(365)	177
Right of use - motor vehicle	2 359	(516)	1 843
Office building	2 065	(63)	2 002
Lease hold improvements:			
- Office equipment	152	(84)	68
- Furniture and fixtures	887	(303)	584
Total	**363 613**	**(12 789)**	**350 824**

Figures in R'000	Cost	Accumulated deprecation	Carrying value
Reviewed 31 August 2019 Restated**			
Assets under construction*	28 398	-	28 398
Right of use – Head office building**	4 129	(688)	3 441
Plant and machinery	20 335	(5 360)	14 975
Furniture and fixtures	1 068	(372)	696
Motor vehicles	2 086	(1 589)	497
Office equipment	134	(90)	44
IT equipment	524	(338)	186
Right of use – Motor vehicles	857	(178)	679
Office building	734	(12)	722
Leasehold improvements:			
Office equipment	117	(72)	45
Furniture and fixtures	888	(248)	640
	59 270	**(8 947)**	**50 323**

**Right of use asset was separately disclosed at 31 August 2019 at a carrying value of R3.4million. This asset was incorporated in the Property Plant and Equipment balance at 29 February 2020.

4. Operating Expenses

Operating loss for the year is stated after charging the following, amongst others:

Figures in R'000	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Consulting and advisory fees	3 036	2 342	1 145
Depreciation, amortisation and impairment*	1 692	3 542	568
Listing costs (ASX IPO costs)	-	6 388	6 388
Right-of-use asset – Depreciation	-	-	688
Lease liability – Interest expense***	-	-	199
Non-Executive Directors fees	1 107	2 581	1 161
Executive Directors Fees**	2 505	9 808	3 593
Employee costs**	7 719	12 970	5 758
Operating lease	-	-	44
Net foreign exchange losses/(gains)	(2 632)	15 048	-
OPIC funding costs	-	-	204
Other Operating costs	12 248	6 024	16 165
	25 675	**58 703**	**35 913**

*Depreciation of plant and equipment amounting to R1 million (31 August 2019: R1 million), is included in cost of sales

**Employee costs relating to manufacturing of gas sold is included in cost of sales and employee and director costs relating to the LNG and LHe plant project are capitalised to assets under construction.

*** In the current year interest on right of use assets (lease liabilities) has been correctly included as part of interest expenses.

5. Cash used in operations

Figures in R'000	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Loss before taxation	(28 611)	(67 278)	(42 844)
Adjustments for:			
Depreciation and amortisation	2 705	4 760	1 757
Right-of-use asset – deprecation*	-	-	688
Right-of-use asset – interest expense**	-	-	199
Interest expense and imputed interest	2 289	5 325	2 612
Interest income***	(553)	(5 352)	(2 593)
Loss on disposal on intangible asset	-	938	-
Share based payment expense	972	7 078	6 632
Net fair value (gains)losses on put option contracts	8 797	(3 661)	588
Allocation to restricted cash***	(144)	(551)	(4 275)
Accounting adjustment to prior year bonus provision	3 034	-	-
Deposits written off	-	143	-
Loss on disposal of vehicle	7	77	-
Provision for IDC costs	-	(3 649)	-
Effects of exchange rate changes on cash and cash equivalents	(2 632)	15 048	3 581
Changes in working capital:			
Trade and other receivables	(4 145)	(1 050)	(2 214)
Trade and other payables	1 292	5 536	(2 509)
	(16 989)	**(42 636)**	**(38 378)**

*In prior year reporting period, right of use depreciation was separately disclosed, this amount has been included in total depreciation and amortisation

** In prior year reporting period, Right of use liability-Interest expense was separately disclosed, this has been included in the Interest expense and imputed interest figure in the current year.

***Tetra4 has cash deposits made into the call accounts have been ring-fenced. These cash deposits consist of funds that will be used for environmental rehabilitation.

6. Non-controlling interest buy-out

In December 2019 Renergen purchased the remaining 10% stake in Tetra4, resulting in Renergen holding 100% of the shares in Tetra4.

7. Financial liabilities

Figures in R'000	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Non-current liabilities			
Held at amortised cost			
Molopo energy Limited	40 859	38 940	36 670
DFC,US International Development Corporation	528 905	312 242	-
Total non-current liabilities	**569 764**	**351 182**	**36 670**
Current liabilities			
DFC,US International Development Corporation	10 087	-	-
Convertible notes	-	-	5 480
Total current liabilities	**10 087**	**-**	**5 480**

Molopo Energy Limited

Tetra4 (Pty) Ltd entered into a R50 million loan agreement on 01 May 2013. This loan was part of the conditions of the sale of shares in Tetra4 (Pty) Ltd from Molopo Energy Limited to Windfall Energy (Pty) Ltd. 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 (Pty) Ltd declares a dividend and 36% of distributable profits must be repaid before a dividend is declared. In the event that by 31 December 2022 the loan is not repaid, the loan shall bear interest at prime overdraft plus 2% and will have no repayment terms. Shareholders loans can only be repaid after the loans from Molopo Energy Limited have been settled.

DFC, US International Development Corporation

Tetra4 (Pty) Ltd entered into a US$40 million finance agreement with DFC on 20 August 2019. The first draw down of US$20million took place in September 2019 and the second draw down in June 2020. Tetra4 shall repay the loan in approximately equal installments on each payment date beginning 1 August 2022 and ending no later than the thirty-sevenths payment date, 15 August 2031.The first draw down (US$20 million) of the loan bears a coupon rate of 2.11% and the second drawdown (US$ 12.5 million) bears a coupon rate of 1.49%. The loan is secured.

8. Segmental analysis

Renergen Limited has two operating segments.

• **Corporate Head Office**

Corporate head office is a segment where all investment decisions are made. Renergen Limited is the investment holding company focused 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.

• **Tetra4 (Pty) Ltd**

Tetra4 explores, develops and sells compressed natural gas to the South African market. Natural gas is a renewable resource, since it is produced by living microbial organisms.

Analysis of reportable segments as at 31 August 2020 is set out below:

Figures in R'000	**Corporate Head Office**	**Tetra4**	**Total**	**Consolidating Adjustments**	**Consolidated**
Revenue	**12 480**	**910**	**13 390**	**(12 480)**	**910**
External	-	910	910	-	910
Inter-segment	12 480	-	12 480	(12 480)	-
Profit/(Loss) for the period	3 707	(30 598)	(26 891)	-	(26 891)
Total Assets	**1 030 968**	**809 437**	**1 840 405**	**(1 010 743)**	**829 662**
Total liabilities	**7 078**	**987 726**	**994 804**	**(386 453)**	**608 351**

Comparatives

Figures in R'000 Audited 29 February 2020	**Corporate Head Office**	**Tetra4**	**Total**	**Consolidating Adjustments**	**Consolidated**
Revenue	**21 129**	**2 635**	**23 764**	**(21 129)**	**2 635**
External	-	2 635	2 635	-	2 635
Inter-segment	21 129	-	21 129	(21 129)	-
Loss for the period	(15 642)	(36 977)	(52 619)	-	(52 619)
Total Assets	**1 030 938**	**590 272**	**1 621 210**	**(994 719)**	**626 491**

Total liabilities	**11 727**	**738 441**	**750 168**	**(370 907)**	**379 261**

Figures in R'000 Reviewed 31 August 2019	**Corporate Head Office**	**Tetra4**	**Total**	**Consolidating Adjustments**	**Consolidated**
Revenue	**8 932**	**1 441**	**10 373**	**(8 932)**	**1 441**
External	-	1 441	1 441	-	1 441
Inter-segment	8 932	-	8 932	(8 932)	-
Loss for the period	(13 542)	(26 446)	(39 988)	-	(39 988)
Total Assets*	**978 731**	**173 912**	**1 152 643**	**(860 759)**	**291 884**
Total liabilities*	**12 349**	**313 050**	**325 399**	**(260 849)**	**64 550**

* Deferred tax liability and deferred tax asset were shown separately in the prior year and netted off in the current year. The prior year deferred tax liability has been netted off against the deferred tax asset in this report for consistency of presentation.

9. Loss per share

Figures in R'000	**Reviewed 31 August 2020**	**Audited 29 February 2020**	**Reviewed 31 August 2019**
Basic loss			
Loss from continuing operations attributable to equity owners of the parent	(26 891)	(52 619)	(37 343)
Weighted average number of shares	117 427	109 799	105 978
Basic loss per share (cents)	**(22.90)**	**(47.92)**	**(35.24)**
Reconciliation of diluted loss			
Basic loss	(26 891)	(52 619)	(37 343)
Diluted weighted average number of shares*	117 427	109 799	105 978
Diluted loss per share (cents)	**(22.90)**	**(47.92)**	**(35.24)**
Reconciliation of basic loss to headline loss			
Basic loss attributable to equity owners of the parent	(26 891)	(52 619)	(37 343)
Loss on disposal of intangible asset	-	938	-

Tax effects of disposal and impairment of fixed assets	-	(263)	-
Headline loss	**(26 891)**	**(51 944)**	**(37 343)**
Headline loss per share (cents)	**(22.90)**	**(47.31)**	**(35.24)**
Reconciliation of basic headline loss to diluted headline loss			
Headline loss	(26 891)	(51 944)	(37 343)
Adjustments	-	-	-
Diluted headline loss	**(26 891)**	**(51 944)**	**(37 343)**
Diluted weighted average number of shares*	117 427	109 799	105 978
Diluted Headline loss per share (cents)	**(22.90)**	**(47.31)**	**(35.24)**
Number of shares in issue ('000)	**117 427**	**117 427**	**112 635**

*Conversion of future issuable shares is anti-dilutive as these shares will improve the loss per share and headline loss per share.

10. Share based payment

Renergen granted shares to general employees, senior management and executive directors. These shares vest after 36 months of employment with the Company, there are no other vesting conditions. Shares granted to employees have an no exercise price.

	Reviewed 31 August 2020			**Audited 29 February 2020**			**Reviewed 31 August 2019**		
	Number of shares awarded ('000)	Fair value per share	Value of Shares (R'000)	Number of shares awarded ('000)	Fair value per share	Value of Shares (R'000)	Number of shares awarded ('000)	Fair value per share	Value of Shares (R'000)
Opening balance – total shares awarded	**277,4**		**2 479**	**108**		**1 095**	**108**		**1 095**
Allocation for the period	386	13.55	5 231	169,4	8.17	1 384	169	8.17	1 380
Total shares awarded to date	**663,4**		**7 710**	**277,4**		**2 479**	**277**		**2 475**

In the prior year Renergen granted Share Options to its ASX lead advisor, Corporate advisor and Dr. David King an Australian non-executive director at ASX IPO on 6 June 2019. 250 000 Share options were granted to Dr David King, a Non-executive Director, for every year of service over 4 years, these share options vest after every year of completed service. 250 000 of these options shares vested in June 2020, but have yet to be exercised.

Figures in '000	**Reviewed 31 August 2020**			**Audited 29 February 2020**			**Reviewed 31 August 2019**		
	Number of share options awarded ('000)	Fair value per share option	Value of Shares options (R'000)	Number of share options awarded ('000)	Fair value per share option	Value of Share options (R'000)	Number of share option awarded ('000)	Fair value per share option	Value of Share options (R'000)
Allocation for the period									
Lead adviser	-	-	-	3 379	1.03	3 480	3 379	1.03	3 483
Corporate adviser	-	-	-	1 670	1.65	2 756	1 670	1.65	2 787
Dr. David King				250	0.21	53	250	0.21	53
Closing share options award	-	-	-	**5 299**		**6 289**	**5 299**		**6 323**
Share Options vested – Dr. David King	250	0.21	53	-	-	-	-	-	-
Total share options vested	**250**	**0.21**	**53**	-	-	-	-	-	-

Impact of share-based payments on financial statements is detailed below:

Figures in (R'000)	**Reviewed 31 August 2020**		**Audited 29 February 2020**		**Reviewed 31 August 2019**	
	Statement of profit or loss	**Statement of financial position – share based payment reserves**	**Statement of profit or loss**	**Statement of financial position – share based payment reserves**	**Statement of profit or loss**	**Statement of financial position – share based payment reserves**
Opening balance	-	**7 526**	**-**	**448**	**-**	**448**
Movement for the year:	972	972	7 078	7 078	6 632	6 632

Current year Share-based payment expense	**972**	**-**	**7 078**	**-**	**6 632**	**-**
Closing balance – Share based payment reserve	**-**	**8 498**	**-**	**7 526**	**-**	**7 080**

11. Net Asset value per share

	Reviewed 31 August 2020	Audited 29 February 2020	Reviewed 31 August 2019
Net Asset value per share	188.47	210.54	201.83
Tangible Net Assets per share	102.55	134.56	135.07
Number of shares in issue (‘000)	**117 427**	**117 427**	**112 635**

12. Contingent liabilities and commitments

12.1. Contingent liabilities

There are no contingent liabilities for the period ending 31 August 2020.

12.2. Capital commitments

The board has approved total project value of R750 million with capital expenditure of R512 million to spend on the new plant and R238 million on other costs linked to the project. As at the end of the reporting period the Group has executed construction and drilling contracts, the spend of the approved project value to date is disclosed in the table below:

Figures in R000’	Approved	Spent to date	Committed but not spent	Uncommitted
Capital equipment	512 000	265 009	235 344	11 647
Other	238 000	102 659	61 594	73 747
Total	**750 000**	**367 668**	**296 938**	**85 394**

13. Events after the reporting period

On 2 September 2020, Renergen released a SENS announcement that the LNG auction registration process is complete. The number of registrations has significantly exceeded expectations, demonstrating the inherent demand of the domestic market for alternative energy supplies. Respondents are finalising non-disclosure agreements which will allow information sharing to commence, once the information sharing is complete bidders have until the end of October to submit their bids for LNG and then Renergen will assess all bids and allocate accordingly.

On 10 September 2020, Renergen issued as SENS announcement on the inclined well drilling update. The first well in the programme, using a percussion rig, was unable to reach the casing point at the base of the Karoo sedimentary section after the bottom hole assembly was irretrievable lost following a drill string rupture. As the drilling was on a turnkey basis, at a no drilling cost to the company until the base Karroo was successfully penetrated, it was decided to abandon this well rather than to attempt to retrieve the lost assembly. Following the abandonment of this well, the Company has revised its drilling programme so that the future wells will entail drilling sub-vertically to the base of Karoo casing point, and then drilling out of casing to intersect the target gas bearing fault structures at increased inclination using a newly available rotary rig with directional drilling capabilities. The Company has been fortunate to source this fit-for purpose rotary drilling rig which is now being mobilized to site.

On 17 September 2020, Renergen released a SENS announcement that in accordance with the Deed of Undertaking entered into between the Company and ASX, it is providing ASX information in relation to the change in voting of the substantial holding by Notable Pioneer Limited as at 17 September 2020. The number of securities held increased to 13,407,184 from 9,950,000 and voting power increased to 11.41% from 7.057%.

South Africa moved to alert Level 1 of the lockdown with effect from 20 September 2020, this move recognises that the levels of the COVID-19 infection are relatively low and there is sufficient capacity in the country's health system to manage the current need. Staff members from both the Johannesburg and Virginia office have now returned to working at the office under strict COVID-19 guidelines. As of the date of this report management have assessed that there is no material impact for the period ending 31 August 2020.

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

14. Going concern

The reviewed consolidated Interim Financial Statements have been prepared assuming the Group will continue as a going concern, which contemplates the realisation of assets and satisfaction of liabilities in the normal course of business for the foreseeable future. The Group's ability to achieve profitability is dependent on the capital spend of proceeds raised from the funds raised. The Directors have reviewed the Group's forecasts for the next twelve months and is satisfied with the Group's ability to continue as a going concern.

The Group has received a funding commitment of $40million from Overseas Private Investment Corporation to spend towards the New Plant Project and has drawn down US$32.5 million (R539 million) to date. Renergen did not generate revenue in the months of April and May 2020 due to the lockdown imposed by the South African government and in June 2020 remobilised and resumed production. The weakness of the ZAR currency against the world major currencies affected the translation of the USD loan balance but was however hedged by the translation of the USD asset under construction. Resulting in minimal impact on the financial position of Renergen. The construction of the New Plant is in progress and potential COVID-19 delays construction programme are constantly being monitored and assessed. We are confident that our measures will likely reduce the impact on the scheduled “go live” date of the plant and as a result will see the plant “go live” in Q4 of 2021. Sale of Liquified Natural Gas (LNG) and Helium (He) is expected to commence in the financial year 2022. The Group has entered into off take agreements for the sale of both LNG and helium.

Johannesburg

16 October 2020

Designated Advisor

PSG Capital

CORPORATE INFORMATION

Country of incorporation and domicile	South Africa
Company and registration number	2014/195093/06
JSE Share code	REN
JSE ISIN	ZAE000202610
ASX Share code	RLT
ASX Business number	93 998 352 675
Registered office	First Floor, 1 Bompas Road Dunkeld West 2196
Nature of the business and principal activities	Energy company focused on alternative and renewable energy sectors in South Africa and sub-Saharan Africa. The Company is listed on the JSE Alternative Exchange ("AltX"), as well as the Australian Securities Exchange ("ASX")
Directors	Stefano Marani Fulu Ravele Nick Mitchell Brett Kimber Mbali Swana Luigi Matteucci Bane Maleke Francois Olivier David King
Auditors	Mazars Registered Auditors
Company Secretary	Acorim Proprietary Limited
Transfer secretaries	Computershare Investor Services Proprietary Limited
Designated adviser	PSG Capital