

Appendix 5B

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

Name of entity

RENERGEN LIMITED

ABN

93998352675

Quarter ended ("current quarter")

30 November 2020

Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (9 months) ZAR'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	563	1 279
1.2	Payments for		
	(a) exploration & evaluation	(532)	(882)
	(b) development		
	(c) production	68	(858)
	(d) staff costs	(5 225)	(13 556)
	(e) administration and corporate costs	(3 635)	(20 524)
1.3	Dividends received (see note 3)		
1.4	Interest received	88	641
1.5	Interest and other costs of finance paid	(264)	(427)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
	Loss before tax	(18 612)	(45 969)
	Adjustments to (1.1-1.7)	8 937	34 327
	Imputed interest	931	2 851
	IFRS 16	57	263
	Depreciation	2 342	3 958
	Hedging movement	(10 318)	-
	share based payment	433	1 405
	provisions adjustments and accounting adjustments	712	(402)
	exchange rates	(28 951)	(21 143)
	changes in working capital	13 155	5 558
	restricted cash allocation	(200)	(320)

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Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (9 months) ZAR'000
1.9	Net cash from / (used in) operating activities	(40 451)	(53 799)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(405)	(405)
	(c) property, plant and equipment	(20 755)	(76 405)
	(d) exploration & evaluation	(6 211)	(17 527)
	(e) investments	-	-
	(f) other non-current assets-Hedge options	7 812	(2 240)
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(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 from / (used in) investing activities	(19 559)	(96 577)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	-	216 282
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	(13 302)	(13 302)
3.8	Dividends paid		

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Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (9 months) ZAR'000
3.9	Other (provide details if material)		
	Lease payments	(553)	(1 647)
	Transfer of funds to debt service reserve account under DFC loan agreement which has been included in 3.7 as part of costs of borrowing	7 256	-
3.10	Net cash from / (used in) financing activities	(6 599)	201 133

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	151 132	151 132
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(40 451)	(53 799)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(19 559)	(96 577)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(6 599)	201 333
4.5	Effect of movement in exchange rates on cash held	(13 246)	(21 052)
4.6	Cash and cash equivalents at end of period	71 277	181 037

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	Previous quarter ZAR'000
5.1	Bank balances	20 265	21 496
5.2	Call deposits	160 772	229 234
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)	181 037	250 731

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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	2 681
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

A portion these costs is capitalised to Property, plant and equipment based on time spent by each director on the New LNG and Helium plant project. These costs are included in both 1.2 and 2.1. Payments included in 1.2 relate to day to day operations and 2.1 relate to the direct time spent on the project.

Non-executive directors are paid bi-annually, no payments were made in this quarter

7.	Financing facilities	Total facility amount at quarter end ZAR'000	Amount drawn at quarter end ZAR'000
	<i>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.</i>		
7.1	Loan facilities	609 736	495 411
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	609 736	495 411
7.5	Unused financing facilities available at quarter end		114 325
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.		
	<p>Loan received from OPIC (Overseas Private Investment Corporation) for \$US40 million (R609.7 million). A coupon rate of 2.11% is charged on the amount drawn down (\$US20 million) and a 4% and 0.50% on the guarantee fee and commitment fees respectively. A second draw down took place in June 2020 of US\$12.5 million which carries a coupon rate of 1.49%. US\$7.5 million of the US\$40 million is still available to the entity.</p> <p>As part of the finance agreement signed on 20 August 2019, Tetra4 (Pty) Ltd has <i>ceded in securitatem debiti</i> to OPIC certain property and rights.</p> <p>*(USD: ZAR rate of ZAR15.2434 as at 30 November 2020 used to translate amounts to ZAR)</p>		

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8.	Estimated cash available for future operating activities	ZAR'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(53 799)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(17 527)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(71 326)
8.4	Cash and cash equivalents at quarter end (item 4.6)	181 037
8.5	Unused finance facilities available at quarter end (item 7.5)	114 325
8.6	Total available funding (item 8.4 + item 8.5)	295 362
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4,14
	<i>Note: if the entity has reported positive relevant outgoings (ie 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.</i>	
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: N/A	
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: N/A	
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: N/A	
	<i>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.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date:31 December 2020.....

Authorised by:Fulu Ravele.....
(Name of body or officer authorising release – see note 4)

Notes

- 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

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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 – eg 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.