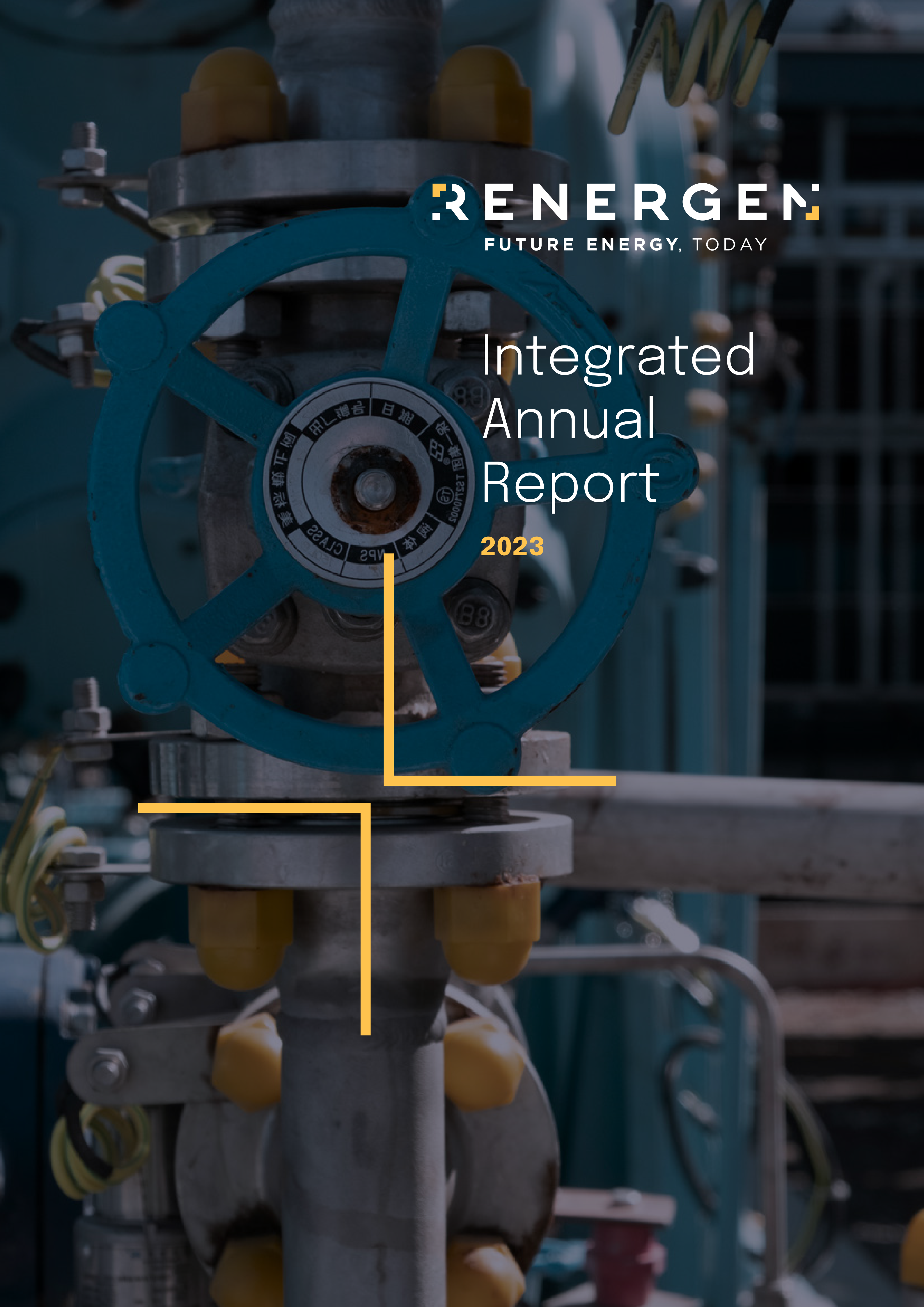


RENERGEN

FUTURE ENERGY, TODAY

Integrated Annual Report

2023


RENERGEN

Contents

About This Report

Our Integrated Annual Report (IAR) provides an overview of our strategy, financial performance, sustainability, and commitment to creating value for all stakeholders.

Our IAR is Renergen's primary communication with stakeholders and the public. This is our eighth report since our primary listing on the Johannesburg Stock Exchange's AltX exchange (AltX) in June 2015.

In June 2019, Renergen was listed on the Australian Securities Exchange (ASX), followed by a listing on South Africa's A2X Markets (A2X) exchange in November 2019.

South African company registration number: 2014/195093/06

JSE Share Code: REN

ISIN: ZAE 000 202610

Listing date: 9 June 2015

Renergen Limited LEI: 378900B1512179F35A69

Australian Business Number (ABN): 93 998 352 675

ASX Share code: RLT

Listing date: 6 June 2019

A2X Share code: REN

Listing date: 27 November 2019

Navigating This Report

Our 2023 Integrated Annual Report (IAR) covers the performance of Renergen Ltd (Renergen or the Company or the Group) for the year from 1 March 2022 to 28 February 2023 (period under review). "The Group" is used in this Integrated Annual Report to refer to Renergen Limited and its subsidiaries. It includes the operations of Renergen's primary asset, Tetra4 (Pty) Ltd (Tetra4) and Cryovation (Pty) Ltd.

Renergen owns 100% of Tetra4 and Cryovation. Therefore, all Tetra4's and Cryovation's activities are included in the Integrated Annual Report.

Tetra4 is the first commercial producer of LNG and liquid helium in South Africa and is also the holder of the first and currently the only onshore Petroleum Production Right in South Africa. Tetra4's entire operation falls under the Renergen brand and is reported as such. We refer to Tetra4 operations as the Virginia Gas Project.

Cryovation is a wholly owned subsidiary of Renergen and has developed the ground-breaking Cryo-Vacc™, which enables the safe transportation of vaccines at extremely low temperatures without the need for (an external power source) electrical power. Cryo-Vacc™ provides active cooling with temperature control ranging from -70°c degrees to 8°c. Cryovation's entire operation falls under its brand, Cryo-Vacc™. For more information, visit **www.cryovacc.co.za**

Our Integrated Annual Report offers a transparent and balanced appraisal of the material issues that impacted the Group's ability to create value during the 2023 financial year.

Our integrated reporting suite aims to enable all stakeholders, including capital providers, to assess the Group's long-term sustainability and ability to create tangible value over the short, medium, and long term. We embrace integrated thinking. By structuring our 2023 IAR around our strategic pillars, we concisely and transparently articulate how our material matters, risks and opportunities, operating environment, performance, and prospects unlock value for all stakeholders.

All material events after the financial year-end, up to the date of publishing this Report, have been included.

REPORT NAVIGATION

We use icons throughout this report to aid navigation and connectivity. Our key icons include the following:

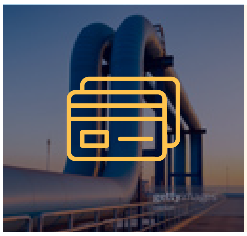
THE SIX CAPITALS

Human capital

Workforce skills, health, wellbeing and intellectual engagement.

Intellectual capital

Intangibles associated with our brand, reputation, R&D, organisational systems, and related procedures.

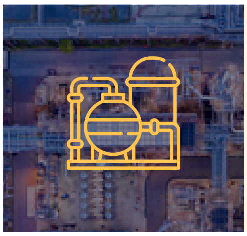


Financial capital

Includes funds from financing or generated by productivity.

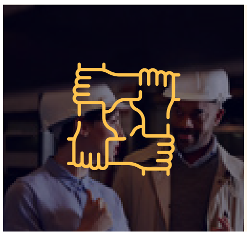
Natural capital

Natural resources, such as our natural gas resource, water and energy, are used to operate our business.



Manufactured capital

Physical infrastructure or technology we use.



Social and relationship capital

Relationships with all stakeholders and communities.

REFERENCING

We will use icons in this report to cross-reference similar information elsewhere in the report

- Cross-reference to information elsewhere in the report.
- Information online at www.renergen.co.za

Audit, Risk and IT Committee (ARIC)

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

Nomination Committee (NomCo)

Renergen Exco

OUR 2023 REPORTING SUITE

Our full 2023 reporting suite, should be read in conjunction with each other, comprises the following reports:

- **Integrated Annual Report (IAR)**
  Our integrated report covers the period from 1 March 2022 to 28 February 2023. Our primary report to stakeholders is to provide a balanced view of how the Renergen Group has applied its resources to create value during the year under review and its strategy and prospects as we advance.
- **Annual Financial Statements (AFS)**
  Our Annual Financial Statements provide a comprehensive report of Renergen's financial performance for the year.
- **King IV™ application register**
  Our King IV™ application register summarises our application of the principles of King IV™ that apply to Renergen. The register is available on our website www.renergen.co.za
- **Environmental, Social and Governance (ESG) Report**
  Our ESG Report provides details of Renergen's commitment to environmental, social and governance performance.

AUDIENCE AND KEY STAKEHOLDERS

We provide information on our opportunities, risk and outcomes attributable to our ability to create, preserve or erode value over the short, medium and long term. This information is also relevant to other key stakeholders such as employees, customers, government and regulators, and the communities in which we operate.

Our key stakeholders include:

- Employees and organised labour.
- Shareholders and providers of equity capital.
- Lenders and providers of debt capital.
- Governments and regulators.
- Customers.
- Non-governmental organisations (NGOs).
- Communities and societies.
- Suppliers.
- Media.
- Organised business and industry.

FEEDBACK

We welcome your feedback on our IAR and ESG reports. Should you have any comments or suggestions, contact us at investorrelations@renergen.co.za

CURRENCY, TERMS AND ACRONYMS

Our reporting currency is the South African Rand.

This Integrated Annual Report uses terms and abbreviations relevant to the Group, its accounts and the natural gas and helium industries Information on acronyms, terms, rounding, reserves, and resources reporting is provided on page 167.

Reporting Frameworks, Guidelines and Standards

We strive to provide detailed, accurate, and reliable information so stakeholders can make informed decisions. The following guides us in compiling our reports.

	IAR	ESG	AFS
The International Financial Reporting Standards (IFRS)	✓		✓
International <IR> Framework of the International Integrated Reporting Council (IIRC)	✓	✓	
Global Reporting Initiative (GRI) standards for sustainability reporting	✓	✓	
International Finance Corporation (IFC) performance standards		✓	
King IV™ Report on Corporate Governance for South Africa, 2016 (King IV™)	✓		✓
Recommendations of the IIRC and the Integrated Reporting Council of South Africa (IRCSA)	✓		
ASX Corporate Governance Principles and recommendations (Fourth Edition)	✓		
JSE Listings Requirements	✓	✓	✓
ASX Listings Rules	✓	✓	✓
South African Companies Act 71 of 2008 (Companies Act)	✓	✓	✓
United Nations Global Compact (UNGC)	✓	✓	

LOOKING TO THE FUTURE

As part of this Integrated Annual Report, we have included forecasts relating to the Group's future financial position. We believe this forward-looking information to be realistic at the time of issue. These statements include uncertainties, assumptions and risks about future events and circumstances, resulting in actual results differing from those anticipated.

The external auditors have not independently reviewed our forward-looking information. Renergen undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances that may occur after this report's publication date or to reflect the occurrence of unanticipated events. Such statements are not statements of fact and may be affected by various known and unknown risks, variables and changes in underlying assumptions or strategies that could cause Renergen's actual results or performance to differ materially from those expressed or implied by such statements. There can be no certainty of outcome concerning the matters to which the statements relate, and the outcomes are not all within the control of Renergen.

CORPORATE INFORMATION

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

Chief Executive Officer - Stefano Marani
Chief Operating Officer - Nick Mitchell
Chief Financial Officer - Brian Harvey

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

The Group's website includes the Directors and Board biographies and digital copies of Renergen's Integrated Annual Reports. **www.renergen.co.za**

COMBINED ASSURANCES

The Group's external auditor, BDO, has provided assurance on the Consolidated and Separate Financial Statements. The Annual Financial Statements have been prepared under the supervision of Brian Harvey, Group CFO.

Renergen does not have an internal audit function, but the Board monitors and reviews financial compliance, risk management, regulatory compliance, governance of information technology, and operational management through its committees.

PRESERVING AND CREATING VALUE THROUGH THE SIX CAPITALS

The natural, manufactured, financial, human, intellectual, social, and relationship capitals are the most important to our business in generating value for stakeholders and are, therefore, the focus of this report when applying the six capitals as advised by the IIRC.

See page 24 for descriptions of each capital and how they relate to Renergen.

BOARD APPROVAL

The Board has applied its collective mind to preparing and presenting the information in this report.

The Board believes that this report addresses all material issues and presents a balanced and fair account of the Group's performance for the reporting period, and accurately reflects our core strategic commitments for the short, medium, and long term. The Board approved the Integrated Annual Report on 17 May 2023 and approved the Annual Financial Statements for 2023 on the recommendation of the Audit, Risk, and IT Committee on 3 May 2023.

OUR VISION

Do no harm: to our people, to our world.

OUR MISSION

Renergen is an integrated alternative energy business that invests, optimises and develops in early-stage energy projects across Africa and emerging markets.

OUR VALUES

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

- Always treating our colleagues and stakeholders with **RESPECT**.
- Identifying colleagues who need **SUPPORT** and encouraging colleagues to ask for **SUPPORT**.
- **TRUST** is in our DNA. Our reputation is everything.
- We are **DELIBERATE** in success by following a disciplined process. We ensure success is sustainable and replicable.
- Holding ourselves and each other **ACCOUNTABLE** in everything we do.

David King
Chairman

Stefano Marani
Chief Executive Officer

The Financial Year 2023 at a Glance

EVENTS CALENDAR 2023

Key calendar dates for Renergen shareholders in 2023. Please note that dates may be subject to change.

28 February 2023	Financial year-end
31 March 2023	ASX - First-quarterly Activity Report
31 May 2023	Consolidated and separate financial statements
30 June 2023	IAR released
30 June 2023	ASX - Second-quarterly Activity Report
31 July 2023	AGM
31 August 2023	Half-year end
30 September 2023	ASX - Third- quarterly Activity Report
31 October 2023	Interim results released
31 December 2023	ASX - Fourth quarterly Activity Report

THE FINANCIAL YEAR 2023 AT A GLANCE

Renergen owns South Africa's first LNG and liquid helium production plant. Our commitment to sustainability is unwavering, and our goal is to create value for our stakeholders.

Who We Are

Renergen is a liquid helium and LNG producer with the country's only onshore Petroleum Production Right.

Our principal asset is our 100% equity ownership in Tetra4, which holds South Africa's first and only onshore Petroleum Production Right and is the entity developing the Virginia Gas Project. The Virginia Gas Project is also the first integrated producer of liquid helium and liquified natural gas, both of which are produced from the natural gas found in our vast proven reserves that underpin our natural gas development project, which includes.

- The liquefaction of natural gas into LNG.
- The separation of helium from natural gas.
- The further liquefaction of helium into 99.999% pure liquid helium.

This liquefaction and separation occur at our natural gas processing plant in the Free State Province of South Africa (Virginia Gas Plant). Based on the drilled and flow-tested wells, our average helium concentration exceeds 3.0%, well above other global natural gas reservoirs containing helium in small concentrations of less than 0.5%.

The origin of our Company's primary asset dates back two billion years when an asteroid 10-15 kilometers in diameter struck the earth near where the town of Vredefort stands today, creating the largest impact structure on Earth, resulting in the 380-kilometre-wide crater in the northern Free State, South Africa (Vredefort Crater). Our Virginia Gas Project is situated in the Vredefort Crater. The conditions of this interstellar impact resulted in a cap rock dome that sealed ultra-rich deposits of uranium and thorium (the source of our helium) and an adaptive deep-seated colony of underground bacteria (the source of our natural gas). The uranium and thorium have been decaying for over 1.8 billion years, producing alpha particles that have become helium. The bacteria adapted to using the radioactive energy and the carbon from the surrounding environment as their sustenance, much like chlorophyl uses the radioactive energy from the sun. That bacterial colony continues to thrive today, actively producing high-purity natural gas as its waste product. This unique resource of high purity, biogenic natural gas with a high concentration of helium two billion years in the making has now entered the production phase for the benefit of South Africa and the world at a time when global helium and energy supplies are constrained due to geopolitical conditions and supply chain challenges.

We are dedicated to pioneering cleaner energy with a culture that embodies the values of

"Do No Harm: To our people, to our world."

The operating philosophy that helps us achieve our goal of pioneering cleaner energy is an emphasis on carbon emission reductions, a focus on developing a regenerative resource, and a dedication to cleaner and purer natural gas and liquid helium production from a source that has zero heavy alkanes and no sulphur. We believe our LNG supply can play an important role for South Africa in achieving its path to net zero carbon emissions and our globally significant proven helium reserves.

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

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

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

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

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

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

Commencement of **helium production from Virginia Phase I in January 2023.**

Our Timeline

Since our initial establishment in 2005, Renergen has grown from a natural gas exploration company to an LNG and Helium producer.

2005
- Formation of Molopo South Africa Exploration and Production (Pty) Ltd.

2007
- Granted exploration rights.

2012
- Granted first full onshore Petroleum Production Right in South Africa.

2013
- Windfall Energy (Pty) Ltd bought out Molopo South Africa Exploration and Production (Pty) Ltd.

2015
- 90% of Molopo South Africa Exploration and Production was sold to Renergen, who later renamed it Tetra4 (Pty) Ltd.
- Listed on the JSE's AltX Exchange as the first SPAC.

2016
- Completed construction of initial compression facilities for Tetra4.
- Started producing and supplying Compressed Natural Gas (CNG).
- Commenced Front End Engineering and Design (FEED) for the helium liquefier.

2017
- Commenced FEED for the gas reticulation pipeline.
- Received a positive environmental authorisation or RoD on Tetra4's Environmental Impact. Assessment (EIA) by the Petroleum Agency of South Africa.
- Completed the amended FEED, which included the LNG and helium liquefier.

2018
- R125 million raised in rights offer.

2019
- US$40 loan facility approved by DFC.
- Listed on the ASX, raising AU$10 million.
- Selection of preferred EPC contractor for gas gathering system.
- Selection of preferred technology supply contractor for the LNG and LHe processing plant.

2020
- Completed detailed design for Phase 1 gas gathering pipeline.
- Completed detailed design for the phase LNG processing plant.

2021
- Concluded R160 million funding with the IDC.
- LNG supply agreement signed with Ceramic Industries and Ardagh Glass Packaging.

2022
- LNG production commenced.
- SIP Status awarded Virginia Gas Project Phase 2.

2023
- Liquid helium production commenced.

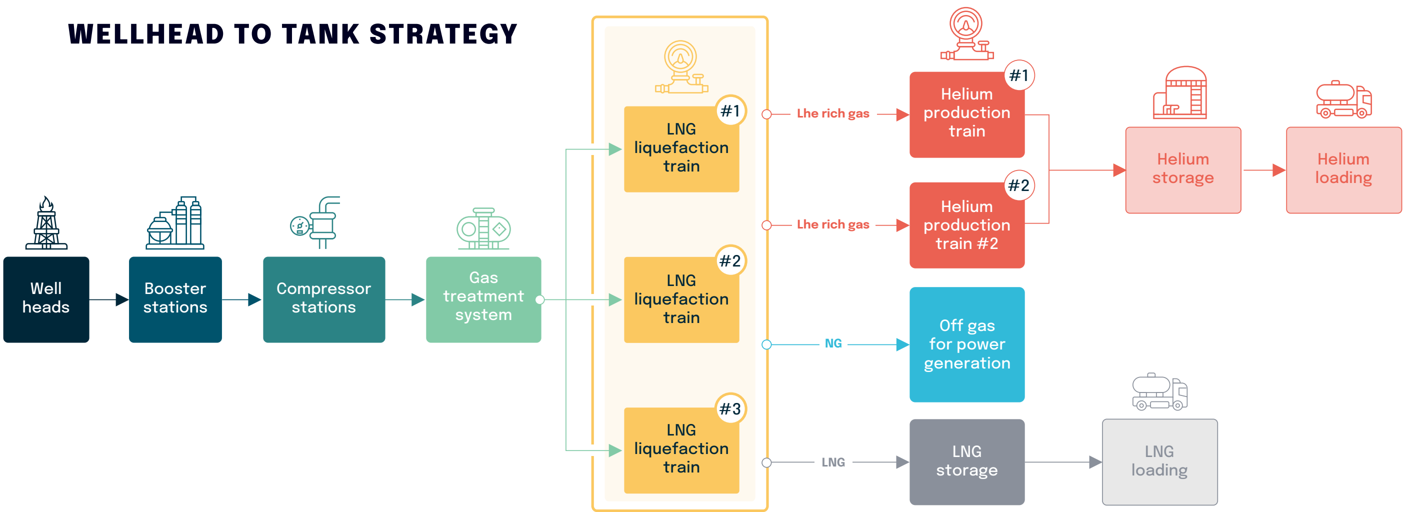
VIRGINIA GAS PROJECT

The Virginia Gas Project has significant reserve estimates of natural gas and one of the richest helium concentrations recorded globally, rendering it a major global helium resource. Since our natural gas contains almost no higher alkanes and an average of over 90% methane, liquefaction is simpler and less expensive than other global producers. Renergen has become the region's only vertically integrated natural gas producer thanks to its "Wellhead to Tank" strategy, which involves beneficiating gas and directly supplying customers with refined products. Future expansion of the project will be undertaken in phases.

The development of the vertically integrated Virginia Gas Project includes the additional exploration and development of the Virginia Gas Field, the construction of low-pressure well-site gathering pipelines, and the construction of the facility itself, which together has resulted in us producing both LNG and liquid helium.

Our Production Right is currently valid through 2042 and renewable for an additional 30-year period thereafter. The Production Right spans an area of over 187,000 hectares (over 462,000 acres) in the Free State Province, approximately 250 kilometres southwest of Johannesburg, where natural gas-emitting boreholes were discovered through other mineral exploration activities.

WELLHEAD TO TANK STRATEGY



OUR PRODUCTION AND EXPLORATION RIGHTS

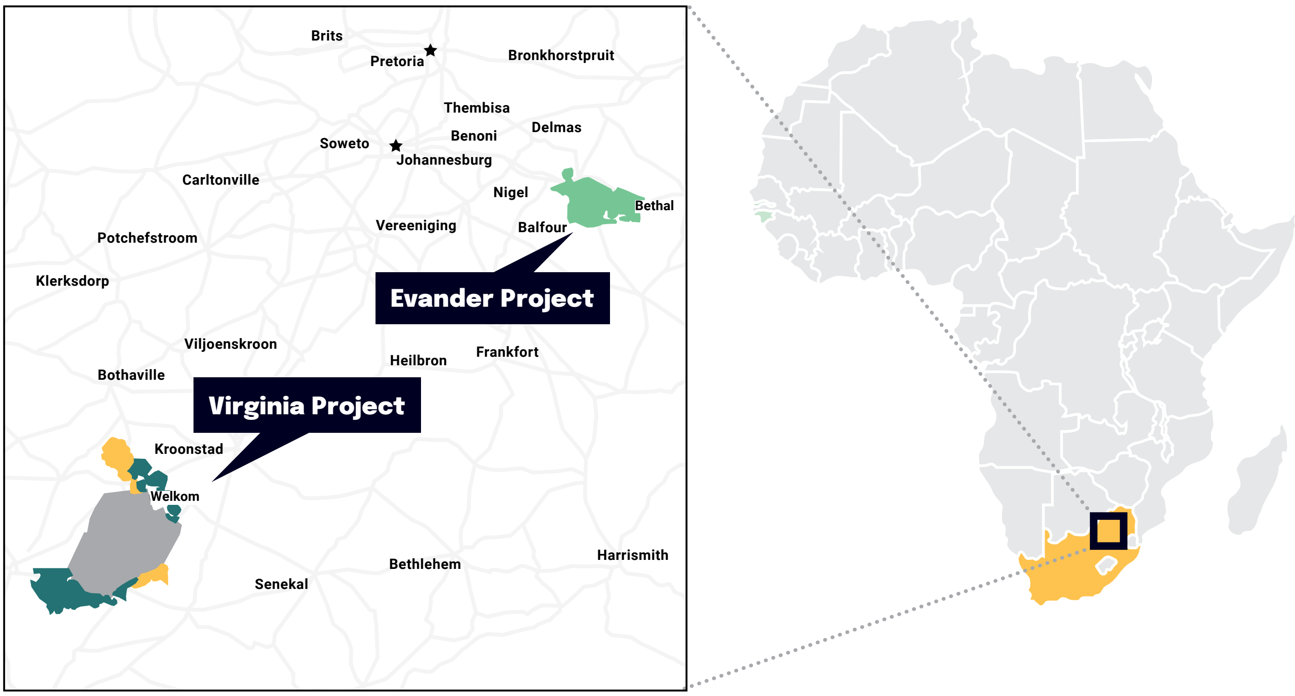
In addition to our Production Right, we also hold Exploration Rights and Technical Cooperation Permits.

Technical Cooperation Permits allow the holder to carry out desktop studies and acquire existing seismic and other data, but the Technical Cooperation Permits do not permit any exploration activities.

Exploration Rights allow the holder to carry out the entire value chain of petroleum exploration, such as acquisition and processing of new geological/ geophysical data, reprocessing of existing geological/ geophysical data and any other related activity to define a trap to be tested by drilling, logging and testing, include well appraisal activities.

We have an interest in Exploration Rights, and Technical Cooperation Permits in the Free State Province, South Africa. The Virginia-area Exploration Right and Technical Cooperation Permit licenses are expected to contain significant helium and natural gas resources beyond the scope of the Virginia Gas Project.

In addition to the Virginia-area Exploration Right, we also hold an Exploration Right at Evander, Mpumalanga, in South Africa (the "Evander Exploration Right"). Although we have not commenced any drilling, there are existing drill holes drilled by others exploring for minerals rather than petroleum, two of which produce natural gas. The Evander Exploration Right also has a significant number of additional sites that show indications of natural gas and helium.



Virginia Rights

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

Evander Rights

- Evander Exploration Right

Detailed information about Renergen's helium and methane gas reserves and resources is contained in the Independent Reserve and Resource Evaluation Report, available on our website. www.renergen.co.za

A cleaner and less carbon-intensive fuel

Our LNG has the ability to serve two primary demands, the first being the supply of reliable energy as an alternative to the grid as companies diversify their energy supply, and secondly assists in reducing the country's overall carbon footprint from its electric generation portfolio, which is currently predominantly coal. We believe we are ideally positioned to use what is a material challenge to corporate South Africa to become a critical solution provider and enable growth and stability for businesses critically dependent on energy.

Our LNG is currently dedicated domestically to target large industrial manufacturers and large, heavy logistics operators who service the transport industry. Industrial users currently use liquefied petroleum gas (LPG) and have found that switching to LNG offers a cheaper and cleaner solution. In the transport industry, the benefits of LNG are reduced CO_2 emissions and running costs.

In Phase 2, we intend to follow a similar approach in terms of the target market and further augment this by considering supply into the gas-to-power sector.

Visit our website for our LNG infographic
https:/www.renergen.co.za/wp-content/uploads/2021/02/LNG-Infographic-Feb-2021.pdf

A rare, clean, inert gas, and an irreplaceable element without substitute

The concentration of helium in the source gas is directly tied to the carbon intensity of the helium. Many helium fields worldwide comprise mainly nitrogen, with some associated helium. However, most large-scale helium fields are found in natural gas reserves, which contain a high methane concentration and therefore have a significant carbon footprint when the natural gas is consumed. The higher the helium concentration to methane, the less associated methane is produced per unit of helium, thereby reducing its carbon footprint. Accordingly, our very high helium concentration gives us a distinct advantage. We are both a lower quartile cost producer and a lower carbon footprint producer than other sources of helium, providing our shareholders and customers with a strong value proposition.

Helium is a vital and irreplaceable element in many modern industries because it is chemically and electrically inert. When in liquid form, it is the coldest substance known to man at 3 degrees Kelvin (-270.15 °C).

For these reasons, it can be used to purge laboratory or manufacturing environments, act as a fuel propellant for other cryogenic fuels, and/or provide deep cryogenic cooling. It is commonly used in space exploration and rocketry, high-level physics experiments (particle accelerators, quantum mechanics), medical science within MRI devices, fibre optic cable production, commercial diving gas, specialised welding, coolant for nuclear power stations, lifting balloons and the manufacture of semiconductors.

The helium market demand growth is expected to be driven by the growing demand from the healthcare, semiconductor, and aerospace industries.

The Virginia Gas Project is intended to enhance the energy security of South Africa and, more broadly, provide the world with a desperately needed, less carbon-intensive, and secure source of liquid helium.

Visit our website for our helium infographic **https://www.renergen.co.za/wp-content/uploads/2020/06/Helium-Infographic.pdf**

From exploration to operational plant paving the way for future development

Phase 1 began commercial LNG operations in September 2022, transitioning Renergen from explorer to producer status by producing liquid hydrocarbons, with the helium module producing "first" liquid in January 2023.

The Virginia Gas Project has been declared a Strategic Integrated Project (SIP) under the Infrastructure Development Act (Act No. 23 of 2014) (IDA) and its amendments, gazetted by Public Works and Infrastructure Minister Patricia De Lille on 6 December 2022.

Benefits related to SIP status include processes relating to any application for approval, authorisation, licence, permission or exemption, and processes relating to any consultation and participation required by the relevant laws must run concurrently as far as possible. Timeframes for authorisations, licenses, permissions and/or exemptions are reduced significantly towards a targeted 57-day time frame for approval outside of time frames stipulated for public consultation processes. In addition, the Virginia Gas Project now falls under the Oil and Gas National Programme and forms part of the Energy Strategic Integrated Project No 20f.

	Anticipated production volumes – LNG	Anticipated production volumes – Helium
Phase 1	2 500 GJ	310 Kg
Phase 2	34 400 GJ	4 200 Kg

We categorise Phase 2 as the expansion of our existing, authorised operations through the drilling of approximately 350 additional slant wells over the next three to four years, the construction of an additional 450 kilometres of natural gas gathering pipelines and the construction of a significant larger processing and liquefaction facility producing 34 400 GJ/day of LNG and 4 200 kg/day of liquid helium. Phase 2 will also include an associated fleet of road tankers for distribution to downstream customer dispensing facilities, including onsite storage, dispensers or vaporisers and the requisite automation and safety systems needed to dispense or consume the product to vertically integrate into the value chain, which we believe will increase both revenue and profitability.

Our goal is to achieve commercial operation of Phase 2 during 2026. At this point, our goal would be to operate at 75% capacity and ramp-up to full capacity over an estimated nine-month period.

Phase 2 will be a more substantial project and will encompass the design of the facilities that will allow Renergen to produce significantly larger quantities of LNG and liquid helium. The LNG will be used in South Africa, while the liquid helium will be exported internationally. We intend to target any energy-intensive company as a customer through our lower price points and the reduced carbon emissions our product may offer. Phase 2 is anticipated to come online in 2026.

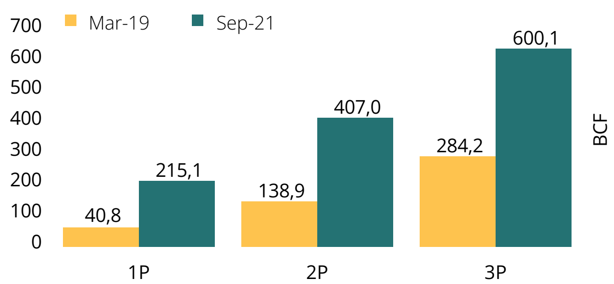
SIGNIFICANT GROWTH IN RESERVES SINCE 2019

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

		Mar-19	Sep-21	% Change
Methane	1P	40.8	215.1	427%
	2P	138.9	407.0	193%
	3P	284.2	600.1	111%

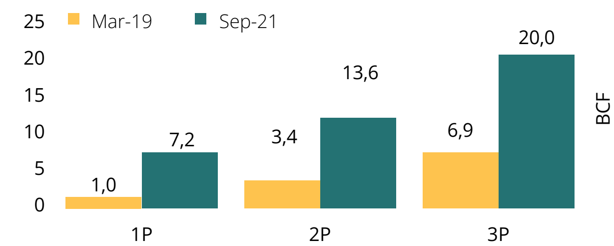
		Mar-19	Sep-21	% Change
Helium	1P	1.0	7.2	610%
	2P	3.4	13.6	298%
	3P	6.9	20.0	192%

Methane



In Billion Cubic Feet

Helium



In Billion Cubic Feet

Virginia Gas Project Key Facts

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

Globally significant reserves and resources reappraised as at 28 February 2022 via an independent Reserve and Evaluation Report from Sproule

One of the richest helium concentrations globally

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

3% recorded average

Reserves + Contingent Resources

32.3 Bcf

Helium

968.7 Bcf

Methane

Superior margins and price flexibility through low production cost

500,000

tCO_2/annum reduction

Capacity to reduce emissions in the South African trucking industry

Highly-attractive gas market

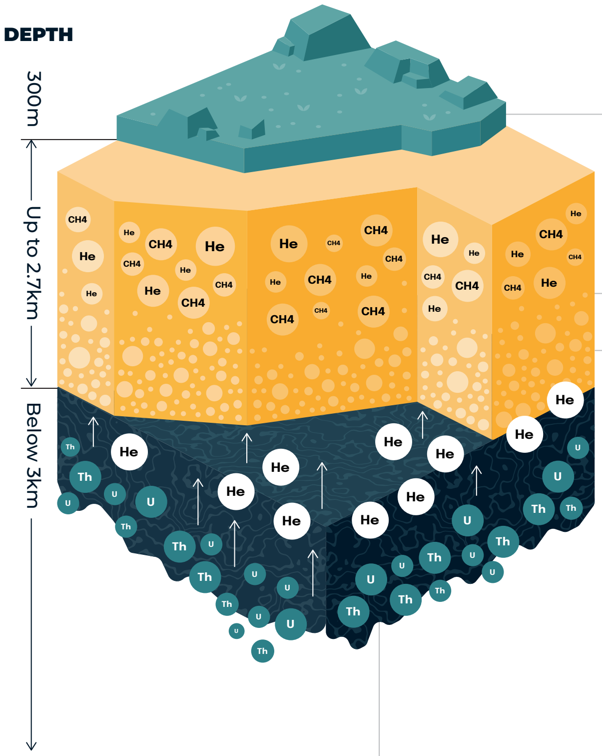
USD **16-22**/mmbtu

South African gas pricing

- From inception to date, we have drilled and completed a total of 20 wells, including 6 slant wells. These 20 wells have been fully converted and are ready to supply feed gas to the liquefaction plant.
- Declared strategic by the South African Government under the Oil and Gas National Programme in the Energy Integrated Projects sub-category.
- Since the commencement of the development of Phase 2 in March 2020, we have completed the following for Phase 2:
  - Finalised the pre-feasibility and feasibility studies.
  - Conducted the Front-End Engineering and Design (FEED) study for the expansion of the Virginia Gas Project.
- Secured helium offtake agreements with multiple global industrial gas companies and an end user.
- Received multiple letters of interest for approximately 33 000 GJ per day for future LNG supply.
- Awarded scope of Owners Engineer role to execute the expansion of the Virginia Gas Project to Worley, a global leader in project management and engineering consulting services in the energy, chemicals and resources sectors.
- We have received our Environmental Authorisation for the Phase 2 expansion.

Our Geological Model

The Group has developed a detailed three-dimensional underground geological model of faulting, sills, and dykes to determine drill targets and provide coordinates, direction, and entry azimuth to intersect targeted structures. The low-pressure nature of the Virginia Gas Project has allowed simple drilling techniques to reach a target depth of 400m to 750m below the surface without further stimulating wells. The process has a minimal environmental impact and is relatively cost-effective compared to conventional and unconventional petroleum exploration.



THE KAROO

The Karoo is a geologically young layer of sedimentary and igneous rock, running across a large section of south Africa. It covers almost all of the Free state, where Virginia resources is located.

WITS

The Witwatersrand (or "WITS") is a geological formation that stretches from Evander down to Virginia, consisting of sedimentary rock. The WITS contains our deposits of helium and methane that we tap into. Where the WITS is typically up to 3km from the surface, in the Viginia Gas project it is as shallow as 300m significantly reducing drilling costs.

MULTIPLE LAYERS OF CARBONACEOUS ROCK

Carbonaceous rock contains bacteria which create methane (CH4) as a by-product of their metabolism. The methane resource can therefore be said to be "biogenic" as its origin is a biological process; indeed, this implies that new methane will continue to fill the Virginia resource over time.

DOMINION GROUP

Uranium and thorium deposits in the dominion group decay over time, resulting in the production of helium. Helium travels upwards through the dominion group towards the wits, alongside the methane from carbonaceous rock.

THE STRATEGIC FOCUS AREAS

Renergen's short-term business focus lies in proving the reliability of Phase 1 plant's production output to ramp it up to full production by the end of the year and commence the expansion of the Virginia Gas Project through the development of Phase 2.

The Virginia Gas Project boasts significant reserves of both helium and natural gas. The Virginia Gas Project's gas production to date has yielded high helium concentrations, with individual wells ranging up to 12% and methane ranging between 75% - 92%, based on analysis of the sampled gas flow. Renergen's natural gas purity is high, and almost zero higher alkanes reduce liquefaction complexity and associated costs.

Renergen's achievements to date have been focused on the commencement of production of LNG and helium.

The principal elements of our business strategy include the following:

- We are growing a unique helium, and natural gas company focused on vertical integration.
- Utilise our strategic position as the sole LNG producer in South Africa to increase market acceptance of LNG as a growing, lower emissions substitute to diesel.
- Ameliorate South Africa's energy crisis by partially utilising our natural gas for power generation in South Africa.
- Balance of contracted take-or-pay arrangements and spot sales optimised to provide capital structure stability while maximising shareholder value.

Our medium to long-term objectives remains to:

- Establishing ourselves as a leading supplier of LNG and Helium to both local and international markets, respectively.
- Develop the remaining extent of our Virginia Gas Project Production Right.
- Continue to explore and develop our existing Exploration Rights.
- Capitalise on additional helium and natural gas opportunities to drive growth.
- Build a large-scale alternative energy company with diversified revenue streams.

UNLOCKING THE POWER OF STAKEHOLDER ENGAGEMENT

Our ability to deliver sustained value creation depends on how well we interact with and forge connections with our stakeholders. It requires responsible corporate citizenship and encompasses careful stewardship and effective governance.

Renergen is committed to engaging with all its stakeholders, including employees, host communities and government authorities, to ensure that all parties work together to achieve a mutually beneficial outcome. We recognise that these stakeholders are integral to the success of our operations and that our social licence to operate depends on our ability to establish and maintain a positive relationship with them.

As such, we are dedicated to developing open, honest and transparent communication channels with all our stakeholders. We strive to understand their unique perspectives, build trust and respect, and ensure their interests are considered when making decisions. We also aim to identify areas where we can collaborate and leverage our collective strengths to create value for all.

Renergen is committed to engaging with our stakeholders on various issues and concerns, including feedback and suggestions, promptly and professionally addressing enquiries, and taking proactive steps to resolve disputes. We strive to work collaboratively to find solutions to any issues that may arise, ensuring that all stakeholders feel that their views and concerns are considered.

We continuously analyse the impact, influence, and value of our relationships with our stakeholders and our ability to deliver on our strategic objectives, which is also an essential component of sound governance. Please refer to the Commitment to King IV™ Principles on page 47 for further details.

The Board has delegated authority to management teams to oversee stakeholder relationships and execute Renergen's official stakeholder engagement structure. We use the various capitals responsibly, creating integrated value for multiple stakeholders.

Our approach to engagement includes our website, quarterly, interim and annual reporting, and electronic announcements, including the Stock Exchange News Service (SENS) and Australian Securities Exchange Ltd (ASX) announcements.

OUR KEY STAKEHOLDERS AND ENGAGEMENTS

Renergen has many stakeholders. For the purpose of this report, we identify the most material stakeholders – those with whom we engage more frequently, based on their role in delivering our strategic goals, contributing to our social performance and addressing risks, for example, highlighting issues that could lead to a significant project or business risk. Further information about our stakeholder engagement and value creation is provided on the following pages.

Investors and financiers

Includes capital providers, current and future shareholders and, indirectly, investment analysts and lenders.

Material matters	▪ Clarifying strategy execution to ensure sustained financial growth. ▪ Allocating financial capital responsibly. ▪ Embedding good corporate governance practices and corporate citizenship. ▪ Open and transparent communication and reporting. ▪ Meeting contractual terms and financial position.
How we engage	▪ Annual General Meeting (AGM). ▪ SENS/ASX announcements. ▪ Investor presentations. ▪ IAR, ESG and AFS. ▪ Interim and quarterly cash flow results. ▪ Investor relations page on our website. ▪ Investor Roadshows.
Responsible Board Committee	*Renergen Exco (EXCO)*; *Audit, Risk and IT Committee (Audit Committee)*; *Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)*
Capitals impacted	▪ Financial Capital. ▪ Social and Relationship Capital.

Employees

Includes full-time employees, contractors and interns.

Material matters	▪ Provide a safe, positive, and inspiring working environment – zero harm. ▪ Equal opportunities. ▪ Provide employees with strategic direction and keep them informed about Group activities. ▪ Market-related compensation, short- term incentives and long- term bonus share and share option schemes. ▪ Fair remuneration.
How we engage	▪ Internal communication campaigns and intranet. ▪ Direct communications with line managers. ▪ Performance appraisals and performance feedback sessions. ▪ Open and transparent leadership communication.
Responsible Board Committee	*Renergen Exco (EXCO)*; *Audit, Risk and IT Committee (Audit Committee)*; *Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)*; *Nomination Committee*
Capitals impacted	▪ Human Capital. ▪ Intellectual Capital. ▪ Social and relationship Capital.

Governments and regulators

Includes Government (national and local), Department of Mineral Resources (DMR), Department of Environmental Affairs (DEA), Petroleum Agency SA (PASA), National Energy Regulator South Africa (NERSA), Department of Water and Sanitation (DWS), South African Revenue Services (SARS), Johannesburg Stock Exchange (JSE), Australian Securities Exchange Ltd (ASX) and the A2X Stock Exchange.

Material matters	■ Compliance with all legal and regulatory requirements. ■ Responsible taxpayer. ■ Contribution to the economy through value creation. ■ Ethical leadership and good corporate governance. ■ Legal and environmental compliance. ■ Social and Labour Plan (SLP). ■ Compliance with all legal, listings and regulatory requirements.
How we engage	■ Building and maintaining transparent relationships. ■ Periodic reporting and engagements with the regulators. ■ Regular reporting as per our listings requirements. ■ Participation and consultation in the drafting process of new regulations and bills. ■ Discussion with industry consultative bodies. ■ Compliance returns.
Responsible Board Committee	*Renergen Exco (EXCO)*; *Audit, Risk and IT Committee (Audit Committee)*; *Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)*
Capitals impacted	■ Human Capital. ■ Social and Relationship Capital.

Suppliers

Includes local and international suppliers and Original Equipment Manufacturers (OEMs).

Material matters	■ Comply with B-BBEE requirements. ■ Ability to meet contractual terms. ■ Ability to pay suppliers on time.
How we engage	■ Meetings, telecons, tender briefing sessions, emails, and panel discussions. ■ Honest and timely communication.
Responsible Board Committee	*Renergen Exco (EXCO)*
Capitals impacted	■ Manufactured Capital. ■ Financial Capital. ■ Natural Capital. ■ Social and Relationship Capital.

Communities

Includes non-governmental organisations (NGOs), the Matjhabeng local community and land owners.

Material matters	▪ Local recruitment. ▪ Local Economic Development (LED). ▪ Socio-Economic Development (SED). ▪ Land leases.
How we engage	▪ Regular open and transparent engagement through community engagement structures. ▪ Informal communication during community development projects. ▪ Educational bursaries for local students. ▪ Community Liaison representative. ▪ Continuous landowner interactions.
Responsible Board Committee	*Renergen Exco (EXCO)*
Capitals impacted	▪ Human Capital. ▪ Social and Relationship Capital.

Creating Value Through the Six Capitals

We believe that value can be created for stakeholders across six capitals by implementing sustainable practices that balance and optimise the use of each capital. We seek to drive positive economic, social and environmental impact through business activities aligned with our values.

Creating value for one capital may impact the others, so finding a balance and making trade-offs as needed is important. It's equally important to note that value is not created by simply counting the number of stakeholders and their needs but by meeting those needs and aligning them with the six capitals to create a mutually reinforcing value creation system.

	INPUTS	HOW WE CONVERT VALUE	OUTPUTS	KEY ACTIONS TO SUSTAIN VALUE
Financial Capital	We balance an appropriate mix of debt and equity funding to meet our working capital needs and growth ambitions.	Value created by maintaining prudent allocation of capital. Continue executing our strategic business objectives.	Total loan facility for the DFC is R678.2 million (US$40.0 million) and R158.8 million for the IDC. Group loss after taxation amounting to R26.7 million (2022: R33.8 million). Equity raise totalling R573.9 million. Revenue amounting to R12.7 million (2022: R2.6 million).	The Virginia Gas Plant became operational in September 2022.
Manufactured Capital	The physical assets that provide the framework and facilities we require to do business and create value include our Virginia Gas Plant and infrastructure.	Improve stability of plant operations. Ensure continuous availability of LNG and liquid helium from operations.	R352.4 million (2022: R260.7 million) spent primarily on advancing the construction and commissioning of the Virginia Gas Project. R88.4 million (2022: R46.2 million) spent on exploration activities.	A comprehensive drilling campaign was completed with 5 out of 6 successes, combined with geological model updates which led to an increase in reserves and the ability to consider Phase 2 expansion.
Human Capital	Our people are the heart of our growing organisation. All human capital activities have been aligned to support our people and deliver our strategy collectively.	Developing leaders that foster a high-performance culture in an empowered, entrepreneurial, diverse, and inclusive organisation. Promote "living the values" throughout the organisation.	No fatalities during the year under review. 69 employees (2022: 66), including three Executive Directors. Appointment of Executive Leadership in Tetra4 business from 1 March 2022, led by Russell Broadhead.	Fair and responsible pay policy in place. Remuneration structures that reflect our values and reward performance. Remuneration structures are aligned to the market, more especially within specialised subject matter expert roles.
Intellectual Capital	Our unique way of doing business includes our values, code of conduct, and governance frameworks and processes.	Our reputation, governance and organisational system foster an ethical culture and transformation of our business.	Adherence to King IV™principles. Integration of International Finance Corporation (IFC) Governance standards and guidelines. Expertise of our highly skilled management team.	Continued embedding our proactive safety culture with all employees.

	INPUTS	HOW WE CONVERT VALUE	OUTPUTS	KEY ACTIONS TO SUSTAIN VALUE
Social and Relationship Capital	Ongoing engagement with communities, government, investors and stakeholders are key to managing effective partnerships.	Driving localisation and economic transformation in the communities we operate.	R90k spent on learnerships, bursaries, internships and human resource development programmes. One tertiary student was a beneficiary of a tertiary education bursary programme in 2022.	Support the upliftment of the communities where we operate.
Natural Capital	We depend on specific natural resources such as water, fossil fuels and other natural assets both directly and indirectly. We are mindful of the impact our activities may have on the environment. Our approach and systems enable us to monitor, manage and appropriately minimise negative impacts.	Our environmental stewardship includes driving the efficient use of water and energy in our business, minimising waste to landfill, and responsibly disposing of waste.	Discovery of sandstone trap with helium concentrations of up to 12%. All operations use municipal water to prevent water abstraction in an already stressed catchment. Switched over from natural gas generators to supplied power to reduce GHG emissions. The placement of our pipeline is underground, to prevent habitat fragmentations.	Pollution prevention. Efficient resource consumption.

Our external operating environment

We are committed to ensuring the resilience and sustainability of our business in a challenging external operating environment. Through careful planning, we can respond to an ever-changing context influenced by economic, social, political and environmental pressures at a macroeconomic and national level.

Risks and opportunities

Our risk framework is aligned with International Risk Management Standards and provides Renergen Board members with a detailed assessment of our top risks.

Renergen is committed to active and meaningful stakeholder engagement and disclosure. This report highlights our material risks and opportunities and the steps we have undertaken to ensure that these risks and opportunities and their implications on the Group's ability to create sustainable shareholder value form the primary basis for determining our material issues.

Our Board reviews and approves the risk appetite for each principal risk identified, ensuring informed and risk-based decision-making. The Board sets the direction for how risk management is approached and addressed in the Group. The Group Risk function facilitates a bi-annual review of risks with the Board and Group executives.

ROBUST RISK MANAGEMENT FRAMEWORK

- Achieve and maintain compliance with all laws, regulations, internal policies and procedures
- Reliable, timely and accurate financial management reporting
- Efficient and effective operations and resource use, including safeguarding business assets from misappropriation and misuse
- Ensure the safety and wellbeing of the workforce
- Achieve and maintain conformance with best practice and standards
- Adapt to changes in technology and embrace opportunities to take advantage of technology
- Maintain business continuity
- Maximise relationships with public and private stakeholders
- Minimise negative impacts of the Group's activities on the environment
- Adapt to changes in a nascent industry
- Maintain the shareholders' confidence in the creation of value

Our Principle Risks, Issues and Associated Opportunities

A similar exercise is performed monthly with each business unit: identifying and assessing risks, measuring them against defined criteria, and considering the likelihood of occurrence and potential business impact.

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

- Identifying risks
- Assessment of identified risks
- Measuring risks against defined criteria
- Considering the likelihood of occurrence
- Assessing the potential business impact

ENVIRONMENT AND CLIMATE CHANGE

Description	Impact on value	Response and mitigation	Capitals affected
Climate change and prolonged droughts and the impact on water resources. Unseasonal weather exacerbated by climate change impacts, leading to delays in the project.	Climate change threatens ecosystems, biodiversity, water resources, human health, agriculture, and broad economic and societal well-being. It could potentially lead to operational delays. Financial impacts of climate change factors.	The Group actively monitors water consumption and intensity within our operations. The Group is committed to reducing our impact on the environment and building the resilience of our operations. Environmental compliance programmes are in place to mitigate climate change.	Manufactured Capital Natural Capital

STRUCTURALLY HIGH UNEMPLOYMENT IN THE LOCAL AREA OF OPERATION

Description	Impact on value	Response and mitigation	Capitals affected
Our Virginia Gas Plant is situated in Virginia in the Free State, with a structurally high unemployment rate. Poor socio-economic conditions in these communities increase expectations for employment and other socio-economic benefits.	Incredibly high unemployment rates contribute to social unrest. Increased reliance and growing expectations on mining companies by local governments and communities. Community activism and lack of local service delivery may cause disruptions in operations.	Ensure the Group and our contractors employ from local communities where possible. Regularly engage and monitor our interaction with the local host communities. Community education programmes about the employment requirements for our operation. Localised procurement opportunities. Target youth opportunities in the area and, wherever possible, integrate local communities into operations as best as possible.	Financial Capital Human Capital Social and Relationship Capital

EXPOSURE TO INTERNATIONAL COMMODITY PRICES

Description	Impact on value	Response and mitigation	Capitals affected
Geopolitical tensions have led to significant increases in commodity and energy prices.	Increased construction costs and operating costs due to higher energy input costs.	Our revenue is linked to the energy markets, so higher energy costs are somewhat offset by higher revenues. LNG is being marketed in South Africa as a substitute for diesel. It is priced at a discount to diesel at the pump, as the diesel price is highly correlated with the Brent crude oil price, and as such, increases or decreases our sales accordingly. Historically the increase in the price of diesel in South Africa has outstripped the domestic inflation rate.	Financial Capital

RUSSIA/UKRAINE CONFLICT

Description	Impact on value	Response and mitigation	Capitals affected
The ongoing conflict leads to broader geopolitical risks, such as increased tensions between Russia and other countries, which may disrupt the global supply chain, logistics and trade.	Increased construction and operating costs due to higher energy input costs. Delays attributed to global supply chains may impact operations.	Our revenue is linked to the energy markets, so higher energy costs are somewhat offset by higher revenues. LNG is being marketed in South Africa as a substitute for diesel. It is priced at a discount to diesel at the pump, as the diesel price is highly correlated with the Brent crude oil price, and as such, increases or decreases our sales accordingly. Historically the increase in the price of diesel in South Africa has outstripped the domestic inflation rate.	Financial Capital

CYBER RISKS

Description	Impact on value	Response and mitigation	Capitals affected
A malicious or accidental cyber-attack from outside our Group, as well as insider threats or supplier breaches, could result in operational interruptions or the infringement of data. Information and cyber security threats, including business operations outages as well as a force majeure.	Cyber-attacks can lead to a loss of commercially sensitive information, theft of intellectual property, disruption to operations, financial loss, and negative impacts on reputation. Safety risk because of loss of control of operating systems due to cyber-attacks.	Enhanced our attacker detection programs. Cyber awareness campaigns to raise appreciation of information security threats. Manage security risks by implementing continuous security improvement programmes. Increase security controls to protect our infrastructure while storing and transmitting confidential information.	Financial Capital Human Capital Intellectual Capital Social and Relationship Capital

Our Material Risks

STRIKES AND PUBLIC UNREST

Description	Impact on value	Response and mitigation	Capitals affected
Strikes, riots and labour disruptions can damage economic growth and, in turn, negatively impact our business.	The loss of production or interruption to our operations. The effects of a strike on employment relationships. Risk exposures during civil unrest events impact our operations, employees, and other stakeholders.	Proactive and constructive engagement with our stakeholders. Various initiatives to address stakeholders' concerns and monitoring of ongoing developments. Adequate Sasria insurance cover. Implement key human resource initiatives to ensure an engaged workforce.	Financial Capital Human Capital Manufactured Capital Natural Capital Intellectual Capital Social and Relationship Capital

GLOBAL SUPPLY CHAIN DELAYS

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

FAILURE TO MEET OUR OPERATIONAL TARGETS

Description	Impact on value	Response and mitigation	Capitals affected
Unplanned stoppages and unforeseen operational interruptions that can impact production and operational accidents or injury could adversely affect business performance.	Unplanned operational issues affecting the delivery of our product. Construction and operations exposed to natural or extreme weather. Non-compliance with critical controls resulting in safety incidents or potential fatalities. Employee illness or death.	Focus on safe production to achieve zero harm. Continuous focus on Health and Safety compliance and monitoring. Driving disciplined and consistent execution of the basics and compliance with health and safety standards.	Financial Capital Human Capital Intellectual Capital Manufactured Capital Social and Relationship Capital

FAILURE TO ATTRACT AND RETAIN CRITICAL SKILLS AND TALENT

Description	Impact on value	Response and mitigation	Capitals affected
The inability to retain and attract skilled and experienced employees may have a negative impact on our business and growth prospects. The right people with the required skills are vital to efficient operations and strategic delivery.	Failure to deliver on strategic objectives. Potential impact on productivity and safety. Increased employment and retention costs. Impact on market confidence. Managing organisational change.	Implement key human resource initiatives to ensure a productive and engaged workforce. Culture of inclusion and care is driven across the Group. Developed a list of future critical skills required to deliver on our strategy. Employee wellbeing programmes. Short-and long-term incentive schemes have been implemented with our Bonus Share Plan (BSP) and Share Appreciation Rights Plan (SAR Plan).	Financial Capital Manufactured Capital Human Capital Intellectual Capital

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

Description	Impact on value	Response and mitigation	Capitals affected
Volatile macroeconomic conditions, such as fluctuating foreign exchange and inflation rates, may negatively impact operating costs and capital expenditure, which could affect our profitability.	LNG is being marketed in South Africa as a substitute for diesel. It is priced at a discount to diesel at the pump, as the diesel price is highly correlated with the Brent crude oil price, and as such, increases or decreases our sales accordingly. Historically the increasing cost of diesel in South Africa has outstripped the domestic inflation rate.	Include contingencies in our business plans to provide for the negative operational impacts that could arise from lower economic growth and changes in interest, inflation, and exchange rates. Use foreign exchange instruments to mitigate currency fluctuations. Ensure the best rates, including a balance between fixed and variable rates, by carefully managing loans.	Financial Capital Manufactured Capital

HELIUM			
Description	Impact on value	Response	Capitals affected
Increased global helium demand and ever reducing supply.	Future phases of our Virginia Gas Project will benefit from increased revenue due to the growing divide between supply and demand.	The Phase 2 project is anticipated to produce approximately 4,200kg/day with a suitable spread of contracted and un-contracted volumes. The Company will benefit from exposure to the increasing market price of helium.	Financial Capital

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

ENERGY SECURITY			
Description	Impact on value	Response	Capitals affected
LNG can potentially alleviate some of the challenges faced by the South African energy crisis by providing energy security benefits to certain end-users.	LNG is a suitable alternative for industrial users who are looking reliable and flexible source of energy whilst transitioning from traditional energy sources to more sustainable sources.	The Company will benefit from increased demand for alternative, reliable energy sources.	Financial Capital

RENERGEN'S COVID UPDATE

The COVID-19 pandemic continued to have an impact on South Africa in 2022. The country experienced a resurgence of cases during the year, leading to adjusted lockdown measures being implemented. The South African Government and health authorities continued to implement measures such as widespread vaccination, and they increased testing and tracing efforts to curb the spread of the virus.

The National State of Disaster was lifted on 5 April 2022. Covid-19 screening at the Virginia Gas Plant was discontinued on 31 May 2022. Since the National State of Disaster was suspended on 5 April 2022, no further COVID-19-related restrictions have been implemented.

Leadership Review

Renergen is committed to driving high corporate governance standards and ensuring full application of the King IV™ principles, ensuring that the Board continues to provide an effective oversight function that empowers management to manage the business effectively and efficiently in delivering on its strategy.

CHAIRMAN'S REPORT

Overview

It is my pleasure to present the Chairman's Report for 2023 – a year in which the Company successfully commissioned its Phase 1 plant at our Virginia Gas Project and commenced commercial production of liquified natural gas (LNG). The recent (January 2023) first production of liquid helium was of particular significance following a succession of frustrating delays aggravated by limitations in supply chain logistics and other factors outside the company's control. With the successful production of the first liquid helium, the Company has elevated South Africa to the ranks of only seven other countries producing this essential and valuable commodity. We look forward to optimising the helium production capacity as we ramp up to full commercial production.

The transition from explorer to developer/producer in a particularly challenging world business environment would not have been possible without the outstanding professionalism and application of our entire executive management team and staff, ably supported and encouraged by my fellow non-executive directors. Serving as Chairman during this important transition has been a great pleasure and privilege.

Although our clear focus during the year on delivering the Phase 1 project at Virginia necessitated a scaling down of our previous frenetic exploration drilling - a luxury afforded by our world-class accredited reserves and resources of helium - we did achieve more drilling success during the year. And importantly, we made good progress refining our proprietary AI-based techniques for targeting productive structures.

We are fortunate indeed that our LNG and helium production ramp-up is occurring at a time when demand for both commodities is strong and growing, and not just because of the conflict in Eastern Europe. Growth in demand for gas, as well as energy security issues, bode well for strong pricing in the future. And helium is likely to remain in critical short supply for the foreseeable future.

Looking ahead, with the successes achieved so far, we can now, with some confidence, plan for our Phase 2 development and beyond. We recently announced some important initiatives on equity funding opportunities through expanding our shareholder base on the US Nasdaq exchange, and even more recently have been successful in securing funding of US$ 750 million of debt funding for Phase 2. We are also well advanced on securing ~R1bn for the assignment of a 10% stake in the Virginia Gas Project to a well-credentialled partner.

Further details on all the abovementioned matters can be found in the CEO's report.

Board operation

The Board has operated cohesively and efficiently throughout the year, with exceptional support and guidance from the Audit, Risk and IT (ARIC) committee and the Governance, Ethics, Transformation, Social & Compensation (GETSC) committee. I am pleased to acknowledge the excellent work of both committees and their hard-working Chairmen, Luigi Matteucci (ARIC) and Mbali Swana (GETSC). The important work of these committees underpins the Board's support and guidance for the Company's talented Executive team, and will continue to do so while I enjoy the privilege of Chairing the Company board.

We are cognizant of the need to ensure that the Board remains dynamic and includes the skillsets and experience necessary to deliver our growth plans. With our recent transition from explorer to developer/

Chairman's Report

producer, and our initiatives to explore new equity market opportunities, three of our very capable board members have recently elected to step down. On behalf of the Company, I am pleased to acknowledge the excellent service on the Board of Francois Olivier, Alex Pickard, and Bane Maleke; they can be rightly proud of their contributions. It is pleasing that we have also been fortunate to attract two exceptional candidates to join the board. I look forward to working with Thembisa Skweyiya and Dumisa Hlatshwayo after their recent appointments.

Acknowledgements

As foreshadowed earlier in my report, the successful transition to developer/producer has been delivered through the outstanding efforts of our small Executive team – CEO Stefano Marani, COO Nick Mitchell, and CFO Brian Harvey. The journey has not been without its challenges, primarily outside of the Company's control. Still, the successful outcome is testimony to the application and professionalism of our executive management and their respective teams. On behalf of the Board, I am pleased to extend our thanks and congratulations for jobs well done. I also have no hesitation in reporting that all the Company's employees have performed with distinction throughout the year and can rightly be proud of what has been achieved.

I also extend my personal sincere thanks to my fellow Board members, past and present, for their support and counsel throughout the year.

As I wrote last year, Renergen has an exceptionally bright future, with an endowment of commodities that will make the Country as well as the Company stronger; and the team to bring all of its promise to fruition. With the past year's achievements, we can now look forward to the year ahead with even more confidence and no small measure of excitement.

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

Dr David King
Chairman

CEO'S REPORT

Overview

It would be remiss of me to ignore the obvious, being that a falling share price in the year ending February 2023 has eroded a significant amount of shareholder value. One of the most common questions fielded over the year from shareholders has to be to identify a specific item that led to this situation, but this is like trying to explain why a country's population growth goes into decline. While in this instance, one may point to higher earnings per capita leading to a reduction in children per couple, this isn't the only factor, and many external influences act on the system. In Renergen's case, the catalyst was no doubt missing the turn-on of the helium plant alongside the LNG plant, as originally forecasted, followed by the need for capital to address the shortfall in revenues due to delayed revenue. But this focuses only on the direct influences on the project, while a more holistic answer would also include factors such as a steeply declining oil price, instability in global financial markets with rising interest rates leading to a complete rebasing of global asset prices, small capitalised stocks in South Africa underperforming, and so on. All of these factors and company-specific factors led to an overall negative change in investor sentiment, which of course, resulted in speculation against the stock. The Management team holds itself to account for ensuring that the Company achieves its strategic objectives, and while learnings have been made along the way, the report card (on achieving strategic goals) gives a different perspective on what was achieved over the period in question, which isn't reflected in the current share price.

LNG Production

We turned on the LNG plant and became the first and only commercial supplier of LNG in South Africa. We began making deliveries to our two amazing customers, Ceramic Industries and Ardagh Group, which has resulted in revenue generation. The inclusion of this high-purity natural gas into the country's energy mix is also a big step forward for the country in relation to our sustainability goals, and we are proud to be custodians of such a unique geological phenomenon as the Virginia Gas Project.

Helium Liquefaction

In January, the plant began producing liquid helium, which proved definitively that the plant works as per the design and that we are capable of extracting the helium from the gas in the wells. This was a major milestone for the Company and South Africa, making the country one of only 8 in the world to produce liquid helium and Renergen's first plant in Sub-Saharan Africa to produce it.

Completing the Front-End Engineering of Phase 2

Working alongside our external consultants, we completed the scoping and design of the Phase 2 plant as we looked to ramp up the Virginia Gas Project. This is typically a long lead item in the process, and by accomplishing this early through the money spent upfront, we were able to significantly shorten the lead time to Phase 2 coming into operation.

Securing Debt Funding for Phase 2

The team spent a significant amount of time and energy with the US DFC and Standard Bank completing thorough due diligence on the Phase 2 project, reaching a successful conclusion in early June of 2023. As of the time of writing this report, both financial institutions had approved the loans, cumulatively of up to US$ 750 million. This vote of confidence in Renergen's ability to deliver such a large and strategically important project should give shareholders significant comfort that the Company is heading in the right direction to becoming one of the world's leading helium suppliers and South Africa's preeminent LNG supplier.

The project was Declared a Strategic Infrastructure Project (SIP)

This is a hugely positive development and makes the Virginia Gas Project one of the very few SIPs in the country. As a SIP, the timelines required for approval reduce significantly as the project is deemed important for the country's energy supply. This is in no small part to the current energy crisis gripping the country and how Phase 2 will take steps towards helping South Africa grow its energy security using a domestic supply of its natural resources.

Commencement of Nasdaq Listing Process

We have made the first confidential submissions to the Securities and Exchange Commission in the United States to have the Company's stock quoted on the Nasdaq exchange. Accompanied by active engagement with potential US investors, the depth of understanding of transition energy assets and helium will, in the long run, no doubt create a strong foundation for growth in shareholder value while giving Renergen the platform to expand its global reach from both a business and brand recognition perspective.

Conclusion

Our path to date hasn't been painless, but under the difficult operating conditions, which included building a complex industrial plant during a global pandemic, I am proud of the team's achievements. We now have an operating Phase 1 project, which will operate for a minimum of 20 years, and we have a large resource that requires extraction and beneficiation. We have a clear vision to build a world-class helium operation and help South Africa move to a cleaner energy source using its domestic resources to benefit all South Africans. It is a big ask, and despite all the headwinds faced in the period leading up to this point, we have scored goals which we believe very few others would have achieved in the same circumstances. With the finish line in sight for reaching Financial Investment Decision for Phase 2, the team is as committed as ever to delivering on strategy, and we thank you for your continued support and faith in us.

Stefano Marani
Chief Executive Officer

CEO AND CFO RESPONSIBILITY STATEMENT

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

(a) the Annual Financial Statements set out on pages 55 to 148, fairly present in all material respects the financial position, financial performance and cash flows of Renergen Limited in terms of IFRS;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;

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

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies and,

(f) we are not aware of any fraud involving Directors.

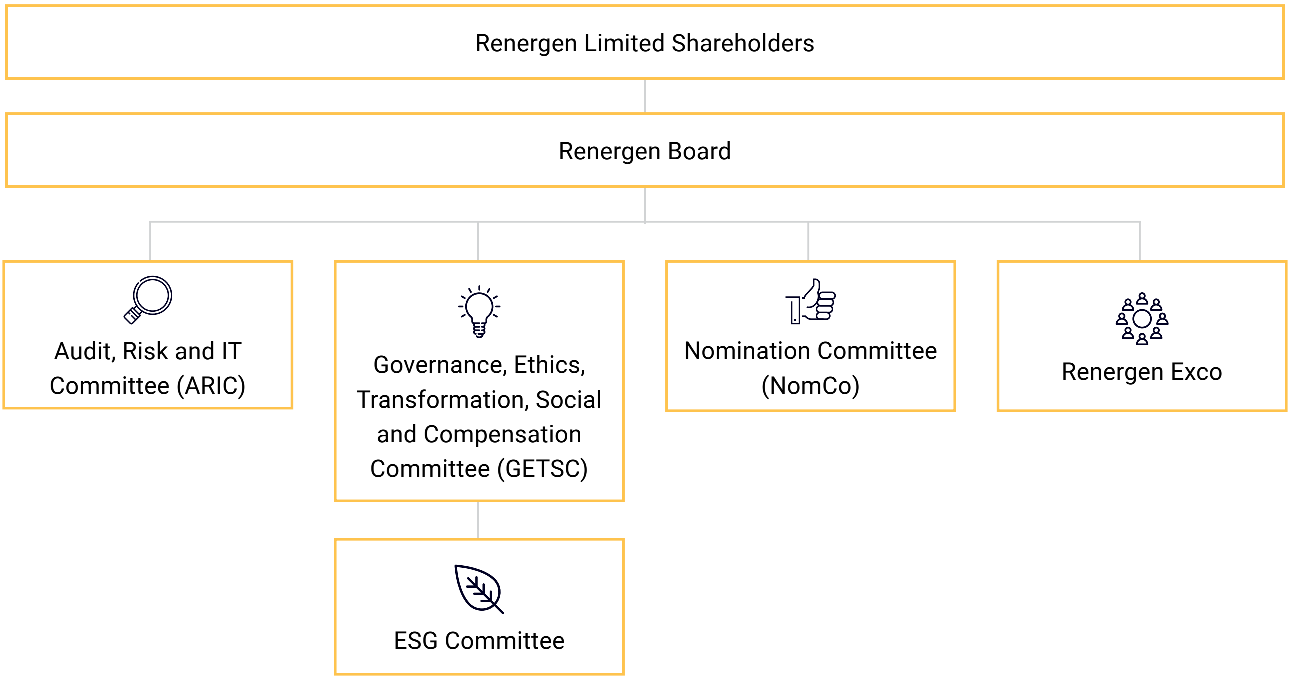
Stefano Marani
Chief Executive Officer

Brian Harvey
Chief Financial Officer

Corporate Governance

Our governance framework provides role clarity by clearly delineating roles and areas of accountability and recognises the independent roles and duties required to govern the Group effectively.

The Board approved a delegation of authority framework (DAF) to provide for the various authority levels across the Company and its subsidiaries.



OUR BOARD

The Renergen Board of Directors serves as the Group's executive body and is jointly accountable for ensuring the Company's longterm success. Maintaining the highest standards of corporate governance and protecting and advancing the Group's integrity and values are of the utmost importance.

Adhering to corporate governance principles is fundamental to the sustainability of Renergen's business. As such, business practices are conducted in good faith, in the interests of all stakeholders and with due deference to the tenets of good corporate governance.

The Board retains effective control of the business through a clear governance structure, and Board Committees assist the Board within the provisions of the Board Charter. However, at all times, the Board recognises that delegating authority does not reduce the responsibility of its Directors to discharge their statutory and common law fiduciary duties. The Group's governance structures are regularly reviewed to support effective decision-making, provide robust controls, and align with evolving local and global best practices.

The Board Charter further sets out the roles and responsibilities of the Board and its Directors, being ever mindful that the considerations of strategy, risk, performance, and sustainability are inseparable and must be treated as such.

The Board is responsible for identifying key performance areas. It ensures that the Group complies with applicable laws, considers adherence to nonbinding rules and standards, and is responsible for Information Technology (IT) Governance.

BOARD COMPOSITION AND INDEPENDENCE

The Board consists of eight members, three Executive Directors and five Non-executive Directors, the majority independent.

At all times, a clear separation of responsibilities is maintained within the Group's leadership structures, specifically between the Board's role and function (under the Chairman's watchful eye) and the day-to-day running of the business (the purview of the CEO).

DIVERSITY AND INCLUSION

The King IV™ Report on Corporate Governance for South Africa 2016 highlights the importance of a Board that appropriately balances knowledge, skill, experience, diversity, and independence to discharge its governance role objectively and effectively.

Renergen recognises both the benefits of a diverse Board and the recommendations contained in the King IV™ report. To confirm its commitment, the Board has adopted a policy for promoting diversity at a Board level. The policy focuses on promoting diversity attributes of gender, race, culture, age, field of knowledge, stills and experience.

INDEPENDENCE

All the Directors have a duty to act, always, with the independence of mind in the best interests of the Group. The Board believes that the Independent Non-executive Directors of the Group are of appropriate calibre, diversity, and number for their views to carry significant weight in the Board's deliberations and decisions.

The Independent Non-executive Directors are highly experienced and have the skills, background, and knowledge to fulfil their responsibilities. The Board determines the classification of Independent Non-executive Directors on the recommendation of the Nomination Committee. In assessing the independence of the Independent Non-executive Directors, character and judgement are considered together with any aspect of their existing relationships or circumstances which are likely to affect or could appear to influence their judgement and due regard for the criteria of independence as set out in King IV™, the JSE Listings Requirements and the ASX Corporate Governance Principles and Recommendations.

At any time, all Independent Non-executive Directors have unrestricted access to management and the Group's external auditors. In addition, all Directors are entitled to seek independent professional advice – at the Group's expense - on any matters about Renergen and when necessary.

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

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

BOARD CHARTER

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

SUCCESSION PLANNING

The Nomination Committee oversees succession planning for Non-executive Directors and monitors the succession planning for Executive Directors and understands that it is of crucial importance in the sustainability of the business. Renergen has a succession plan in place for Executive Directors and Senior Management, which provides for the key management of the Group.

The Group is committed to improving its talent pool through ongoing efforts to manage human capital, including career development and recruitment. These efforts are designed to provide both short-term and long-term management depth, and the Board is satisfied with this progress and efforts.

OUR BOARD COMMITTEES

Without abdicating its responsibilities and accountability, the Board delegates certain functions to well-structured committees which assist the Board in discharging its duties. Board Committee Charters define the purposes, authority, and responsibility of the various Board Committees.

	MEMBERS	MANDATE	MEETINGS
Renergen Board	**Executive Directors** Stefano Marani (CEO) Brian Harvey (CFO) Nick Mitchell (COO) **Non-executive Directors** Francois Olivier* Alex Pickard* **Independent Non-executive Directors** David King (Chairman) Mbali Swana Luigi Matteucci Bane Maleke** Thembisa Skweyiya*** Dumisa Hlatshwayo***	It determines the Group's purpose and values while providing leadership aligned with supporting the long-term sustainability of the business. The Board is diverse in demographics, skills and experience and consists of five Non-executive Directors, the majority of whom are independent, and three Executive Directors. To improve the Board's effectiveness, evaluations of the Board, individual Directors, Board Committees and the Chairman are carried out annually.	Four meetings per annum
Audit, Risk and IT Committee (ARIC)	Luigi Matteucci (Chairman) Mbali Swana Bane Maleke** Dumisa Hlatshwayo***	The Committee oversees the governance of the risks associated with the implementation of Renergen's strategy. It is the duty of the Committee, among other things, to: ▪ Consider the expertise and experience of the Financial Director. ▪ Review and recommend the approval of annual integrated financial reports, statements and all other widely distributed financial documents. ▪ Monitor and review the accounting policies of the Group and any proposed revisions. ▪ Monitor compliance with applicable legislation, King IV™, JSE and ASX listings requirements. ▪ Evaluate external auditors and lenders, as well as provide recommendations for external auditor appointments. ▪ Monitor compliance with IFRS. ▪ Ensure that appropriate financial reporting procedures exist and are working, which includes consideration of all entities included in the Consolidated Group IFRS financial statements to ensure that it has access to all the financial information of Renergen to allow Renergen to effectively prepare and report on the Renergen financial statements. ▪ Report back on its responsibilities pursuant to paragraph 22.15(h) of the JSE Listings Requirements.	Four meetings per annum

** Stepped down on 6 February 2023*
*** Retired on 6 February 2023*
**** Appointed on 6 February 2023*

	MEMBERS	MANDATE	MEETINGS
Governance, Ethics, Transformation, Social and Compensation Committee (GETSC)	Mbali Swana (Chairman) Nick Mitchell* Luigi Matteucci Bane Maleke** Thembisa Skleyiya***	Responsible for reviewing and recommending the Remuneration Policy and philosophy. The Committee (formed in terms of the Companies Act) acts with the full delegated authority of the Board and assists Directors in monitoring social, transformation and ethical matters and legal, regulatory and best practice disclosures relating to: ▪ Strategic input on transformation. ▪ Overseeing remuneration relating to Directors and Executives. ▪ Stakeholder engagement (including employees, customers, suppliers, communities and lenders). ▪ Environmental responsibility and adherence to applicable legislation. ▪ Review of Corporate Social Investment (CSI) initiatives. ▪ Review of the Group's Remuneration Policy. ▪ To monitor the company's activities with regards to the matters set out in Regulation 43 (5) (a) of the Companies Regulations. ▪ To draw matters within its mandate to the attention of the Board. ▪ To report to Shareholders at the company's AGM.	Three meetings per annum
Nomination Committee (NomCo)	David King Nick Mitchell Bane Maleke* Mbali Swana Luigi Matteucci	The Committee oversees the Board composition as well as assess which retiring Independent Non-executive Directors are up for re-election. Responsibilities extend to: ▪ Reviewing the composition of the Board. ▪ Board evaluation and assessment of Committee members and their effectiveness. ▪ Succession planning. ▪ Recommending nominations to the Board.	Three meetings per annum
Exco	Stefano Marani (CEO) Brian Harvey (CFO) Nick Mitchell (COO) Leonard Eiser	The Renergen Executive Committee (EXCO) is responsible for delivering the strategic objectives as set out by the Board. The EXCO consists of an experienced Management team and the CEO, COO and CFO. ▪ Setting the direction and implementing Group strategy. ▪ Managing all stakeholder relationships. ▪ Corporate and strategic leadership. ▪ Promoting investor confidence. ▪ Cultivating and promoting an ethical corporate culture within the Group. ▪ Compliance with applicable legislation and the Group's Code of Conduct and Ethics.	Meets monthly and ad hoc

** Stepped down on 6 February 2023*
*** Retired on 6 February 2023*
**** Appointed on 6 February 2023*

Board Meetings

The Board meets quarterly. Ad-hoc special meetings are convened as necessary. Attendance details for Board and Board Committee meetings are set out below.

Board meetings attendance register

Board Meetings
1 March 2022 to 28 February 2023

Meeting number			Meeting 1	Meeting 2	Meeting 3	Meeting 4
Date of meeting			18-May-22	08-Aug-22	27-Oct-22	26-Jan-23
Type of meeting			Scheduled	Scheduled	Scheduled	Scheduled
King	David	Chair	Attended	Attended	Attended	Attended
Maleke	Bane	Member	Attended	Attended	Attended	Attended
Matteucci	Luigi	Member	Attended	Attended	Attended	Attended
Pickard	Alex	Member	Attended	Attended	Attended	Apologies
Olivier	Francois	Member	Attended	Attended	Attended	Apologies
Swana	Mbali	Member	Attended	Attended	Attended	Attended
Harvey	Brian	Member - CFO	Attended	Attended	Attended	Attended
Marani	Stef	Member - CEO	Attended	Attended	Attended	Attended
Mitchell	Nick	Member - COO	Attended	Attended	Attended	Attended

Audit, Risk and IT Committee Meetings
1 March 2022 to 28 February 2023

Meeting number			Meeting 1	Meeting 2	Meeting 3	Meeting 4
Date of meeting			04-May-22	02-Aug-22	21-Oct-22	19-Jan-23
Type of meeting			Scheduled	Scheduled	Scheduled	Scheduled
King	David	Invitee	Attended	Not required	Attended	Attended
Maleke	Bane	Member	Attended	Attended	Attended	Attended
Matteucci	Luigi	Chair	Attended	Attended	Attended	Attended
Pickard	Alex	Invitee	Not required	Not required	Not required	Not required
Olivier	Francois	Invitee	Attended	Attended	Attended	Not required
Swana	Mbali	Member	Attended	Attended	Attended	Attended
Harvey	Brian	Invitee	Attended	Attended	Attended	Attended
Marani	Stef	Invitee	Attended	Attended	Attended	Attended
Mitchell	Nick	Invitee	Attended	Attended	Attended	Attended

Governance, Ethics, Social, Transformation and Compensation Committee + Nominations Committee Meetings: 1 March 2022 to 28 February 2023					
Meeting number			**Meeting 1**	**Meeting 2**	**Meeting 3**
Date of meeting			04-May-22	21-Oct-22	23-Jan-23
Type of meeting			Scheduled	Scheduled	Scheduled
King	David	Chair - NomCo	Attended	Attended	Attended
Maleke	Bane	Member	Apologies	Attended	Attended
Matteucci	Luigi	Member	Attended	Attended	Attended
Pickard	Alex	Invitee	Not required	Not required	Not required
Olivier	Francois	Invitee	Not required	Not required	Not required
Swana	Mbali	Chair - GESTC	Attended	Attended	Attended
Harvey	Brian	Invitee	Attended	Attended	Attended
Marani	Stef	Invitee	Attended	Attended	Attended
Mitchell	Nick	Member	Attended	Attended	Attended

COMPANY SECRETARY

All Directors have access to the services and advice of the Company Secretary, Acorim Proprietary Limited. The Company Secretary supports the Board as a whole and the Directors individually by providing guidance on fulfilling responsibilities in the best interests of the Group.

The performance of the Company Secretary is evaluated on an annual basis. In terms of paragraph 3.84 (h) of the JSE Listings Requirements, the Board of Directors considered and satisfied itself on the competence, qualifications and experience of the Company Secretary and is satisfied that an arm's length relationship exists.

INFORMATION TECHNOLOGY GOVERNANCE

The Board is committed to effective governance of Information Technology (IT) and upholds standards of excellence in this area. The governing model incorporates business and IT needs, emphasising strategic alignment, value creation, risk management (including cybersecurity, operational resilience, legal compliance, health and safety compliance), resource utilisation, and performance management. The Audit, Risk and IT Committee aids the Board in achieving its Information Technology governance objectives.

COMPLIANCE DECLARATION

To the best of their knowledge, the Renergen Directors have confirmed that Renergen complied with the provisions of the Companies Act and operated in accordance with the company's memorandum of incorporation during the year under review.

Our Board of Directors

The Directors bring relevant experience and skills to the Board, including industry knowledge, business insights, financial management, and corporate governance experience.

Our Board of Directors is responsible for the strategic direction and control of the Company. It brings independent, informed and effective judgement to bear on material decisions reserved for the Board.

The Renergen Directors, during or since the end of the financial year, are set out in this section. Unless otherwise stated, the Directors held office for the financial year.

EXECUTIVE DIRECTORS

Mr Stefano Marani

Managing Director, Chief Executive Officer
BSc Actuarial Science, BSc Hons in Advanced Mathematics of Finance.

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

Stefano has significant experience in the areas of structured finance and advisory. After completing his formative training with Deutsche Bank, Stefano was recruited by Morgan Stanley in London. He was ultimately charged with building their sub-Saharan African fixed income capital markets business before leaving banking to start his financial services firm. **Date appointed to Board: 20 November 2014**

Mr Nick Mitchell

Executive Director and Chief Operating Officer
Microsoft Certified Systems Engineer (MCSE) A+ Certified.

Nick is an experienced Director with a demonstrated history of working in the energy industry, specialising in the South African oil and gas sector and focused on early-stage company development. He is the current Chief Operating Officer for Renergen. Together with his partners, Nick acquired Tetra4 in 2013 and since then has developed the asset from what was once considered a stranded gas asset into a potential world-class helium and natural gas reserve. He is strong in operations, strategy and risk management. Nick currently serves as the Chairman of the Onshore Petroleum Association of South Africa (ONPASA) and has done so since March 2017. In December 2020, he was appointed as a Trustee to the Upstream Training Trust (UTT), established by the Petroleum Agency SA (PASA) and the companies participating in the South African off and onshore search for oil and gas. The Trust seeks to provide bursaries to eligible students interested in Petroleum (oil and gas) Exploration. **Date appointed to Board: 25 November 2015**

Mr Brian Harvey

Executive Director and Chief Financial Officer
BTech. Mech Eng. BCom Hons in Accounting. CA(SA).

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

He has both strategic and operational level experience in the finance area and has been involved with project finance and oversight of the delivery of several capital projects. **Date appointed to Board: 1 May 2021**

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr David King

Non-executive Director, Independent (Chairman)
PhD. MSc. FAusIMM. FAICD.

David is a professional geoscientist and has over 40 years of experience in oil and gas and other natural resources industries. He holds an MSc in Geophysics from Imperial College, London, and a PhD in Seismology from the Australian National University, Canberra. David has held various Board positions with ASX natural resources companies and was a founder of oil and gas companies Eastern Star Gas Ltd and Sapex Ltd. He has also served as Managing Director of ASX listed gold producer North Flinders Mines, CEO and Managing Director of Oil and gas producers Beach Petroleum and Claremont Petroleum, and Chairman of Robust Resources Ltd and Galilee Energy Ltd. David is currently Non-executive Director of AIM-listed Litigation Capital Management Limited. David is a Fellow of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. **Date appointed to Board: 4 June 2019. Chairman, Effective from 1 December 2021.**

Mr Luigi Matteucci

Non-executive Director, Independent
CA (SA).

Luigi actively consults on strategic and business development initiatives in the mining and engineering field. He served in senior management positions and as Financial Director of Highveld Steel and Vanadium Corporation Limited for 18 years up to 2007, where he implemented successful cost reduction and efficiency strategies. **Date appointed to Board: 3 May 2016**

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr Bane Moeketsi Maleke

Non-executive Director, Independent
CA (SA).

Bane holds an MBA from Dalhousie University (Canada) and a PhD. in Strategic Management, from the University of Bath (UK). He spent 20 years in senior management at the Development Bank of South Africa (DBSA) and held the position of Regional Executive for the SADC and East Africa Regions. He is the chairman of an MNO in Lesotho and the Director of an energy company. **Date appointed to Board: 7 December 2016. Retired from the Board on 6 February 2023.**

Mr Mbali Swana

Non-executive Director, Independent
B.Arch Studies, B.BArch.

Mbali is the Chief Executive Officer of Prop5 Corporation Proprietary Limited, a turnkey-built environment infrastructure and engineered products developer that he founded in 1986. Mbali has significant experience in implementing large scale projects across Africa and is currently developing Prop5's Africa-wide strategy for infrastructure development. **Date appointed to Board: 16 February 2015**

Mr Francois Olivier

Non-executive Director
CA (SA) CFA, B.Com (Hons) University of Pretoria.

Francois is a portfolio manager and executive committee member at Mazi Asset Management. He has 22 years of investment research and portfolio management experience. **Date appointed to Board: 19 November 2018. Stepped down from the Board on 6 February 2023.**

Mr Alex Pickard

Non-executive Director
BSc Economics, London School of Economics.

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

Alex has more than 10 years of experience in corporate finance and capital markets, focusing on the mining and resources sectors. Prior to joining Ivanhoe Mines, he was Vice President, Investment Banking at Morgan Stanley, London after starting his career at BMO Capital Markets, London, advising metals and mining clients on mergers and acquisitions, equity and debt capital markets transactions. **Date appointed to Board: 4 April 2022. Stepped down from the Board on 6 February 2023.**

Mr Dumisa Hlatshwayo

Non-executive Director, Independent
CA(SA), MBA, CD(SA)

Dumisa Hlatshwayo has worked in the Financial Services Industry for over thirty years, and during that time, he held the position of Financial Director for a listed entity. He also served as the CEO of a multi-billion-rand Employee Benefits company recently.

Dumisa served as a Non-Executive Director on several Boards of both Public and Private Sector organisations. He chaired Audit and Risk Committees and was a member of Social & Ethics Committees, Actuarial Committees, Nomination Committees, among others. He also had the privilege of being appointed as Chairman of various Boards, where he successfully managed multiple stakeholders. **Date appointed to Board: 6 February 2023.**

Ms Thembisa Skweyiya

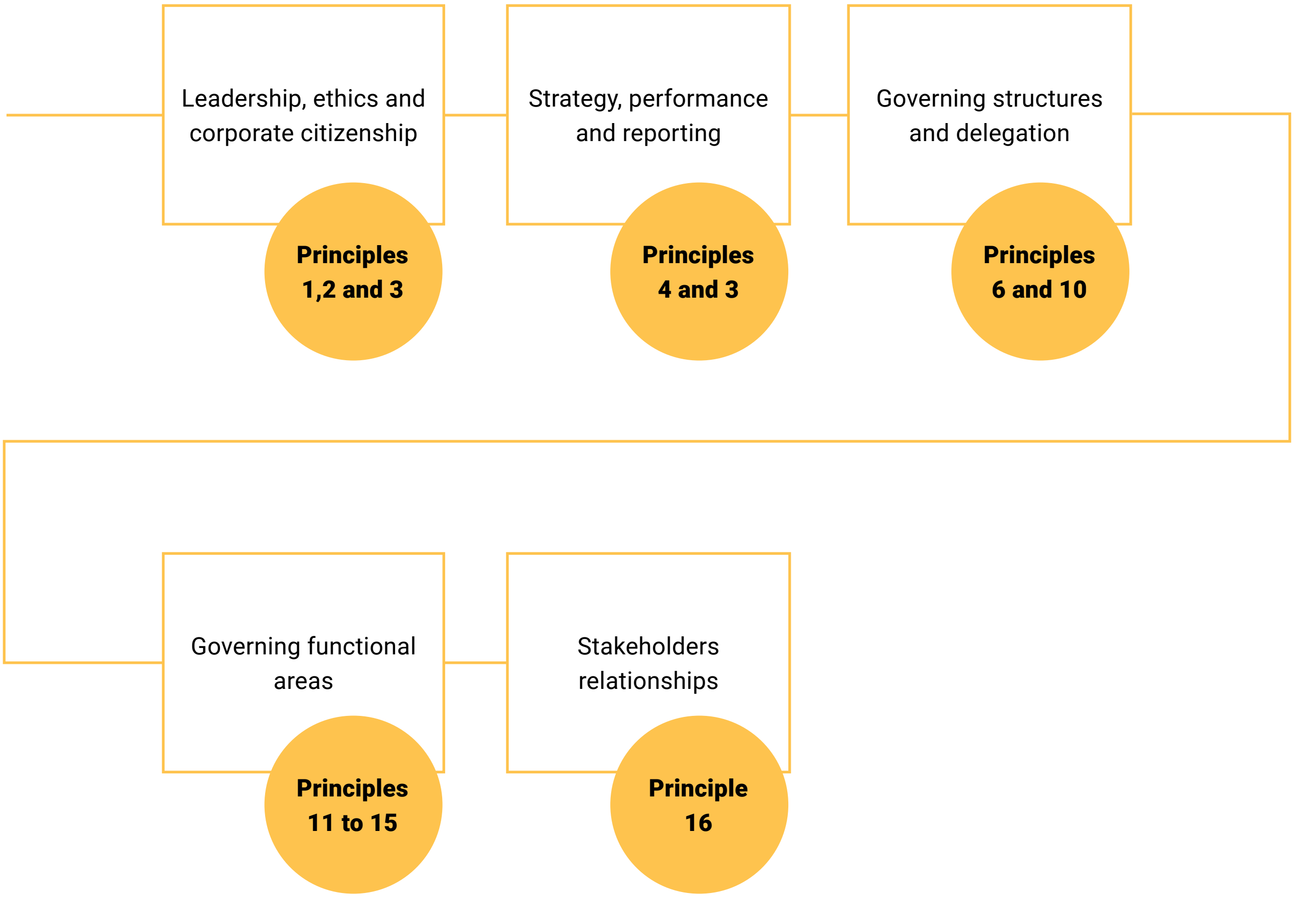
Non-executive Director, Independent
B.PROC, LLB, LLM, H.DIP (TAX)

Thembisa is an admitted attorney of the New York State Bar, United States of America, and has extensive corporate finance and legal expertise, having served at White & Case LLP, Nedbank Capital and Citigroup. She has over 20 years' of experience as a non-executive director holding various directorships in other listed and unlisted companies.

Other directorships include Skweyiya Investment Holdings, Sanlam Limited and Woolworths Holdings Limited. **Date appointed to Board: 6 February 2023.**

Commitment to King IV™ Principles

Renergen applies all the principles of the King IV™ Report on Corporate Governance for South Africa 2016 (King IV™). We believe that corporate governance is defined as exercising ethical and effective leadership towards achieving governance outcomes. The Board is satisfied with the Group's application of the principles of King IV™.



Our detailed King IV™ application register is available on the Group's website. **www.renergen.co.za**

Remuneration Report

REMUNERATION REPORT

SECTION 1

BACKGROUND STATEMENT

Renergen's remuneration philosophy is guided by its business strategy, namely a long-term approach to sustainably delivering value to shareholders. This report comprises three sections and details the material remuneration and policy aspects approved by the Governance, Ethics, Transformation and Social Compensation Committee (GETSC) Chairman. The Committee has a clearly defined framework, aligned to the Companies Act, King IV™ and other relevant legislation and standards, to determine the most effective processes and reporting formats to deal with matters under the Committee's mandate.

SECTION 2

OVERVIEW OF THE REMUNERATION POLICY APPLICABLE FOR FY2023

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

SECTION 3

IMPLEMENTATION REPORT

The implementation of the Remuneration Policy in the 2023 financial year was tabled at the AGM for a non-binding advisory vote (Non-binding Ordinary Resolution Number 10) by the Group's shareholders.

SHAREHOLDER VOTING ON REMUNERATION RESOLUTIONS

At the last AGM held on 17 June 2022, we received the following votes regarding remuneration-related resolutions, as shown in the table below.

	Votes for resolution	Votes against resolution
Remuneration Policy	94.75%	5.25%
Implementation Report	94.89%	5.11%
Non-executive Directors' Remuneration	98.63%	1.37%

As the above non-binding advisory votes on the Remuneration Policy and Implementation Report were passed by the requisite majorities, no further engagement with shareholder was necessitated.

Shareholders will be allowed to vote on two separate non-binding advisory resolutions at the forthcoming AGM to be held on Monday, 31 July 2023.

1. The Remuneration Policy (Section 2 of this report).
2. The Implementation report (Section 3 of this report).

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

SECTION 1 - BACKGROUND STATEMENT

BACKGROUND AND CONTEXT

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

Our strategic objectives can only be achieved with all our employees' foresight, dedication, and hard work. The GETSC Committee supports the Board by applying a remuneration strategy focused on attracting, motivating, rewarding and retaining talent through competitive remuneration practices while creating shareholder value.

The 2023 financial year has not been without challenges. The relaxation or removal of COVID-19 related restrictions, compared to 2022, supported the increase in our productivity levels.

We implemented a hybrid model and collaborated virtually, creating space for formal and informal face-to-face interactions, which are equally important. However, we recognised the benefit of employees being present in the office to facilitate engagement, collaboration, creativity and collective problem-solving. Therefore, in January 2023, all employees returned to the office on a full-time basis.

In September 2022, we launched our Employee Wellness Programme through ICAS, a leading global wellness service provider that promotes employees' physical and mental health.

During the year, we provided all employees with a salary increase subject to their performance measured against approved specific Key Performance Indicators (KPI) measurements.

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

To ensure the Group continues leveraging its existing workforce and attracting key resources, the GETSC Committee has been formulating ideas that could help drive the team's performance and ensure alignment with shareholders.

SUMMARY OF ACTIVITIES OF THE GETSC COMMITTEE

During the year under review, in addition to the standard governance and approval items on the GETSC Committee's (comprising the majority of INED's) annual work plan, the following matters were addressed:

The focal areas included:

- Continuous review of the Key Performance Indicator (KPI) methodology.
- The remuneration benchmark report prepared by PwC Inc.
- Implementation of Employee Wellness Programme (ICAS).
- Review of the Remuneration policy.
- The Terms of Reference did not change substantially during the year under review.

FOCUS AREAS FOR 2023

- Further, advance the maturity of the remuneration policy.
- Review of the monitoring and evaluation arrangements relating to remuneration fairness and parity in the context of market trends and standardisation of indicators.
- Management of critical and technical skills retention programmes.
- Focus on the appropriateness and extent of ESG factors in determining remuneration and variable incentives.

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

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

SECTION 2 - OVERVIEW OF THE REMUNERATION POLICY APPLICABLE FOR FY23

STRUCTURE OF TOTAL REMUNERATION

- Executives and senior management employees participate in the long-term incentive – Bonus Share Plan (BSP), and the scheme is explicitly designed to reward performance.
- In addition, the BSP is awarded to a tier below senior management as a talent retention mechanism within the Group. The incentive is awarded based on KPI performance and is reviewed annually. The shares vest after three years.
- All permanent employees were awarded Share Appreciation Rights (SAR) under the rules of the Share Appreciation Rights Plan. The allocation of share options done in December 2021 is discretionary and awarded as a once-off share

incentive. The SAR vest after five years following the achievement each of the approved share price milestones. The SAR allocation from 2022 onward was allocated in alignment with the rules to permanent employees who impact the overall strategy of the Group only.

REMUNERATION PHILOSOPHY, POLICY AND REWARD FRAMEWORK

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

The Remuneration Policy is designed to align the Group's business strategy and all employees' contribution towards inter alia; achieving company objectives, business improvement measures, and the entrenchment of the Group's values. This policy applies to all Group employees and the extent of participation in short and long-term incentive schemes depends on an individual's role and level within the Group.

The Remuneration Policy and the implementation thereof is focused on achieving a fair and sustainable balance between short, medium- and long-term incentive schemes, benefits and salaries for all employees. The fair and responsible application of the remuneration policy is guided by the King IV™ principles relating to accountable and fair remuneration, which the Group has adopted.

BENCHMARKING

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

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

The report presents a Lower, Median and Upper Quartile result for the total guaranteed package, short-term and long-term incentives comprising total remuneration. The GETSC Committee adopts the approach to align the remuneration strategy to be range-bound between the Lower Quartile and the 35th percentile, in which the Committee can make remuneration decisions. Once Phase 1 of the Virginia Gas Project is fully operational, the GETSC Committee consider aligning its remuneration targets with that of the median to ensure the Group remains competitive in its ability to attract and retain key talent to drive the Group's strategic objectives

The Group has embarked on a Group-wide assessment of roles and responsibilities to implement an objective remuneration grading system aligned with international best practices. The evaluation has assessed each role (job description) against standard grading norms. The results will guide the Group to objectively compare with the market position of salaries, benefits, and variable pay, across the Group. This will assist the Group in drafting a robust plan that addresses compensation practice, the attraction of talent, and retaining key skills within the Group.

FAIR AND RESPONSIBLE REMUNERATION

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

OUR REMUNERATION FRAMEWORK

The Group's Remuneration framework balances remuneration (financial rewards) with other non-financial rewards to drive and deliver a high-performance culture. The financial compensation component of the Remuneration framework comprises two elements: – Guaranteed Pay (GP) and Variable Pay (VP).

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

EMPLOYMENT CONTRACTS AND NOTICE PERIODS

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

	Cost to Company package	Short-term incentive (Cash bonus)	Long-term incentive (BSP)	Share Appreciation Rights (SAR) Plan
Participation	All permanent employees	All permanent employees	Executives, senior management and employees identified for retention	All permanent employees (2021) Key appointees who are strategic business drivers (2022 onward)
Performance period	Ongoing	One year	Awarded annually with a three year vesting period	5-year vesting period following the achievement of each knock-in share price milestone per tier of SAR
Mechanics	Market-related and individual performance	Formula directed	Formula-directed (shares are allocated equal to the value of the short-term incentive)	Discretionary award based on strategic input to the overall Group objectives. SAR requires a performance strike price for each performance condition and achievement of tiers 1-4 stand-alone performance conditions; where each performance condition is achieved, the award can be exercised. Subject to vesting and the rules of the plan
Method of delivery	Cash	Cash	Renergen shares	Renergen shares
Timing of delivery	Monthly increases effective from 1 March annually	Annually	Annually	Once-off allocation
Performance measures	Individual Key Performance Indicators (KPIs)	60% Group KPI and 40% Individual KPI achievement	60% Group and 40% Individual KPI achievement	Share price growth

DETAILS OF REMUNERATION PAID TO INED

The fee structure is aligned with the King IV™ remuneration guidelines. Non-executive Directors receive an annual base retainer for appointment to the Board or any committee and an attendance fee (meeting fee) per meeting. The Chairman of the Board or any Committee receives a higher fee.

The appointment of Independent Non-executive Directors is initially considered and resolved by the Board, ratified by shareholders and duly approved at the AGM. In line with best governance practices, Independent Non-executive Directors do not participate in STIs and LTIs. Their term of office is governed by the Group's Memorandum of Incorporation, which provides that at least one-third of the Non-executive Directors will retire by rotation, but may, if eligible, offer themselves for re-election. The remuneration of the Executive Directors is reviewed by the GETSC Committee annually and approved by the Board. The shareholders further presented and vote on it at the next AGM.

The remuneration of Independent Non-executive Directors of Renergen for the past two financial years is shown on page 53. The monthly retainer and meeting attendance fees have remained unchanged.

The Board recommends that shareholders approve the implementation of the proposed fees on page 157 and 158 to align the remuneration strategy with the Executive and Non-executive remuneration benchmark report prepared by PwC Inc.

SECTION 3

IMPLEMENTATION OF REMUNERATION POLICY FOR THE YEAR ENDED 28 FEBRUARY 2023

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

COMPLIANCE WITH THE REMUNERATION PHILOSOPHY

The GETSC Committee monitored the implementation of the remuneration policy throughout the year and believes that the Group was in material compliance with the 2023 Remuneration Policy (as set out in the 2023 IAR).

FAIR AND RESPONSIBLE REMUNERATION MIX

Through the GETSC Committee, the Group is committed to fair and responsible remuneration policies. During the 2023 financial year, the CTC increase (linked to inflation, excluding promotions) for the Renergen Group was approved at 8%.

SHORT-TERM INCENTIVE OUTCOMES

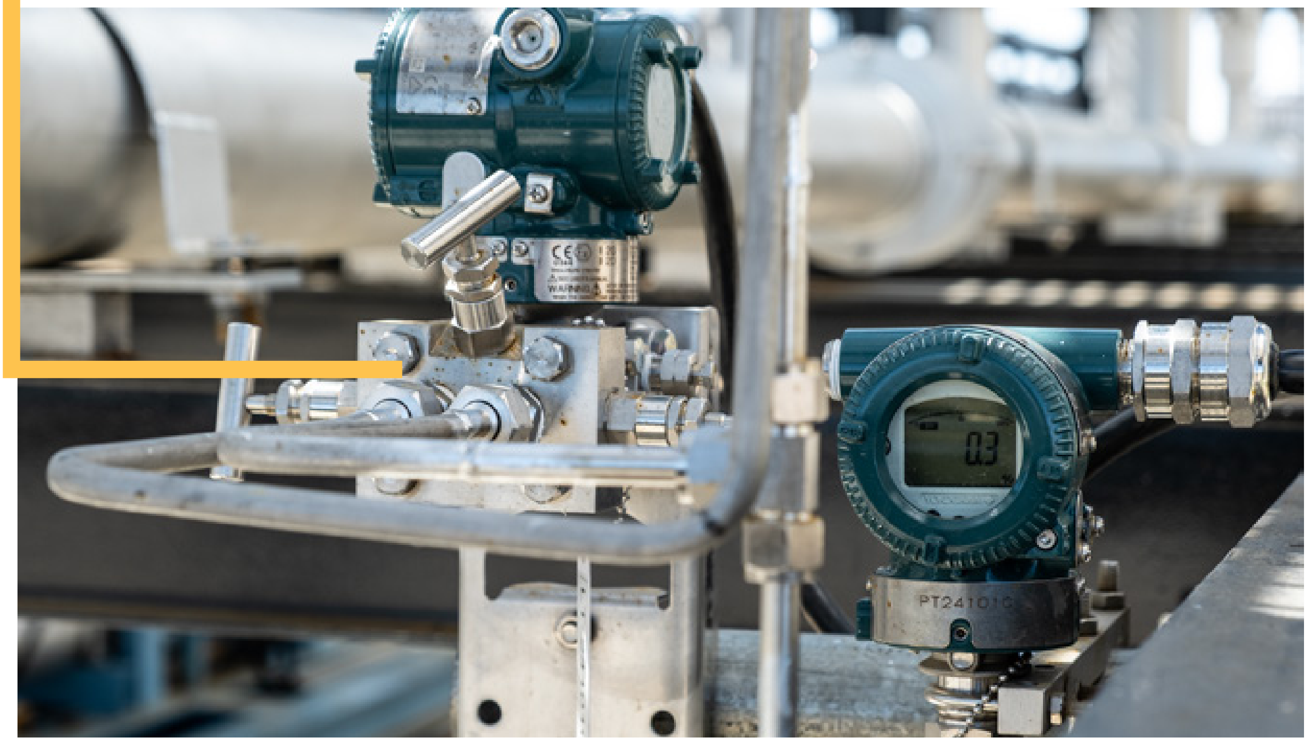
Creating a STI pool for the performance measurement period is driven primarily by predetermined annual KPIs, with the business scorecard performance tilting the overall outcome.

LONG-TERM INCENTIVE OUTCOMES

The second allocation of our LTIP which was awarded in 2019 vested in June 2022. Employees who were awarded the shares were given the opportunity to exercise shares accordingly.

DETAILS OF REMUNERATION PAID

The remuneration of the Executive Directors of Renergen for the past two financial years is shown in the tables on page 53.



Figures in Rand Thousands

	EXECUTIVE DIRECTORS								
	2023				2022				
Remuneration paid to Executive Directors:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Other[3]**	**Total**
Stefano Marani	4 666	1 213	1 213	7 092	4 320	860	860	-	6 040
Fulu Ravele[1]	-	-	-	-	227	-	-	1 444	1 671
Brian Harvey[2]	3 779	723	723	5 225	2 917	-	500	-	3 417
Nick Mitchell	4 666	1 201	1 201	7 068	4 320	916	916	-	6 152
	13 111	**3 137**	**3 137**	**19 385**	**11 784**	**1 776**	**2 276**	**1 444**	**17 280**

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

	PRESCRIBED OFFICERS							
	2023				2022			
Remuneration paid to Prescribed Officers:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**
Johann Weideman	-	-	-	-	1 953	198	198	2 349
Khalid Patel	1 533	161	161	1 855	1 552	149	149	1 850
Mandy-Leigh Stuart	-	-	-	-	1 399	111	111	1 621
Nalanie Naidu	-	-	-	-	1 610	148	148	1 906
Leonard Eiser[4]	2 238	-	-	2 238	-	-	-	-
Russell Broadhead[5]	3 039	-	-	3 039	-	-	-	-
	6 810	**161**	**161**	**7 132**	**6 514**	**606**	**606**	**7 726**

4 - Appointed on 1 April 2022
5 - Appointed on 1 March 2022

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

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

DR DAVID KING'S REMUNERATION

Independent Non-executive Director Dr David King was issued options on 1,000,000 shares of the Company (or CDI equivalent) at the date of completion of the initial public offering (IPO) with a strike price equal to the IPO price plus a 20% premium. The options will accrue to King annually on completion of an entire year's service on each anniversary of his appointment at a rate of 250 000 shares per annum, including the fourth anniversary. The options will mature at 250 000 shares per annum on each anniversary of his appointment to the Board. Thus, the shortest option will be one year on 250 000 shares, and the most extended option will be four years on 250 000 shares. Shareholders approved this at the Annual General Meeting held on Tuesday, 19 March 2019.

EXTERNAL APPOINTMENTS AND BOARD MEETING ATTENDANCE OF EXECUTIVE DIRECTORS

Executive Directors do not draw any additional remuneration for attending Board meetings. Renergen Executive Directors who sit on subsidiary Boards do not receive fees for serving on those committees' Boards.

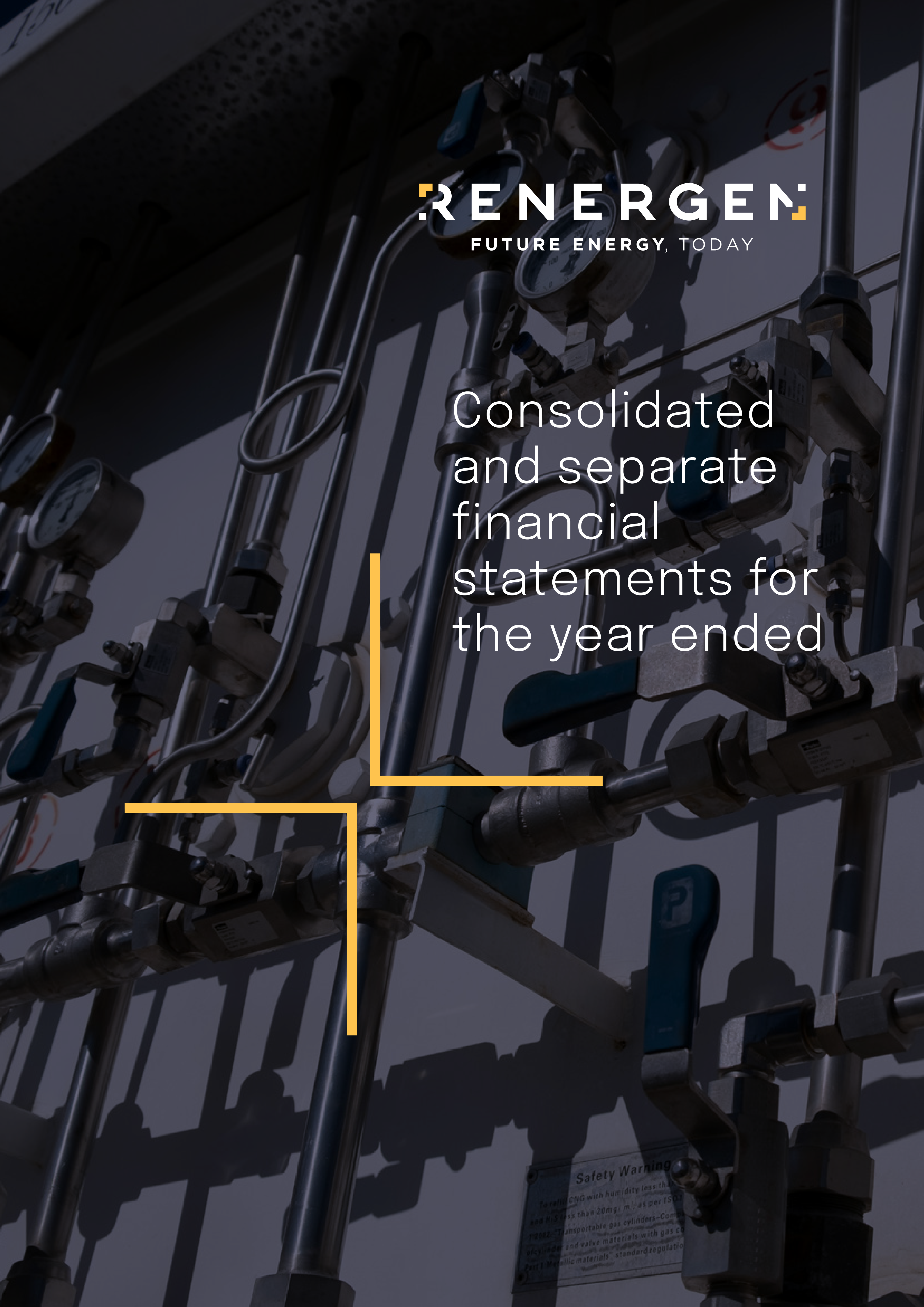
GOVERNANCE, ETHICS, TRANSFORMATION, SOCIAL AND COMPENSATION REPORT

The Group Governance, Ethics, Transformation, Social and Compensation Committee (GETSC) is a statutory role that assists the Board in monitoring the Group's corporate citizenship, sustainability, and ethics.
The GETSC Committee has fulfilled its mandate as prescribed by the Companies Regulation 43(5) to the Companies Act, and that there were no instances of material non-compliance to disclose.

INSURANCE

The Audit, Risk and IT Committee (ARIC) monitor insurance coverage at Renergen and regularly reviews a summary of the range. Directors and officers benefit from liability insurance funded by the Group to cover instances where they could be held personally liable to the Group in cases of negligence, default or a breach of duty or trust.

The cover excludes liability resulting from criminal, reckless or fraudulent behaviour. The level of cover is reviewed annually to ensure that it is appropriate.



RENERGEN

FUTURE ENERGY, TODAY

Consolidated and separate financial statements for the year ended

Contents

General Information

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Renergen Limited is an energy company focused on alternative and renewable energy in South Africa and sub-Saharan Africa. The Company is listed on three stock exchanges with a primary listing on the JSE Alternative Exchange (AltX) and secondary listings on the A2X Markets and the Australian Securities Exchange (ASX).
DIRECTORS	Stefano Marani (CEO) Nick Mitchell (COO) Brian Harvey (CFO) Dr David King (Non-executive Chairman) Mbali Swana Luigi Matteucci Thembisa Skweyiya Dumisa Hlatshwayo
REGISTERED OFFICE	First Floor, 1 Bompas Road, Dunkeld West, 2196
AUDITORS	BDO South Africa Incorporated
SECRETARY	Acorim Proprietary Limited
COMPANY REGISTRATION NUMBER	2014/195093/06
LEVEL OF ASSURANCE	These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act 71, of 2008.
TRANSFER SECRETARIES	Computershare Investor Services Proprietary Limited
DESIGNATED ADVISER	PSG Capital
JSE SHARE CODE	REN
JSE ISIN	ZAE000202610
ASX SHARE CODE	RLT
ASX BUSINESS NUMBER	93998352675
A2X MARKETS SHARE CODE	REN
PREPARER	The consolidated and separate financial statements were prepared under the supervision of Brian Harvey CA (SA)

Directors’ Responsibilities and Approval

The Directors of Renergen are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report.

The Directors take full responsibility for ensuring that the consolidated and separate financial statements fairly reflect the financial affairs of Renergen Limited ("Renergen" or the "Company", together with its subsidiaries the "Group"), as at 28 February 2023, including the results of the Group’s operations and cash flows for the year then ended. This is done in conformity with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations as issued by the International Financial Reporting Interpretations Committee (“IFRIC”), the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, the Listing Rules of the ASX and in a manner required by the Companies Act of South Africa, No 71 of 2008. The consolidated and separate financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates. The external auditor was engaged to express an independent opinion on these consolidated and separate financial statements.

The Directors of Renergen acknowledge that they are responsible for the internal financial controls established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board of Directors of Renergen has set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards. The Directors are committed to ensuring the Group’s business is conducted in a manner that, in all reasonable circumstances, is above reproach. Renergen’s risk management focus centres on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise risk where possible by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by Management, that the system of internal controls in place provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against misstatement or loss.

The Group will continue as a going concern for the foreseeable future, which contemplates the realisation of assets and satisfaction of liabilities in the normal course of business. The Group’s ability to achieve profitability is dependent on a number of factors, but will mainly be driven by the volume of liquefied natural gas and liquefied helium that will be produced and sold from future operations. The Directors have reviewed the Group’s forecasts for the next twelve months and are satisfied that the Group has adequate financial resources to continue as a going concern.

The external auditors are responsible for independently auditing and reporting on the Group’s consolidated and separate financial statements. The consolidated and separate financial statements for the year ended 28 February 2023 have been audited by the Group’s external auditor and their report is presented on pages 67 to 70.

The consolidated and separate financial statements set out on pages 81 to 148, which have been prepared on the going concern basis, and the Directors’ Report on page 71 were approved by the Board of Directors on 17 May 2023 and are signed on its behalf by:

Stefano Marani **Luigi Matteucci**

Chief Executive Officer and Chief Financial Officer Responsibility Statement

Each of the Directors, whose names are stated below, hereby confirm that:

a. The consolidated and separate financial statements set out on pages 81 to 148, fairly present in all material respects the financial position, financial performance and cash flows of Renergen Limited in terms of International Financial Reporting Standards;

b. To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated and separate financial statements false or misleading;

c. Internal financial controls have been put in place to ensure that material information relating to Renergen Limited and its consolidated subsidiaries has been provided to effectively prepare the consolidated and separate financial statements of Renergen Limited;

d. The internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls;

e. Where we are not satisfied, we have disclosed to the Audit, Risk and IT Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and

f. We are not aware of any fraud involving Directors.

Stefano Marani
Chief Executive Officer

Brian Harvey
Chief Financial Officer

INTRODUCTION

The Audit, Risk and IT Committee (the "Audit Committee") is an independent statutory committee appointed by Renergen's shareholders. In terms of Section 94 of the Companies Act 71 of 2008, as amended (the "Companies Act"), and the principles of good governance, shareholders annually appoint Independent Non-executive Directors as members of the Audit Committee to fulfil the statutory duties as prescribed by the Companies Act. In addition, Renergen's Board of Directors (the "Board") delegates specific duties to the Audit Committee. This report considers these statutory and delegated duties as well as the Audit Committee's responsibilities in terms of the JSE Listings Requirements and the King IV™ Code on Corporate Governance 2016 ("King IV™").

TERMS OF REFERENCE

The Audit Committee has adopted formal terms of reference which are reviewed and updated on an annual basis, or as deemed necessary, by both the committee and the Board. The Audit Committee is satisfied that it has discharged its duties in accordance with its terms of reference.

COMPOSITION AND GOVERNANCE

During the year under review the Audit Committee comprised of the following Independent Non-executive Directors.

DIRECTOR	QUALIFICATION	Designation
Luigi Matteucci (Chairperson)	CA (SA), CTA (Wits), B. Com (Wits)	Independent Non-executive Director Appointed as a member in May 2016 and as Chairperson in February 2019.
Mbali Swana	BAS (UCT), BArch (UCT), Pt Arch (SA), MIAT (SA)	Independent Non-executive Director Appointed as member and Chairperson in February 2015. Served as Chairperson until February 2019.
Bane Maleke	MBA (Dalhousie University, Canada), PhD Strategic Management (University of Bath, UK)	Independent Non-executive Director Member of the committee since December 2016 and retired on 6 February 2023.
Dumisa Hlatshwayo	CA (SA), MBA, CD (SA)	Independent Non-executive Director Member of the committee since 6 February 2023.

Members of the Audit Committee satisfy the requirements to serve as members of an Audit Committee, as provided for in section 94 of the Companies Act, and collectively have adequate knowledge and experience to carry out their duties.

The Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the Chief Operating Officer ("COO") and representatives of the appointed external auditor are invited to attend all Audit Committee meetings. The Chairperson of the Audit Committee has regular contact with Management to discuss relevant matters directly. The external auditors have direct access to the Audit Committee, including closed sessions without Management on matters that they regard as relevant to the fulfilment of the Audit Committee's responsibilities.

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

- Reviewed the financial performance of the Group and monitored progress on the construction of the Virginia Gas Project.

- Assessed the liquidity position of the Group as well as the underlying going concern and capital adequacy assumptions.
- Reviewed and assessed budgets and financial plans.
- Recommended the approval of the delegation of authority.
- Regularly monitored risks management practices applicable to the Group' strategic, operational and emerging risks, and reviewed the Group's risk appetite and tolerance.
- Assessed the adequacy of the Group's system of internal controls.
- Monitored and assessed the adequacy of IT governance within the Group.
- Reviewed quarterly, interim and annual financial results of the Group and accompanying JSE and ASX announcements, and ensured adherence to all reporting and regulatory standards.
- Reviewed the Integrated Annual Report and approved the report from the committee contained therein.
- Monitored compliance with laws and regulations.
- Reviewed correspondence and reports from the JSE and ASX, including proactive monitoring reports.
- Monitored adherence to debt covenants.
- Evaluated the performance, skills and competence of the CFO and assessed the adequacy and effectiveness of the finance function.
- Considered the evolving reporting requirements of the Group and recommended the appointment of BDO South Africa Incorporated ("BDO") as the new external auditor of the Group with effect from 17 August 2022.
- Assessed the quality, effectiveness and independence of the external audit function which was undertaken by Mazars up until 16 August 2022 and by BDO therafter.
- Reviewed all reporting from external auditors, including inspection reports from the Independent Regulatory Board for Auditors.
- Approved the external auditor's scope of work and audit fees, and considered key audit matters.
- Reviewed the committee's terms of reference and annual workplan.
- Monitored Directors' interests in contracts.
- Requested reporting on contingent liabilities and claims, of which none were noted for the year under review.
- Assessed the Group's maturity for an internal audit function.
- Monitored progress on various improvement projects undertaken by the finance department.
- Monitored whistleblowing procedures and reporting therefrom, as well as reporting from other sources on fraud and theft.
- Monitored the Group's insurance programme.
- Monitored training requirements of committee members.

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

The performance of the Audit Committee is reviewed annually by the Board. The latest review concluded that the Audit Committee operates effectively and successfully discharged its responsibilities and duties in line with its approved terms of reference.

ROLES AND RESPONSIBILITIES

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

- Oversight of internal controls.
- Oversight and review of the external audit process.
- Oversight of non-audit services and approval of the policy in regard thereto.
- Oversight of the Group's financial plans, financial performance, financial position and financial reporting.

- Oversight and review of the Group's finance function.
- Management of risks.
- Governance of information technology and the assessment of the effectiveness of the Group's information systems.
- Legislative and regulatory compliance.
- Oversight of policies and procedures for the prevention and detection of fraud.

INTERNAL CONTROLS

The Group has established and maintains internal controls and procedures, which are reviewed on a regular basis. These are designed, and amended as necessary from time to time, to manage significant risks and control deficiencies identified by Management or the external auditors, and to provide reasonable assurance against the possibility of material financial loss or internal control failures.

The Audit Committee is satisfied that Renergen has optimised the assurance coverage obtained from Management, external experts and external assurance providers. The Audit Committee is also satisfied that the related systems and procedures are effective in enabling an effective internal control environment and supporting the integrity of internal and external reports.

Based on its continuous review of the design, implementation and effectiveness of the Group's systems of internal financial controls, and on reports from Management and the external auditors on the results of their audit, the Audit Committee is satisfied that the Group's systems of internal financial controls are effective and form a basis for the preparation of reliable consolidated and separate financial statements. No findings have come to the attention of the Audit Committee to indicate that a material breakdown in internal controls occurred during the year under review.

FINANCIAL REPORTING

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

Quarterly reporting

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

Interim reporting

During the year, the Audit Committee reviewed the Group's interim results for the six months ended 31 August 2022 which were issued on the JSE and ASX on 28 October 2022 following approval by the Board, in line with Renergen's continuing obligations. These interim results were reviewed by BDO, the Group's external auditor.

Financial Statements

The Audit Committee reviewed the audited consolidated and separate financial statements for the year ended 28 February 2023 and further discussed these with the external auditors and Management. The Committee also reviewed the following key and significant accounting matters:

MATTER	RESPONSE OF THE COMMITTEE
Going concern	Management performs an annual assessment of the ability of the Group and Company to remain going concerns in light of plans in place to ensure the continued sustainability of the Group. Management presented its most recent assessment to the Committee and highlighted the key assumptions and judgements which support this evaluation. The Committee was satisfied that the plans in place are adequate to support the going concern assertion applicable to the Group and Company.
Valuation of intangible assets - exploration and development costs and property,plant and equipment - assets under construction	The Committee satisfactorily reviewed the appropriateness of the methodologies and key judgements applied by management in determining the valuation of the Group's exploration and developments costs and assets under construction.
Revenue recognition	The Committee satisfactorily reviewed the appropriateness of the policy and accounting treatment of transactions arising from contracts with customers.
Lease accounting with the Group as lessor	The Group recently concluded lease contracts with customers with the Group as lessor. The Committee satisfactorily reviewed the appropriateness of the accounting treatment of transactions resulting from these contracts.

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

After due consideration and review the Audit Committee recommended the approval by the Board, of the consolidated and separate financial statements for the year ended 28 February 2023. The Committee is of the opinion that the audited consolidated and separate financial statements should be accepted and read together with the report of the independent external auditor. The Board approved the consolidated and separate financial statements on 17 May 2023.

EXTERNAL AUDIT

The Audit Committee is responsible for oversight of the external auditors of the Group and for recommending the appointment and compensation of auditors. On 17 August 2022, Renergen appointed BDO as its new independent external auditor, with the designated, JSE approved audit partner being Jacques Barradas. Mazars were the auditors of the Group and Mr Shaun Vorster was the designated, JSE approved audit partner prior to BDO's appointment. The Committee is satisfied with the independence of BDO, and prior to that Mazars, as required by the Companies Act, and that both audit firms complied with the Companies Act, the JSE Listings Requirements and all other applicable legal and regulatory requirements. The independence of BDO and Mazars was assessed on an ongoing basis and both audit firms provided assurance to support their claim to independence. In line with paragraph 3.84(g)(iii) of the JSE Listings Requirements, the Audit Committee is also satisfied that:

- The BDO and Mazars are accredited by the JSE;
- The quality of the external audit carried out by both BDO, and prior to that Mazars, was satisfactory; and
- The external auditors have confirmed their responsibilities pursuant to paragraph 22.15(h) of the JSE Listings Requirements.

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

Given BDO's recent appointment, the Committee will consider rotation of the audit partner in the coming years. BDO does not have an affiliation to the past auditor of the Group. The change in external auditor was initiated by Renergen, with a view of benefiting from BDO's substantial international footprint and experience.

Prior to the commencement of the statutory audit for the financial year ended 28 February 2023, the Audit Committee reviewed and approved the external auditor's engagement letter, the audit plan and the audit fees payable to BDO. The Audit Committee further satisfactorily monitored the external auditor's progress against the approved audit plan and assessed the quality and effectiveness of the external audit function, including receiving confirmation that there was no scope limitation or restriction of access to management. Following the statutory audit, the external auditor's report provided the Audit Committee with the necessary assurance on Renergen's risk management processes, internal control environment and IT systems. It also provided assurance that no reportable irregularities had been identified and that there are no unresolved issues that impact the consolidated and separate financial statements presented.

The Committee has recommended the appointment of BDO as the independent external auditor and Mr Jacques Barradas as the designated, JSE approved audit partner for the financial year ending 28 February 2024, for consideration by shareholders at the next AGM.

The approved Group audit fee for the year under review is R1.26 million (2022: R0.85 million). A formal procedure has been adopted to govern the process where the external auditor may be considered for non-audit services and the extent of these services is closely monitored by the Audit Committee. BDO and Mazars did not provide non-audit services during the year under review (2022: Rnil).

EVALUATION OF THE CFO AND THE FINANCE FUNCTION

The Audit Committee evaluated the expertise and performance of the CFO, Brian Harvey, for the financial year ended 28 February 2023 and is satisfied that he has the appropriate expertise and experience to carry out his duties as the CFO of the Group. The expertise, experience and adequacy of the resources making up the finance function were also considered, and the Audit Committee was satisfied that these are appropriate.

RISK MANAGEMENT

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

- Reviewing the effectiveness of the risk management framework, policies, strategies and plans in place for recommendation to the Board for final approval.
- Approving the Group's risk identification and assessment methodologies.
- Reviewing the parameters of the Group's risk and reward strategy, in terms of the risk appetite and tolerance relative to reward.
- Ensuring that risks are quantified where practicable.
- Reviewing and approving the risks identified on a qualitative basis, according to probability and seriousness.
- Reviewing the effectiveness and efficiency of systems within the Group and receiving assurance that material risks are identified, and that the appropriate risk management processes are in place, including the formulation and subsequent amendment of Group policies.
- Reviewing the appropriateness of resources directed towards areas of high risk.
- Regularly receiving a register of the Group's key risks and potential material risk exposures, and reporting to the Board any material changes and / or divergence to the risk profile of the Group.

- Reviewing the implementation of operational and corporate risk management plans.
- Reviewing insurance and other risk transfer arrangements and considering whether appropriate coverage is in place.
- Reviewing the business contingency planning process within the Group and receiving assurance that material risks are identified and that appropriate contingency plans are in place.
- Where necessary recommending actions for the improvement of risk management plans of the Group.
- Reviewing the Group's sustainability risk and mitigating plans on a regular basis.

INFORMATION AND TECHNOLOGY GOVERNANCE

The Audit Committee is responsible for IT governance on behalf of the Board and receives regular reports from the IT Steering Committee in this regard. During the year under review the Audit Committee:

- Reviewed IT governance reports and monitored actions undertaken to further enhance the Group's IT environment.
- Monitored invoicing modifications to the SAP system to support the evolving operational requirements of the Group.
- Monitored IT security risks and received regular updates in this regard.

COMPLIANCE

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

PHASE 2 OF THE VIRGINIA GAS PROJECT

The Group intends to commence the construction of Phase 2 of the Virginia Gas Project in the financial year ending 28 February 2024, and expects to complete the Phase 2 construction within a 3 year period. The Group's plans for Phase 2 in relation to its capacity and specifications, and proposed funding mechanisms are outlined on pages 71 to 80 of the Directors Report.

PROACTIVE MONITORING

The Audit Committee confirms that it has considered and reviewed the findings contained in the JSE's various proactive monitoring reports when reviewing and approving the consolidated and separate financial statements for the year ended 28 February 2023. The Committee is satisfied that the necessary adjustments and improvements to the consolidated and separate financial statements have been made.

COVID-19 AND RUSSIA/UKRAINE WAR

COVID-19

There were no material contractual obligations or supply chain impacts during the year under review, however prior year COVID-19 global and local impacts contributed to an overall delay in the commissioning of the Virginia Gas Project which occurred in September 2022 compared to the initial scheduling for Q2 2021.

Russia/Ukraine war

The Russia/Ukraine war did not have material effect on the operations of the Group for the year under review.

FRAUD HOTLINE

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

GOING CONCERN

Refer to note 37 of the consolidated and separate financial statements.

KEY FOCUS AREAS FOR THE YEAR AHEAD

- Enhancing controls over the management of the Group's property, plant and equipment.
- Introduction of an internal audit function.
- Overseeing planning and funding initiatives for Phase 2 of the Virginia Gas Project.
- Oversee Renergen's proposed initial listing on Nasdaq in the United States of America.

CONCLUSION

The Audit Committee is satisfied that it has carried out its responsibilities in line with its mandate and as prescribed by the Companies Act for the year ended 28 February 2023.

Matteucci

Luigi Matteucci
Chairperson

GROUP COMPANY SECRETARY CERTIFICATION

In our capacity as Company Secretary, we hereby confirm, in terms of section 88(2)(e) of the Companies Act, 2008 (Act No.71 of 2008), as amended (the "Act"), that for the 12-month period ended 28 February 2023, the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.

Acorim

Acorim Proprietary Limited
Company Secretary

Report on the Audit of the Consolidated and Separate Financial Statements

OPINION

We have audited the consolidated and separate financial statements of Renergen Limited (the group and company) set out on pages 55 to 148, which comprise the consolidated and separate statements of financial position as at 28 February 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Renergen Limited as at 28 February 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of *Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern.

We draw attention to note 37 to the consolidated and separate financial statements, which indicates that the regulatory and other approvals highlighted in note 37, and the completion of the funding Initiatives highlighted in note 37 during the period ending 28 February 2023, represent material uncertainties that may cast significant doubt on the group's and company's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter referred to in the *Material uncertainty related to going concern* section above, we have identified the following key audit matters.

Report on the Audit of the Consolidated and Separate Financial Statements

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Consolidated financial statements: Capitalisation of cost to Assets under Construction At 28 February 2023, the Group has assets under construction ("AUC"). This relates to the Virginia Gas Plant ("VGP"), which was recognised at a carrying value of R 1 342 million as at 28 February 2023 (2022: R 785 million). As disclosed in notes 1.3, 1.15 and 3 to the consolidated financial statements, management have documented their judgement of cost that has been included and capitalised to the VGP. Based on the significance of the balance to the consolidated financial statements, as well as the fact that significant management judgement was involved in the determination of which costs qualify for capitalisation, the matter was considered to be a matter of most significance in our audit of the consolidated financial statements for the current year.	In considering the appropriateness of management's judgement applied in the capitalisation of costs to the VGP, we performed the following audit procedures: ▪ Evaluated the design and implementation of key controls such as authorisation matrix for assets acquired and monitoring reviews around the cost capitalisation determination as well as monthly sign off on assets additional by Heads of Departments; ▪ Assessed management's determination that the VGP meets the requirement of a qualifying asset in terms of International Accounting Standard (IAS) 23 *Borrowing Costs*; as it is an asset that has taken a substantial period of time to construct for its intended use; ▪ Recalculated the mathematical accuracy and methodology appropriateness of the determination of foreign exchange losses to capitalise to the VGP as the forex losses incurred approximates a fair interest rate as if the company borrowed funds in its functional currency; ▪ Assessed the accuracy and relevance of the cost capitalised against the requirements of IAS 16 *Property, Plant and Equipment*; As part of our audit, we also considered the adequacy of the Group's disclosures in notes 1.3, 1.15 and note 3 against the requirements of IFRS.
Consolidated financial statements: Environmental rehabilitation provision. The group's environmental rehabilitation provision is recognised at a carrying value of R 40 million as at 28 February 2023 and relevant disclosure is contained in accounting policy note 1.10 and note 18 (Provisions) to the consolidated financial statements. Significant judgement and estimation is required by management in determining the rehabilitation timing and underlying cost estimates for rehabilitation. Management's annual assessment includes assumptions regarding inflation and discount rates, as well as the scope of works required to rehabilitate the mine and surrounding areas in line with current legislation. Management makes use of several inputs assess the appropriateness of their estimates, including inflation rates, discount rates, timing and value of cash flows used as the basis for their calculation. Based on the significance of the balance to the consolidated financial statements, as well as the significant management judgements and estimates involved and the sensitivity of the provision to changes in the relevant inputs, the matter was considered to be a matter of most significance in our audit of the consolidated financial statements for the current year.	In considering the appropriateness of management's judgements and estimates used in the calculation for the environmental rehabilitation provision, we performed the following audit procedures making use of our expertise in site restoration models: ▪ We obtained an understanding of the relevant controls such as the validation of inputs and verification of inputs into the calculation by the company around the assessment of the site restoration cost model; ▪ Making use of our environmental rehabilitation expertise, we assessed the reasonability and appropriateness by comparing the costs to prior year, actual cost and management information underlying management's key assumptions; ▪ We performed sensitivity analysis on the key assumptions of inflation rates and discount rate and their impact on the provision calculation; ▪ We tested the mathematical accuracy of the model; and ▪ We evaluated and challenged the basis for any significant revisions since the prior year to expectations and market conditions. ▪ We assessed the objectivity, competence, and experience of management's experts through inspection of their professional credentials. ▪ We evaluated key assumptions in the environmental provision models, challenging the appropriateness of estimates with reference to contingencies applied, inflation rates, weighted average cost of capital calculation and the consistency of long-term discount rates to market information and expectations. We evaluated the work of management's experts making use of our knowledge of the industry as well as obtaining market information for similar entities to compare assumptions. We also compared the experts' methods and assumptions to those used in the preceding period in order to assess consistency. We also assessed the adequacy of the group's disclosures in this regard against the requirements of IFRS.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Renergen Limited's Consolidated and Separate Financial Statements for the year ended 28 February 2023", which includes the Directors' Report, the Audit, Risk and IT Committee's Report and the Group Company Secretary Certification as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and /or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Renergen Limited for 1 year.

BDO South Africa Inc.

Jacques Barradas
Director
Registered Auditor
31 May 2023

BDO South Africa Incorporated
Registered Auditors

Wanderers Office Park, 52 Corlett Drive, Illovo, 2196

The Directors have pleasure in submitting their report on the consolidated and separate financial statements for the year ended 28 February 2023.

1. Nature of Business

Renergen is focused on alternative and renewable energy in South Africa and Sub-Saharan Africa. The Company is listed on the JSE Alternative Exchange, with secondary listings on South Africa's A2X and Australia's ASX.

2. Review of financial results and activities

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC"), and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE, the Listing Rules of the ASX, and in a manner required by the Companies Act of South Africa, No 71 of 2008. The accounting policies underpinning the preparation of the consolidated and separate financial statements have been consistently applied relative to the prior financial year, unless stipulated otherwise.

Financial commentary

The year ended 28 February 2023 ("FY2023") was both remarkable and momentous for all at Renergen and to our various stakeholders who worked alongside us as we transitioned Renergen from an exploration company to a production company with global ambitions. Renergen, through its wholly owned subsidiary Tetra4, commenced production of LNG in September 2022 and successfully produced liquefied helium ("LHe") in January 2023. Not long after the commencement of LNG production, the South African government designated the Virginia Gas Project (VGP) as a Strategic Integrated Project ("SIP") under the Infrastructure Development Act 23 of 2014, as Renergen has demonstrated its ability and intention to become a significant player in alleviating South Africa's energy crisis. This SIP status elevates Renergen's VGP within the hierarchy of local projects ensuring it benefits from significantly reduced timelines for all approvals required from government whilst increasing visibility when government prepares the country's strategic energy objectives.

Going into FY2023, our strategic intent was clear – we aimed to commission Phase 1 of the VGP and progress the Phase 2 expansion. As we review the outcomes of FY2023, despite the delays, we are satisfied with what we achieved during the year. Noteworthy for the year under review is Tetra4's first-time generation of revenue from the production and sale of LNG under long-term take or pay agreements since September 2022. Other key developments during the year under review are summarised below:

- Successful completion of the due diligence by the Central Energy Fund SOC Limited ("CEF") to invest R1.0 billion for a 10% ownership stake in Tetra4.
- Completion of due diligence for Phase 2 funding by the US International Development Finance Corporation ("DFC") and Standard Bank of South Africa ("SBSA"), who have commenced their credit approval processes.
- Evaluated and selected Worley RSA Proprietary Limited ("Worley") for the scope of Owners Engineer role to execute the expansion of the VGP.
- Early success in the production drilling campaign from several wells.
- Completion of gravity and aeromagnetic surveys of the Phase 2 area, as well as obtaining and reinterpreting 3D seismic data highlighting significantly more reservoir targets for drilling.
- Approval by shareholders for the issuance of 67.5 million shares through a listing and public offering in the United States of America ("USA") of Renergen shares on the Nasdaq Stock Market (post period).

Renergen continues to operate against a backdrop of increased demand for LNG and helium both locally and globally. Many countries now see LNG in particular as one of the leading transition energies for the foreseeable future. This growth in demand for LNG has been met with supply issues brought about by the Russia/Ukraine war and a need for alternative energy sources, escalating the supply/demand tension on energy prices. South Africa's energy crisis has forced many companies to seek alternatives to the grid to power their operations, which has significantly increased demand for LNG given its low carbon footprint and versatility to provide stable energy around the clock. Helium prices have continued to surpass past price records and with limited new suppliers coming online over the next few years and current suppliers finding it difficult to maintain consistency of supply, prices are likely to remain elevated. Increased semiconductor fabrication capability out of the USA, following their recent stimulus packages, has significantly increased demand, which is increasing supply/demand, similar to LNG.

Renergen is perfectly positioned to become a significant player in the local LNG and international helium markets given its exceptionally high helium concentrations and relatively low extraction costs.

Review of operations

VGP – Phase 1

LNG
The VGP commenced production of the South Africa's first commercial LNG on 5 September 2022, and from 19 September 2022 the plant began operating 24-hour shifts. Production will be ramped up to a steady rate of 2 700 GJ per day in FY2024, which is the maximum capacity of the plant. During commissioning of the plant, we announced a minor setback with the conduction oil system providing lubrication and heating to the plant. Since the intervention in November 2022, where the conduction oil system was repaired, this system has been operating as designed resulting in regular deliveries to our customers. We are pleased to report that we are seeing a positive production trend with LNG deliveries steadily increasing.

Helium
Since announcing initial helium liquefaction, the commissioning teams have been working hard to integrate and optimise the two liquefaction trains, ensuring a smooth performance testing of the combined LNG/LHe system. Production will be ramped up to a steady rate of 300 kg per day in FY2024, which is the maximum capacity of the plant.

VGP – Phase 2

The Company commenced the development of the VGP Phase 2 expansion in March 2020. Phase 2 is categorised as a standalone expansion of the VGP through the drilling of additional wells, the construction of additional natural gas gathering pipelines and the construction of a significantly larger (c.12 times) processing and liquefaction facility, and the associated road tanker distribution and downstream customer dispensing facilities. Phase 1 operations are self-sufficient and will not be impacted by the planned expansion.

To date, the Company has completed feasibility studies and front-end engineering design for the VGP Phase 2 expansion and has selected Worley for the scope of owners engineer role, evaluated and shortlisted potential engineers and submitted the environmental, social, impact assessment to regulatory authorities. It is anticipated that Phase 2 will produce approximately 34 400 GJ of LNG and around 4 200 kg of liquid helium per day once in full production.

Renergen's goal is to achieve commercial operation of Phase 2 during the 2026 calendar year. In anticipation of securing an attractive debt financing package for Phase 2, the Company has secured several 10 to 15 year take-or-pay offtake agreements with several top-tier global industrial gas companies for just over half of the anticipated liquid helium production. The balance of the liquid helium is earmarked for sales in the international spot market and will allow the Company to participate in the existing liquid helium commodity price upside. All liquid helium sales agreements are denominated in US Dollars with pricing increasing annually at the rate of growth of the United States Consumer Price Index.

With respect to LNG from Phase 2, Renergen expects to contract a majority of the Phase 2 LNG on 5 to 8 year take-or-pay agreements, servicing the industrial, logistics and gas to power industries. It is expected that the LNG offtake agreements in Phase 2 will be finalised closer to the Phase 2 plant coming into operation, and the Company anticipates being able to obtain favourable pricing given the scarcity of energy sources in South Africa where energy prices have historically escalated at levels above those of domestic inflation rates.

In line with previous announcements, the Company is pursuing several sources of funding for Phase 2, which may include each, or any, of the following:

- An aggregate debt package of US$750.0 million. In this regard the Company has secured a debt retainer letter with the DFC for the provision of a loan of up to US$500.0 million to finance the development of Phase 2 and has mandated SBSA to fully underwrite the remaining US$250.0 million.
- A 10% disposal of Tetra4 to the CEF for R1.0 billion. In this regard the CEF successfully completed due diligence pertaining to this acquisition and engagement with various stakeholders is currently underway to bring this transaction to fruition.
- A potential international public offering ("IPO"), subject to market and other conditions, the proceeds of which are intended to comprise a portion of the equity funding for Phase 2 construction (see IPO section below).

Upon completion of Phase 2 of the VGP, the Company expects that it will deliver a substantial amount of energy to the South African economy and will also transform South Africa into one of the world's large helium exporting countries.

Exploration activities

In March 2022, we achieved early success from two wells in our drilling campaign – Frodo and Balrog and saw an increase in the flow rate from a previously drilled well, R2D2, which following clean-up operations increased its flow rate by 18 000 standard cubic feet ("scf") per day (or 15%). Frodo achieved a flow rate of 23 000 scf per day and Balrog a flow rate of 90 000 scf per day, the latter through a diverter and following clean-up. The success of the exploration techniques applied to these wells will guide future exploration initiatives. Frodo was sited using only the latest fault structure interpretation, while Balrog was sited using Tetra4's "conviction scoring" AI methodology, based on non-invasive markers with no other geological input. The wells were drilled to intersect the planned fracture sets at around 500m total vertical depth and will feed into Phase 1 of the VGP.

In June 2022 we drilled a new gas blower, Gandalf, the third well in our drilling campaign for the year under review. Gas was intersected at 480m from surface with a flow rate of around 90 000 scf per day. The target depth is 1 200m and after initial testing the well was cased in preparation to drill to the full depth. At present the drillers are preparing to drill through the cement and further to the target depth.

During the second quarter of the financial year a new well, Han, was drilled to a measured depth of 624m, striking gas of approximately 80 000 scf per day. Drilling was halted to log the well to delineate the gas bearing features in the well. During the same period, the Don Vito well, previously drilled in June 2021 as a vertical pilot hole to log and determine the depth to the base of the Karoo (to plan the trajectories of wells R2D2 and C3PO), was examined and commenced flowing gas. This was interpreted to indicate that with the passage of time the well cleaned up naturally. The well is now producing approximately 75 000 scf per day. Given that the well was a pilot well and was not anticipated to produce gas, it is now being completed for production before being connected to the Phase 1 gas gathering pipeline.

In addition to the drilling campaign carried out during the year under review as outlined above, gravity and aeromagnetic surveys were also undertaken and completed in September 2022. The data is now being interpreted to improve the resolution of the geological model and optimise drillhole location accuracy in the Phase 2 area. These surveys, together with seismic data reprocessed during the third quarter, have provided enhanced resolution on a number of potential gas bearing features, including their extent, depth and orientation. In addition, several significant magnetic highs have been identified in the western part of the reserve area and are of particular interest as they are a series of cap rock above other newly identified gas bearing structures.

IPO

On 8 March 2023, Renergen announced its intention to issue 67.5 million shares ("Specific Issue Shares"), including such ordinary shares represented by American Depositary Shares and Chess Depositary Interests, by way of a proposed IPO on the Nasdaq Stock Market in the United States of America. Renergen obtained the approval of its shareholders to issue the Specific Issue Shares ("Special Authority") at a general meeting of shareholders held on 11 April 2023.

While the primary driver for Renergen seeking approval for the Specific Authority is to secure funding for the continued development of Phase 2 of the VGP, not all the proceeds that can be raised in terms of the Specific Authority are required immediately. Therefore, Renergen will place the Specific Issue Shares with new investors and/or existing shareholders in various stages ("Placements") and will utilise part of the Specific Authority on each Placement, as and when required, to limit dilution to existing shareholders. Renergen intends to raise US$150.0 million from the initial Placement during 2023, market permitting, and no further equity funding is anticipated to be raised for the first 12 months following the successful conclusion of the proposed IPO.

Further details pertaining to the proposed IPO are available in the circular issued to shareholders on 8 March 2023 which is available on the Renergen website at **https://www.renergen.co.za/wp-content/uploads/2023/03/RenCircular-Mar2023.pdf** ("Circular"). Details in this announcement relating to the proposed IPO should be read together with the information contained in the Circular.

Financial review

Financial performance

The Group reported a loss after tax of R26.7 million for the year ended 28 February 2023 compared to R33.8 million in the prior comparative period, a decrease of R7.1 million, primarily arising from an improved gross margin contribution from the newly commissioned LNG operations, higher net foreign exchange gains and other income, and higher interest income, which were offset by:

- Higher interest and share-based payment expenses; and
- Higher other operating expenses.

Gross margin contribution

The Group reported a gross profit of R4.0 million for the year under review compared to a gross loss of R0.8 million in the prior comparative period, an improvement of R4.8 million. This reflects improved margins from the LNG operations which commenced in September 2022. Prior to September 2022 the Group only sold compressed natural gas ("CNG") which had significantly lower margins. Sales of CNG ceased when Phase 1 was commissioned in September 2022 and the Group is now focusing on its LNG and liquefied helium operations. There were no helium sales during the year under review as the helium module is yet to be fully commissioned.

Foreign exchange gains and other income

Net foreign exchange gains and the selling profit on finance lease receivables are included within other operating income in the statement of profit or loss and other comprehensive income and are disclosed in note 22 of the audited consolidated and separate financial statements presented. Overall, other operating income increased by R9.9 million to R13.6 million (2022: R3.7 million) mainly due to the developments outlined below.

- The further weakening of the Rand against major currencies during the year under review resulted in an increase in net foreign exchange gains of R6.0 million to R9.6 million (2022: R3.6 million). The Group holds cash balances denominated in US Dollars as security for the DFC borrowings (see note 9) and transacts in currencies including the Australian Dollar, Euro and British Pound in undertaking its operations.

- During the second half of the financial year, following the commissioning of Phase 1 of the VGP and the commencement of operations at the plant, the Group entered new finance leases whereby it leases storage tanks and related infrastructure to its customers under 8-year agreements. The facilities are used by customers to store LNG supplied by Tetra4 and to convert it to natural gas for use in their operations. The initial recording of these leasing arrangements resulted in the recognition of a profit of R3.9 million.

Interest income

Overall, total interest income increased by R3.4 million to R3.7 million (2022: R0.3 million). Higher cash balances from the Company's fund-raising initiatives and higher interest rates during the year under review resulted in an increase in interest income by R2.0 million to R2.3 million (2022: R0.3 million). In addition, the Group's new leasing arrangements contributed interest income amounting to R1.4 million (2022: Rnil).

Share-based payment expenses

In December 2021, the Group implemented an equity-settled Share Appreciation Rights Plan ("SAR Plan"). The increase in share-based payment expenses by R7.2 million to R10.3 million (2022: R3.1 million) is attributable to the Plan being in effect for a full 12-month period compared to a 3-month period in the prior year. The SAR Plan is a 5-year plan under the terms of which the Governance, Ethics, Transformation, Social and Compensation Committee makes once-off awards of forfeitable shares to the Executive Directors, prescribed officers, senior management, and general employees of the Group who can influence the growth of the Company.

Interest expense

The Group's interest expense primarily comprises imputed interest on borrowings and interest on leasing arrangements (with the Group as lessee). Total interest expense increased by R0.4 million to R4.6 million (2022: R4.2 million) primarily due to an increase in imputed interest on the Molopo borrowings highlighted in note 15 of the audited consolidated and separate financial statements presented.

Interest on the DFC and Industrial Development Corporation borrowings is capitalised in line with the Group's policy which requires that borrowing costs directly attributable to the construction of assets that take a substantial period of time to get ready for use are included in the cost of the asset. These capitalised borrowing costs are disclosed in note 3 of the audited consolidated and separate financial statements presented.

Other operating expenses

Overall, other operating expenses increased by R4.7 million to R42.9 million (2022: R38.2 million) primarily due to:

- An increase in marketing and advertising costs by R2.7 million due to sponsorship costs which have improved brand visibility as the Group approached the commissioning of Phase 1 of the VGP;
- An increase in listing costs by R1.2 million due to an additional 20.8 million shares issued and listed during the year; and
- An increase of R2.1 million in advisory fees relating to the Group's proposed IPO, strategy, risk management and legal matters.

These increases in other operating expenses were offset by an overall decrease of R1.3 million in other operating expenses arising from cost-saving initiatives, the impact of the Group's capitalisation policy and a decrease in depreciation during the year. Other operating expenses mainly comprise computer and IT expenses, security costs, insurance, travel costs and depreciation.

Financial position

The Group's Net Asset Value ("NAV") increased by R553.9 million to R840.2 million as at 28 February 2023, an increase of 194% year-on-year. This growth in NAV can be attributed mainly to:

- Further investments in the Group's property, plant and equipment ("PPE") and intangible assets aided mostly by equity proceeds raised during the year (see Fund Raising section below). As mentioned in the operational review, the Group completed the construction of Phase 1 of the VGP and drilled a number of exploratory wells during the year. The increase in PPE and intangible assets amounted to R652.5 million which includes capitalised borrowing costs and foreign exchange differences after considering annual depreciation of PPE. The additions outlined in notes 3 and 4 of the audited consolidated and separate financial statements presented reflect expenditure on PPE and intangible assets exclusive of capitalized borrowing costs and unrealised foreign exchange differences.
- Funds raised during the year were also applied to increase restricted cash balances which serve as security for the repayment of the DFC and Industrial Development Corporation ("IDC") borrowings. At any given time, the balances held as restricted cash primarily represent amounts due to the DFC and IDC within a six-month period and increased by R54.0 million during the year under review.
- The recognition of finance lease receivables amounting to R54.6 million arising from the Group's leasing of equipment and infrastructure required for the delivery, storage, utilisation and conversion of LNG to natural gas. The leases came into effect for the first time during the year under review with the Group as lessor.
- Increases totalling R14.5 million attributable to the Group's remaining assets – trade and other receivables, the deferred tax asset and inventory, offset by a decrease of R39.4 million in the Group's cash and cash equivalents.

Movements in the Group's asset base as outlined above were offset by:

- A net increase in borrowings totalling R88.2 million arising from foreign exchange losses due to the weakening of the Rand against the US Dollar and interest charged on borrowings, offset by payments made during the year as fully set out in note 29 of the audited consolidated and separate annual financial statements presented.
- An increase in trade and other payables amounting to R70.7 million primarily reflecting costs associated with finalising the construction, testing and commissioning of Phase 1 of the VGP which were payable at year-end.
- A net increase totalling R23.4 million in the Group's other liabilities mainly attributable to revenue received in advance from a customer and an increase in the rehabilitation provision due to the exploration activities undertaken during the year.

Fund raising

FY2023 marked significant success in our fund-raising initiatives. The Company raised R573.9 million (2022: R113.2 million) from various placements on the ASX and JSE as fully set out in note 13 of the audited consolidated and separate financial statements presented. As highlighted above, funds raised from these investments were applied to progress and complete Phase 1 of the VGP and to fund pre-development costs relating to Phase 2.

3. STATED CAPITAL

The Company increased its number of shares issued to 144 748 378 from 123 934 005 shares issued in the prior year. Note 13 of the audited consolidated and separate financial statements provides details on the shares issued during the financial year under review.

4. DIVIDENDS

No dividends were declared or paid to shareholders during the financial year under review (2022: Rnil).

5. DIRECTORATE

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

DIRECTOR	DESIGNATION	OFFICE	APPOINTMENT DATE
Stefano Marani	Executive	Chief Executive Officer	20 November 2014
Nick Mitchell	Executive	Chief Operating Officer	25 November 2015
Brian Harvey	Executive	Chief Financial Officer	1 May 2021
David King	Independent Non-executive Director	Chairman	4 June 2019
Mbali Swana	Independent Non-executive Director		16 February 2015
Luigi Matteucci	Independent Non-executive Director		3 May 2016
Thembisa Skweyiya	Independent Non-executive Director		6 February 2023
Dumisa Hlatshwayo	Independent Non-executive Director		6 February 2023

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

DIRECTOR	DESIGNATION	APPOINTMENT DATE	RESIGNATION DATE
Bane Maleke	Independent Non-executive Director	7 December 2016	6 February 2023
Alex Pickard	Non-executive Director	4 April 2022	6 February 2023
Francois Olivier	Non-executive Director	19 November 2018	6 February 2023

6. DIRECTORS' AND PRESCRIBED OFFICERS INTERESTS IN SHARES

Directors' and prescribed officers' interests in shares of the Company as at 28 February 2023 were as follows:

EXECUTIVE DIRECTORS

	2023			2022		
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
Stefano Marani	259	8 714	8 973	259	8 709	8 968
Nick Mitchell	-	8 600	8 600	-	8 600	8 600
TOTAL	**259**	**17 314**	**17 573**	**259**	**17 309**	**17 568**

NON-EXECUTIVE DIRECTORS

	2023			2022		
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
David King	5	148	153	-	-	-
Francois Olivier[1]	-	-	-	1	10	11
TOTAL	**5**	**148**	**153**	**1**	**10**	**11**

1 - Resigned on 6 February 2023

PRESCRIBED OFFICERS

	2023			2022		
	Direct	Indirect	Total	Direct	Indirect	Total
	'000	'000	'000	'000	'000	'000
Johan Weideman[2]	-	-	-	11	-	11
Khalid Patel[2]	-	-	-	2	-	2
Mandy-Leigh Stuart[2]	-	-	-	1	-	1
Leonard Eiser	17	0	-	-	-	-
TOTAL	**17**	**-**	**17**	**14**	**-**	**14**

2 - These employees are no longer prescribed officers due to changes in the structure of the Group Executive Committee. From 28 February 2023 to the date of this report none of the above interests have changed.

7. DIRECTORS' AND OFFICERS' INTERESTS IN CONTRACTS

Transactions with Directors are entered into in the normal course of business under terms that are no more favourable than those arranged with third parties. Executive Directors are entitled to Renergen ordinary share awards, the details of which are included in note 14. No other contracts were entered into in which Directors and officers of the Company had a personal financial interest and which significantly affected the business of the Group. The Directors had no interest in any third party or company responsible for managing any of the business activities of the Group.

8. INTERESTS IN SUBSIDIARIES

The Company's interests in its wholly owned subsidiaries, Tetra4 Proprietary Limited ("Tetra4") and Cryovation Proprietary Limited ("Cryovation") are presented in note 5 to the audited consolidated and separate financial statements.

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

	2023 R'000	2022 R'000
Tetra4	(1 040)	(26 173)
Cryovation	(172)	-
TOTAL	**(1 212)**	**(26 173)**

9. BORROWING FACILITIES AND POWERS

The Group's borrowing facilities are disclosed in note 15 of the audited consolidated and separate financial statements.

10. CONTROL OF UNISSUED SHARE CAPITAL

The unissued ordinary shares of the Company are the subject of a general authority granted to the Directors in terms of section 38 of the Companies Act. As this general authority remains valid only until the next Annual General Meeting ("AGM"), shareholders will be requested at that meeting to consider an ordinary resolution placing the said unissued ordinary shares, to a maximum of 5% of the Company's issued share capital, under the control of the Directors until the next AGM.

11. GROUP COMPANY SECRETARY

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

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

The Board considered the Company Secretary's competence, skills, qualifications and experience as required in terms of the JSE Listings Requirements and remains satisfied with the competency, qualifications, experience and ongoing appointment of the Company Secretary. The certificate that the Company Secretary is required to issue in terms of section 88(2)(e) of the Companies Act, is included on page 66 of the consolidated and separate financial statements.

12. CHANGES IN DIRECTORATE

On 6 February 2023, Renergen announced that Alex Pickard and Francois Olivier had stepped down from their roles as Non-executive Directors of the Company with effect from that date. On the same day Renergen announced the retirement with immediate effect of Bane Maleke.

Thembisa Skweyiya and Dumisa Hlatswayo were appointed as Independent Non-executive Directors of Renergen on 6 February 2023, replacing the outgoing Directors. Thembisa Skweyiya was also appointed to Renergen's Governance, Ethics, Transformation, Social and Compensation Committee, and Dumisa Hlatshwayo to Renergen's Audit, Risk and IT Committee. It is further noted that this was in line with our rotation and succession planning for Board members, hence the immediate appointment of our incoming Board members.

Full biographies of the new Directors are available on our website.

13. LITIGATION UPDATE

As reported in our Integrated Annual Report 2022, the Group, through their subsidiary (Tetra4), are party to legal proceedings. While there have been no significant developments or changes in the status of these matters since the last report, and although Renergen cannot predict the outcome of ongoing legal matters with certainty, the Group's management is confident that the outcome of any pending legal matter, either individually or on a combined basis, will not have a material effect on the financial position of the Group, its cash flows and operations.

Litigation against African Carbon Energy Proprietary Limited ("Africary")

African Carbon Energy Proprietary Limited ("Africary") is in the process of applying for a mining right to conduct underground coal gasification on areas that overlap with Tetra4's Production Right. Tetra4 submitted objections in respect of the application. The proposed method of mining (underground coal gasification) may reduce Tetra4's ability to produce gas in a portion of the Production Right where the overlap occurs. In respect of the application for a mining right, all objections must be referred to the Regional Mining Development and Environmental Committee. Tetra4 is confident that this mining right will not be granted on the basis that Tetra4 is first in right and application with existing case law having set precedent further supporting our legal position.

On 1 December 2021, Tetra4 proceeded to institute motion proceedings in the High Court of South Africa seeking an order to clarify the jurisdiction of NERSA with respect to several of Tetra4's operating activities. Tetra4 is of the opinion that these activities are currently regulated under the Production Right granted in accordance with the Mineral and Petroleum Resources Development Act 28 of 2002. The order will clarify the confusion and potential contradictions of the varying sets of legislation imposed on Tetra4. Tetra4 already has all required licenses in place, and this is simply to obtain legal clarity on the regulatory framework governing upstream versus downstream operations.

14. EVENTS AFTER THE REPORTING PERIOD

Events which occurred after the reporting period and up to the date of this report are disclosed in note 36.

15. GOING CONCERN

Refer to note 37 of the consolidated and separate financial statements.

16. AUDITORS

Changes to the Group's external auditor are highlighted on page 63. BDO's business address is Wanderers Office Park, 52 Corlett Drive, Illovo, Johannesburg, South Africa, 2196.

Consolidated and Separate Statements of Financial Position

Figures in Rand Thousands

		GROUP		COMPANY	
	Notes	**2023**	**2022**	**2023**	**2022**
ASSETS					
NON-CURRENT ASSETS		**1 729 356**	**1 008 317**	**1 695 015**	**1 121 667**
Property, plant and equipment[1]	3	1 371 748	807 027	2 368	383
Intangible assets	4	241 842	154 023	142	745
Investments in subsidiaries	5	-	-	642 356	627 666
Loans to subsidiaries	7	-	-	1 046 188	488 677
Deferred taxation	8	53 236	43 529	3 961	4 196
Restricted cash	9	14 435	3 738	-	-
Finance lease receivables	10	48 095	-	-	-
CURRENT ASSETS		**171 525**	**156 377**	**21 279**	**10 319**
Inventory		147	-	-	-
Finance lease receivables	10	6 464	-	-	-
Trade and other receivables	11	31 657	27 032	2 759	957
Restricted cash	9	77 552	34 257	-	-
Cash and cash equivalents	12	55 705	95 088	18 520	9 362
TOTAL ASSETS		**1 900 881**	**1 164 694**	**1 716 294**	**1 131 986**

EQUITY AND LIABILITIES					
Stated capital	13	1 134 750	563 878	1 733 149	1 162 277
Share-based payments reserve	14	21 099	11 354	21 099	11 354
Revaluation reserve	27	598	598	-	-
Accumulated loss		(316 243)	(289 518)	(67 882)	(42 369)
TOTAL EQUITY		**840 204**	**286 312**	**1 686 366**	**1 131 262**

LIABILITIES					
NON-CURRENT LIABILITIES		**860 323**	**803 949**	**-**	**-**
Borrowings	15	806 558	773 056	-	-
Lease liabilities	16	1 108	1 407	-	-
Deferred revenue	17	15 093	-	-	-
Provisions	18	37 564	29 486	-	-
CURRENT LIABILITIES		**200 354**	**74 433**	**29 928**	**724**
Borrowings	15	104 457	49 784	-	-
Trade and other payables	19	92 313	21 602	29 928	724
Lease liabilities	16	1 184	1 775	-	-
Provisions	18	2 400	1 272	-	-
TOTAL LIABILITIES		**1 060 677**	**878 382**	**29 928**	**724**
TOTAL EQUITY AND LIABILITIES		**1 900 881**	**1 164 694**	**1 716 294**	**1 131 986**

1 - Includes right-of-use assets as presented in note 3.

Consolidated and Separate Statements of Changes in Equity

Figures in Rand Thousands

	GROUP				
	Stated capital	**Share-based payments reserve**	**Revaluation reserve**	**Accumulated loss**	**Total equity attributable to equity holders of Renergen Limited**
Balance at 1 March 2021	**453 078**	**8 500**	**598**	**(255 768)**	**206 408**
Loss for the year	-	-	-	(33 750)	(33 750)
Total comprehensive loss for the year	**-**	**-**	**-**	**(33 750)**	**(33 750)**
Issue of shares (note 13)	113 376	(261)	-	-	113 115
Share issue costs (note 13)	(2 576)	-	-	-	(2 576)
Share-based payments expense (note 14)	-	3 115	-	-	3 115
Balance at 28 February 2022	**563 878**	**11 354**	**598**	**(289 518)**	**286 312**
Loss for the year	-	-	-	(26 725)	(26 725)
Total comprehensive loss for the year	**-**	**-**	**-**	**(26 725)**	**(26 725)**
Issue of shares (note 13)	574 447	(533)	-	-	573 914
Share issue costs (note 13)	(3 575)	-	-	-	(3 575)
Share-based payments expense (note 14)	-	10 278	-	-	10 278
Balance at 28 February 2023	**1 134 750**	**21 099**	**598**	**(316 243)**	**840 204**
Notes	13	14	27		

	COMPANY			
	Stated capital	**Share-based payments reserve**	**Accumulated loss**	**Total equity attributable to equity holders of Renergen Limited**
Balance at 1 March 2021	**1 051 477**	**8 500**	**(34 792)**	**1 025 185**
Loss for the year	-	-	(7 577)	(7 577)
Total comprehensive loss for the year	**-**	**-**	**(7 577)**	**(7 577)**
Issue of shares (note 13)	113 376	(261)	-	113 115
Share issue costs (note 13)	(2 576)	-	-	(2 576)
Share-based payments expense (note 14)	-	3 115	-	3 115
Balance at 28 February 2022	**1 162 277**	**11 354**	**(42 369)**	**1 131 262**
Loss for the year	-	-	(25 513)	(25 513)
Total comprehensive loss for the year	**-**	**-**	**(25 513)**	**(25 513)**
Issue of shares (note 13)	574 447	(533)	-	573 914
Share issue costs (note 13)	(3 575)	-	-	(3 575)
Share-based payments expense (note 14)	-	10 278	-	10 278
Balance at 28 February 2023	**1 733 149**	**21 099**	**(67 882)**	**1 686 366**
Notes	13	14		

Consolidated and Separate Statements of Profit or Loss and other Comprehensive Income

Figures in Rand Thousands

		GROUP		COMPANY	
	Notes	**2023**	**2022**	**2023**	**2022**
Revenue	20	12 687	2 637	-	-
Cost of sales	21	(8 684)	(3 412)	-	-
Gross profit/(loss)		**4 003**	**(775)**	-	-
Other operating income	22	13 630	3 736	818	12
Share-based payments expense	14	(10 278)	(3 115)	(7 905)	(52)
Other operating expenses	23	(42 879)	(38 207)	(19 608)	(8 007)
Operating loss		**(35 524)**	**(38 361)**	**(26 695)**	**(8 047)**
Interest income	24	3 675	275	1 422	83
Interest expense and imputed interest	25	(4 583)	(4 217)	(5)	-
Loss before taxation		**(36 432)**	**(42 303)**	**(25 278)**	**(7 964)**
Taxation	26	9 707	8 553	(235)	387
LOSS FOR THE YEAR		**(26 725)**	**(33 750)**	**(25 513)**	**(7 577)**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(26 725)**	**(33 750)**	**(25 513)**	**(7 577)**
Loss attributable to:					
Owners of Renergen Limited		(26 725)	(33 750)	-	-
LOSS FOR THE YEAR		**(26 725)**	**(33 750)**	-	-
Total comprehensive loss attributable to:					
Owners of Renergen Limited		(26 725)	(33 750)	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(26 725)**	**(33 750)**	-	-
Loss per ordinary share					
Basic and diluted loss per share (cents)	34	(19,86)	(27,73)	-	-

Consolidated and Separate Statements of Cash Flows

Figures in Rand Thousands

		GROUP		COMPANY	
	Notes	2023	2022	2023	2022
Cash flows (used in)/from operating activities		**(70 596)**	**(79 175)**	**6 952**	**(9 048)**
Cash (used in)/from operations	28	(72 903)	(78 941)	5 530	(9 131)
Interest received	24	2 307	275	1 422	83
Interest paid	25	-	(509)	-	-
Cash flows used in investing activities		**(440 781)**	**(306 956)**	**(571 405)**	**(93 377)**
Investment in property, plant and equipment	3	(352 448)	(260 723)	(2 179)	-
Disposal of property, plant and equipment		55	-	-	-
Investment in intangible assets	4	(88 388)	(46 233)	(117)	(475)
Disposal of intangible assets	4	-	-	720	-
Investments in subsidiary	5	-	-	(12 318)	-
Loans granted to subsidiaries	31	-	-	(557 511)	(92 902)
Cash flows from financing activities		**470 925**	**347 227**	**572 542**	**110 539**
Ordinary shares issued for cash	13	573 914	113 115	573 914	113 115
Share issue costs	13	(1 367)	(2 576)	(1 367)	(2 576)
Repayment of borrowings - capital	29	(56 114)	-	-	-
Repayment of interest on borrowings	29	(43 072)	(31 293)	-	-
Interest paid on leasing and other arrangements	25	(308)	-	(5)	-
Proceeds from borrowings	29	-	270 989	-	-
Lease liabilities - lease payments	16	(2 128)	(3 008)	-	-
TOTAL CASH MOVEMENT FOR THE YEAR		**(40 452)**	**(38 904)**	**8 089**	**8 114**
Cash and cash equivalents at the beginning of the year	12	95 088	130 878	9 362	1 096
Effects of exchange rate changes on cash and cash equivalents		1 069	3 114	1 069	152
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**12**	**55 705**	**95 088**	**18 520**	**9 362**

1. BASIS OF PREPARATION

Renergen Limited ("the Company", together with its subsidiaries, "the Group"), is a company incorporated in South Africa and is listed on the Johannesburg Stock Exchange and the Australian Securities Exchange. General company information is included on page 169 of the consolidated and separate financial statements. The Group is focused on alternative and renewable energy in South Africa and sub-Saharan Africa. Further details on the operation of Group companies are provided in note 6.

The consolidated and separate financial statements of the Group and Company for the year ended 28 February 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations as issued by the International Financial Reporting Interpretations Committee (IFRIC), the Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, the Listing Rules of the ASX and in a manner required by the Companies Act of South Africa, No 71 of 2008. The accounting policies applied in the preparation of these consolidated and separate financial statements of the Group and Company are consistent in all material respects with those used in the prior financial year, except for the adoption of new standards, interpretations and amendments to published standards which became effective for the first time for the financial year ended 28 February 2023. Note 2 discloses the impact of new standards, interpretations and amendments to published standards on the consolidated and separate financial statements of the Group and Company.

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

Going concern

The consolidated and separate financial statements of the Group and Company have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Refer to note 37 for further disclosures on going concern matters.

1.1 CONSOLIDATION

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and its subsidiary which is controlled by the Group.

Consolidation of subsidiary

All intercompany transactions and balances between the Company and its subsidiary have been eliminated on consolidation.

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

The Company's subsidiaries as at 28 February 2023 are set out in note 5.

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

JUDGEMENTS

Any judgment about the future is based on information available at the time at which the judgment is made. Subsequent events may result in outcomes that are inconsistent with judgments that were reasonable at the time they were made.

Going concern (note 37)

Management's assessment of the Group's ability to continue as a going concern involved making a judgment that regulatory and other approvals required to secure funding during the assessment period will be obtained. In addition, management exercised judgement to conclude that the funding initiatives will be completed during the assessment.

Recognition of deferred tax assets (notes 1.8 and 8)

After determining whether future taxable income will be available against which deductible temporary differences and tax losses carried forward can be utilised, management exercises its judgement to further establish a percentage to limit the amount of the deferred tax asset that can be recognised.

Capitalisation of development costs (notes 1.4 and 4)

Distinguishing the research and development phases of the Cryo-Vacc™ and Helium Token System projects and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to the established project management model.

Determination of a lease term (notes 1.9 and 10)

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

Exploration and development costs (notes 1.4 and 4)

The application of the Group's accounting policy for exploration and development costs requires judgement to determine whether it is likely that future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. In applying this judgement, management considers the outcomes from the exploration campaigns of the Group and relies on Reserve and Evaluation Reports prepared by independent sub-surface consultants in assessing the reserves and resources and associated economics of the Virginia Gas Field. This process determines whether exploration and development costs are capitalised.

Commissioning date for the Virginia Gas Project (note 1.3 and 3)

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

ESTIMATES AND ASSUMPTIONS

Measurement of expected credit losses for financial assets (notes 7, 10, 11 and 33)

The Group applies the expected credit losses ("ECL") model to determine the impairment of trade and other receivables and finance lease receivables, and in the case of the Company, the loans to subsidiaries. The application of the model involves judgement in determining whether there has been a significant increase in risk. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group considers qualitative and quantitative reasonable and supportable forward-looking information.

Reserves and resources (notes 1.4 and 4)

The determination of reserves and resources is an estimation process that involves varying degrees of uncertainty depending on how the reserves and resources are classified. Reserves and resources could differ depending on significant changes in the factors or assumptions used in the estimation process. These factors could include:

- Changes in proved and probable gas reserves;
- Differences in pricing assumptions;
- Unforeseen operational issues; and
- Changes in capital, operating, processing and other costs, discount rates and foreign exchange rates.

The Group relies on independent sub-surface consultants in assessing the reserves and resources.

Impairment of non-financial assets (note 4)

In assessing impairment, management estimates the recoverable amount of each asset or cash generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about reserves and resources, commodity prices, future operating and capital costs, interest rates, exchange rates, inflation rates and the determination of a suitable discount rate. Reserves and resources - The Group relies on independent sub-surface consultants in assessing the reserves and resources which are used to determine projected cash flows.

Commodity prices, Interest rates, inflation rates and exchange rates – these are benchmarked against external sources of information. Where existing sales contracts are in place, the effects of such contracts are considered in determining future cash flows.

Future operating and capital costs - operating costs and capital expenditure are based on financial budgets covering a three-year period. Cash flow projections beyond five years are based on the life-of-asset plan, as applicable, and internal management forecasts. Cost assumptions incorporate management experience and expectations.

Useful lives for property, plant and equipment and intangible assets (notes 1.3 and 3)

In determining the useful life of items of property, plant and equipment, management considers the expected usage of assets, expected physical wear and tear, legal or similar limits of assets and past experience of the Group with similar assets. Any change in management's estimate of the useful lives of assets would impact the depreciation charge.

Provision for environmental rehabilitation (notes 1.10 and 18)

Management relies on environmental experts to assist with the determination of rehabilitation obligations. The determination of rehabilitation costs requires estimates and assumptions to be made around the relevant regulatory framework, the magnitude of the possible disturbance and the timing, extent and costs of the required closure and rehabilitation activities. Most of these rehabilitation and decommissioning events are expected to take place in the future and the current estimated requirements and costs that will have to be met when the restoration event occurs are inherently uncertain and could materially change over time.

In calculating the appropriate provision for the expected restoration, rehabilitation or decommissioning obligations, cost estimates of the future potential cash outflows based on current studies of the expected rehabilitation activities and timing thereof, are prepared.

As the actual future costs can differ from the estimates due to the changes in laws, regulations, technology, costs and timing, the provisions including the estimates and assumptions contained therein are reviewed annually by management.

Taxation (notes 8 and 26)

Taxation of oil and gas companies is highly complex, and the determination of the Group's tax position involves an estimation of tax outcomes which include special allowances that would be available to the Group, amongst other factors. Where such outcomes are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair value measurement (notes 3, 4 and 33)

The assessment of fair value is principally used in accounting for impairment testing, the valuation of certain financial instruments and the valuation of land and buildings. The Group Executive Committee oversees material assessments of fair values applicable to the Group's financial instruments and non-financial assets.

Management uses various valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially measured at cost including an estimate of the costs of decommissioning the asset. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset. For qualifying assests, costs includes capitalised borrowing costs (note 1.15).

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment is capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Day to day servicing costs are included in profit or loss during the year in which they are incurred.

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

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

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

ITEM	DEPRECIATION METHOD	USEFUL LIFE
Furniture and fixtures	Straight line	6 years
IT equipment	Straight line	3 years
Assets under construction	Not applicable	Not applicable
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
Plant and machinery	Straight line	5-15 years
Office building	Straight line	10 years
Leasehold improvements - furniture and fixtures	Straight line	6 years
Leasehold improvements - office equipment	Straight line	6 years
Right-of-use - motor vehicles	Straight line	Lease term
Right-of-use - head office building	Straight line	3 years
Land	Not depreciated	Not applicable

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss within cost of sales and other operating expenses.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. The impairment tests are performed as set out in note 1.5.

Fair value movements on the land are recognised, net of tax, in other comprehensive income or loss on the Statement of Comprehensive Income and accumulated in the revaluation reserve in the Statement of Changes in Equity. The reserve balance is transferred to the retained earnings upon disposal of the land.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal.

1.4 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. Following initial recognition intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Exploration and development costs

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

Internally generated intangible assets (development costs)

Expenditure on internally developed intangible assets is capitalised when the Group can demonstrate:

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

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

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

The Group's internally generated intangible assets include development costs attributable to Cryo-Vacc™ and the Helium Token System.

Computer software licences

Computer software licences are acquired and are capitalised on the basis of the costs incurred to acquire and bring the specific software to use. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

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

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

Amortisation of exploration and development costs will commence upon the start of production.

Impairment tests are performed on intangible assets other than development costs when there is an indicator that they may be impaired. The impairment tests are performed as set out in note 1.5.

1.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Future cash flows are based on detailed budgets and forecast calculations which generally cover a period of three years. For longer periods, a long-term growth rate is calculated and applied to projected future cash flows after the third year. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

Impairment charges are included in profit or loss within other operating expenses, except to the extent they reverse gains previously recognised in other comprehensive income.

A previously recognised impairment charge is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment charge was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment charge been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

1.6 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on trade date when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

FINANCIAL ASSETS

Classification

The Group classifies its financial assets as financial assets at amortised cost. At 28 Feburary 2023 and 28 February 2022, the Group did not have financial assets at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVOCI).

Financial assets at amortised cost

These assets arise principally from the provision of products to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. Except for those trade receivables measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable), that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less an allowance for impairment.

The Group's financial assets measured at amortised cost comprise trade and other receivables (note 11), restricted cash (note 9) and cash and cash equivalents (note 12) in the consolidated statement of financial position. The Company's financial assets measured at amortised cost also comprise loans to subsidiaries (note 7).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within interest expense and interest income, except for the impairment of financial assets which is presented within other operating expenses.

Trade and other receivables

The Group's trade receivables do not contain a significant financing component and are accounted for as outlined above.

Cash and cash equivalents

In the consolidated and separate statements of financial position and the consolidated and separate statements of cash flows, cash and cash equivalents include cash on hand and at banks, short-term deposits and other short-term highly liquid investments with original maturities of three months or less. The Group does not have overdraft facilities.

Restricted cash

The Group has cash deposits in call accounts that have been ring-fenced. Access to such accounts is restricted and requires authorisation of third-party counterparties. These cash deposits consist of funds which will be used for environmental rehabilitation and the settlement of debt obligations (due within a six month period at any given time) under the Finance Agreements with the US International Development Finance Corporation (DFC) and Industrial Development Corporation (IDC) (see note 15). This cash is not treated as cash and cash equivalents.

Loans to subsidiaries

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

Impairment of financial assets

Trade receivables and finance lease receivables

Expected credit losses for trade receivables and finance lease receivables are recognised based on the simplified approach within IFRS 9. The expected credit losses on trade receivables and finance lease receivables are estimated using a provision matrix by reference to past default experience and financial metrics, adjusted as appropriate for observable data (e.g. gross domestic product (GDP) and interest rates). Expected credit losses are recognised in profit or loss within other operating expenses. When a subsequent event causes the amount of impairment charge to decrease, the decrease in impairment charge is reversed through profit or loss.

On confirmation that the trade receivable or finance lease receivable will not be collectable, the gross carrying value of the trade receivable or finance lease receivable is written off against the associated provision, and if the associated provision is not sufficient, the trade receivable or finance lease receivables is written off in profit or loss within other operating expenses.

Other financial assets at amortised cost (cash and cash equivalents, restricted cash, other receivables and loans to subsidiaries)

Impairment provisions for cash and cash equivalents, restricted cash, other receivables and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses are recognised. For those that are determined to be credit impaired, lifetime expected credit losses are recognised.

The loans to related parties currently do not have repayment terms. The Group exercises judgement to determine whether there has been a significant increase in credit risk and considers factors such as outcomes of various projects undertaken by subsidiaries which influence their ability to settle amounts owed to the Company. Forward looking information also considered by the Group includes the ability of the subsidiaries to raise adequate funding for projects and projected commodity prices which impact operations. It is not expected that the loans to related parties will be settled in the next 3 years. An increase is credit risk will arise when the subsidiary fails to secure adequate funding for projects undertaken.

The Group's other receivables mainly comprise deposits held by third parties and prepayments. An increase in credit risk associated with these assets is determined by assessing the third party's ability to repay amounts owed or to provide services procured. Where credit ratings are available, the Group uses these to determine whether there has been an increase in risk reflected by credit downgrades. Where credit ratings are not available the Group considers publicly available information which reflects the third party's ability to repay amounts owed or to provide services procured in future. The Group considers other receivables to be in default if they are more than 90 days past due, or if any other event has occurred that represents a serious threat to the going-concern basis of the debtor.

The Group deposits cash with banks and financial institutions with high credit standing which are independently rated. An increase in credit risk would be determined with reference to downgrades in these credit ratings.

The Group would write off loans to related parties in profit or loss within other operating expenses if information indicates that the subsidiary is in severe financial difficulty and there is no realistic prospect of recovery. This would likely occur when a project or key operations are no longer viable.

The Group would write off other receivables if the third party does not repay deposits within 6 months from the date they become refundable or does not provide the services procured within 6 months of the expected timing of the receipt of the services.

FINANCIAL LIABILITIES

Classification

The Group classifies its financial liabilities as financial liabilities at amortised cost. At 28 Feburary 2023 and 28 February 2022, the Group did not have financial liabilities at fair value through profit or loss (FVTPL) or derivative financial instruments.

Financial liabilities at amortised cost

The Group's financial liabilities at amortised cost primarily arise from transactions with lenders and suppliers. The Group's financial liabilities at amortised cost comprise borrowings (note 15) and trade and other payables (note 19).

Borrowings

Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. All interest-related charges are reported in profit or loss within interest expense.

Interest-bearing borrowings are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial assets and liabilities

The Group derecognises a financial asset on trade date when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired.

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

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

1.7 SHARE BASED PAYMENTS

Long-term employee benefits - Bonus Shares

The Group operates an equity-settled compensation plan where the Governance, Ethics, Transformation, Social and Compensation Committee (GETSC) makes an award of forfeitable shares to the Executive Directors, prescribed officers, senior management and general employees of the Group.These are referred to as Bonus Shares. This plan has no cash settlement alternatives. The number of Bonus Shares awarded depends on the individual's annual bonus that has been deferred. The Bonus Shares vest after three years' service from grant date. This is the only vesting condition pertaining to the Bonus Shares. The terms and conditions of the Bonus Shares, after vesting are the same as those traded publicly.

The fair-value of the equity-settled instruments is measured by reference to the fair value of the equity instrument granted. Fair value is based on a 30 day volume weighted average (VWAP) market price of the equity-settled instrument granted. The grant date fair value of the equity-settled instruments is recognised as an employee benefit expense over the vesting period, with a corresponding increase in the share-based payment reserve.

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

Share options

ASX listing

As part of the ASX listing, Renergen granted share options to transaction advisors and an Australian Non-executive Director. The fair value is measured at grant date and spread over the period that the option holder is unconditionally entitled to the options, except when the service has been completed at grant date in which case the expense is recognised immediately in profit or loss. The fair value of the options granted is measured using the Monte Carlo Method, taking into account the terms and conditions under which the options were granted. The amount recognised as an expense with a corresponding increase in equity is adjusted at each reporting date to reflect the actual number of share options that vest or are expected to vest. Where an option lapses (other than by forfeiture when vesting conditions are not satisfied) it is treated as if it had vested on the date it lapses and any expense not yet recognised for the option is recognised immediately.

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

The share options awarded to the lead and corporate advisors vested on grant date. The share options awarded to the lead and corporate advisors grant them the right to acquire shares at a specific price.

Share Appreciation Rights Plan

The Group operates an equity-settled Share Appreciation Rights Plan (SAR Plan) where the GETSC makes a once-off award of forfeitable share options to the Executive Directors, prescribed officers, senior management and general employees of the Group who can influence the growth of the Company. The terms and conditions of the shares issued after vesting and after exercising the share options under the plan, are the same as those traded publicly.

The fair value of the share appreciation rights share options granted is measured using the Monte Carlo Method, taking into account the terms and conditions under which the options were granted. The grant date fair value of the share options is recognised as an employee benefit expense over the vesting period, with a corresponding increase in the share-based payment reserve.

Share options awarded under the SAR Plan will vest subject to the achievement of performance conditions which are pre-determined and linked to the growth of Renergen's share price, with participants having 5 years from the award date to achieve any or all performance conditions. Participants will be required to achieve and sustain the target share price for a 30-day period. Both the vesting and exercise of the share options awarded under the plan is subject to continued employment of a participant.

The GETSC reviews the the progress on the achievement of performance conditions on a monthly basis throughout the performance period.

1.8 TAX

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not part of a business combination or the initial recognition of goodwill.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss) and is not part a business combination.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period.

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

Deductions applicable to oil and gas companies

The Tenth Schedule of the South African Income Tax Act permits special tax allowances for companies involved in the exploration of oil and gas. This incentivises companies to pursue oil and gas exploration and creates fiscal certainty for companies involved in oil and gas activities in South Africa. The Tenth Schedule provides a 200%/150% super tax deduction for capital expenditure incurred for exploration and post-exploration respectively, in terms of an oil and gas right, which can be applied against the taxable income of the Group to reduce its tax liability in the year in which the expenditure is incurred. These deductions also affect the tax bases of assets when determining the deferred tax of the Group.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period.

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

1.9 LEASES

a) Group as lessee

The Group assesses whether a contract contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability in the statement of financial position, except for short-term leases with a term of twelve months or less and leases of low value assets with a value of R100 000 or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease liability is initially measured at the present value of the future lease payments from the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are initially recognised at cost, which comprises the amount of the initial measurement of the corresponding lease liability, adjusted for any lease incentive received and any initial direct costs incurred. Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term. When a purchase option is included in the lease terms, the asset is depreciated over its estimated useful life.

b) Group as lessor

The Group enters into lease agreements as a lessor whereby customers lease equipment and infrastructure required for the delivery, storage, utilisation and conversion of LNG to natural gas.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables in the statement of financial position at the amount of Tetra4's net investment in the leases. At lease commencement date Tetra4 therefore accounts for the finance lease as follows:

a) derecognises the carrying amount of the underlying leased asset/identified asset;
b) recognises the net investment in the lease; and
c) recognises, in profit or loss, any selling profit or loss.

The Group determines the lease commencement date to be the date on which it makes an underlying asset available for use by a lessee.

Subsequent to initial recognition, finance lease interest is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. Finance lease interest is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance). Lease payments are determined in the lease contracts and are applied to reduce the lease receivable by the amounts paid.

Impairment considerations applicable to finance lease receivables are dealt with as outlined in note 1.6.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

1.10 PROVISIONS

The amount of a provision is the present value of management's best estimate of the expenditure expected to be required to settle the obligation. Provisions are not recognised for future operating losses.

Environmental Rehabilitation Provision

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with applicable environmental and regulatory requirements. The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean up at closure. Changes in estimates are capitalised or reversed against the relevant asset to the extent that it meets the definition of dismantling and removing the item and restoring the site on which it is located. Costs that relate to an existing condition caused by past operations which do not have a future economic benefit are recognisedimmediately in profit or loss.

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

1.11 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue from contracts with customers as defined in IFRS 15 Revenue from contracts with customers from the sale of Compressed Natural Gas (CNG) in the Free State province of South Africa to one customer and the sale of Liquefied Natural Gas (LNG) to two customers.

Revenue is recognised at a point in time when the performance obligations have been satisfied, which is once the product is delivered to the destination specified by the customer and the customer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset.

There are no other performance obligations.

Revenue is measured at the fair value of the consideration received or receivable, after deducting value added tax. The consideration received is allocated to the products based on their selling price per the sales agreements and the volumes delivered. Volumes delivered are determined using a metering system. Each delivery is evidenced by a customer weighbridge ticket.

The Group recognises revenue only when it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific recognition criteria above have been met.

The recognition criteria above applies to sales of both CNG and LNG. All sales of CNG and LNG during the exploration phase are accounted for as revenue. The Group's customers are afforded 30 day terms for sales of both CNG and LNG.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in its statement of financial position (see note 17).

A refund is provided to customer if the Natural Gas delivered is not in line with the agreed specifications. The Group will be responsible to decant the storage tank and refill the storage tank with the correct specifications. Any claim in this regard must be lodged by the customer in writing within 7 days after the date of delivery of the Natural Gas.

1.12 COST OF SALES

Cost of sales entails the costs of conversion which are costs directly related to production. These costs include plant depreciation and maintenance and salaries of plant staff.

1.13 TRANSLATION OF FOREIGN CURRENCIES

Functional and presentation currency

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

Transactions and balances

Foreign currency income and expenses are translated into the functional currency using the spot rate on transaction date and assets and liabilities are translated at the closing rate of the relevant month.Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at closing rates, are recognised in profit or loss, with the exception of exchange differences accounted for as part of borrowing costs as disclosed in note 1.15. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.14 SEGMENT INFORMATION

An operating segment is a component of the Group that engages in business activities which may earn revenues and incur expenses and whose operating results are regularly reviewed by the Group's chief operating decision maker (Group Executive Committee) to allocate resources and assess performance, and for which discrete financial information is available. Refer to note 6.

The Group has the following reportable segments:

Corporate Head Office

Corporate Head Office is a segment where all investment decisions are made. Renergen Limited is an investment holding company focused on investing in prospective green projects.

Tetra4 Proprietary Limited

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

Cryovation

Cryovation developed the ground-breaking Cryo-Vacc™ technology, which enables the safe transportation of vaccines and biologics at extremely low temperatures without the need for electrical power. The Cryovation business model is undergoing refinement and further development with insights from experts from various fields with the intention of exploring several modifications that will improve the overall concept and operational performance to enhance its appeal for the more niche biologics and gene-therapy market internationally.

1.15 BORROWING COSTS

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

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

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

The DFC and IDC loans were obtained specifically for the construction and drilling project. All the borrowing costs that would have otherwise been avoided had the construction and drilling not taken place are capitalised.

Exchange differences relating to the DFC loan are treated as borrowing costs to the extent that they are an adjustment to interest costs, in accordance with IAS 23 - Borrowing Costs paragraph 6(e). This implies that foreign exchange differences are capitalised limited to the difference between the interest on the DFC loan and the interest had the loan been obtained in the functional currency of Tetra4. All other borrowing costs are expensed in profit and loss when they are incurred.

The Group has elected to present repayments of interest on borrowings within financing activities which is permissible under IAS7 - Statement of Cash Flows.

2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations effective and adopted in the current year

In the current year the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations.

Onerous contracts- cost of fulfilling a contract - Amendments to IAS 37

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

This amendment did not have an impact on the Group as there were no onerous contracts during the year under review. This amendment will be applied should transactions of this nature arise in future.

Taxation in Fair Value Measurements- Clarification of IAS 41 (Agriculture)

This amendment requires companies to exclude taxation cash flows when determining fair value of a biological asset through a present value technique removed ensuring consistency with IFRS 13.

This amendment did not have an impact on the Group as it does not own biological assets.

Property, Plant and Equipment — Proceeds before Intended Use - Amendments to IAS 16

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

This amendment did not have an impact on the Group as it does not have sales of this nature.

Annual Improvements 2018-2020 Cycle

These improvements make amendments the following standard:

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

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

This amendment did not have an impact on the Group as it did not derecognise any financial liabilities during the year under review. This amendment will be applied should transactions of this nature arise in future.

Reference to the Conceptual Framework - Amendments to IFRS 3

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

This amendment did not have an impact on the Group as there were no business combinations during the year under review. This amendment will be applied should transactions of this nature arise in future.

2.2 Standards and interpretations not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 01 March 2023 or later periods but which the Group has not early adopted. These new standards, amendments and interpretations to existing standards are listed below. The Group is evaluating the impact of these standards on 01 March of each year that the standards, amendments and interpretations become effective.

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

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

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

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

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

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

Classification of Liabilities as Current or Non-Current - Amendments to IAS 1 (effective date 1 January 2024)

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

Figures in Rand Thousands

3. PROPERTY, PLANT AND EQUIPMENT

	GROUP					
	2023			2022		
	Cost or Valuation	Accumulated depreciation	Net book value	Cost or Valuation	Accumulated depreciation	Net book value
Assets under construction	1 342 450	-	1 342 450	785 460	-	785 460
Right-of-use asset - head office building	2 243	(2 243)	-	2 243	(1 590)	653
Land - at revalued amount	3 473	-	3 473	3 473	-	3 473
Plant and machinery	23 164	(13 504)	9 660	22 928	(11 345)	11 583
Furniture and fixtures	1 240	(846)	394	1 024	(691)	333
Motor vehicles	10 375	(1 924)	8 451	2 152	(1 962)	190
Office equipment	243	(135)	108	171	(108)	63
IT equipment	1 148	(772)	376	910	(581)	329
Right-of-use assets - motor vehicles	5 603	(2 488)	3 115	4 526	(1 462)	3 064
Office building	2 065	(682)	1 383	2 065	(476)	1 589
LEASEHOLD IMPROVEMENTS						
Office equipment	142	(140)	2	142	(128)	14
Furniture and fixtures	3 064	(728)	2 336	885	(609)	276
TOTAL	**1 395 210**	**(23 462)**	**1 371 748**	**825 979**	**(18 952)**	**807 027**

	COMPANY					
	2023			2022		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Furniture and fixtures	605	(575)	30	605	(520)	85
Office equipment	90	(90)	-	90	(82)	8
IT equipment	31	(31)	-	31	(31)	-
LEASEHOLD IMPROVEMENTS						
Office equipment	142	(140)	2	142	(128)	14
Furniture and fixtures	3 064	(728)	2 336	885	(609)	276
TOTAL	**3 932**	**(1 564)**	**2 368**	**1 753**	**(1 370)**	**383**

Figures in Rand Thousands

RECONCILIATION OF PROPERTY, PLANT AND EQUPMENT

	GROUP 2023					
	At 1 March 2022	Disposals[1]	Environmental rehabilitation costs[2]	Additions	Depreciation	At 28 February 2023
Assets under construction	785 460	(50 309)	9 206	598 093	-	1 342 450
Right-of-use asset - head office building[3]	653	-	-	-	(653)	-
Land - at revalued amount	3 473	-	-	-	-	3 473
Plant and machinery	11 583	-	-	236	(2 159)	9 660
Furniture and fixtures	333	-	-	216	(155)	394
Motor vehicles	190	-	-	8 557	(296)	8 451
Office equipment	63	-	-	72	(27)	108
IT equipment	329	-	-	238	(191)	376
Right-of-use assets - motor vehicles	3 064	-	-	1 076	(1 025)	3 115
Office building	1 589	-	-	-	(206)	1 383
LEASEHOLD IMPROVEMENTS						
Office equipment	14	-	-	-	(12)	2
Furniture and fixtures	276	-	-	2 179	(119)	2 336
TOTAL	**807 027**	**(50 309)**	**9 206**	**610 667**	**(4 843)**	**1 371 748**

1 - Attributable to the derecognition of the carrying amounts of assets leased by the Group to customers under finance leases (see note 10).
2 - Current year rehabilitation costs as outlined in note 18.
3 - The lease for the head office building expired in June 2022 and the Group is currently on a short-term lease for office space.

During the year under review the Group disposed of a motor vehicle with a Rnil book value for R55 000.

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

4 - Rehabilitation costs transferred from exploration and evaluation assets within intangible assets (see note 4).
5 - Rehabilitation costs as outlined in note 18.

Figures in Rand Thousands

	COMPANY 2023			
	At 1 March 2022	**Additions**	**Depreciation**	**At 28 February 2023**
Furniture and fixtures	85	-	(55)	30
Office equipment	8	-	(8)	-
LEASEHOLD IMPROVEMENTS				
Office equipment	14	-	(12)	2
Furniture and fixtures	276	2 179	(119)	2 336
TOTAL	**383**	**2 179**	**(194)**	**2 368**

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

Pledge of assets

Tetra4 concluded finance agreements with the US International Development Finance Corporation ("DFC") on 20 August 2019 and the Industrial Development Corporation ("IDC") on 17 December 2021. All assets under construction and the land are held as security for the debt under these agreements. Pledged assets under construction and land have a carrying amount of R1.3 billion as at 28 February 2023 (2022: R788.9 million), representing 100% (2022: 100%) of each of these asset categories.

Additions - Group

Additions include unrealised foreign exchange differences attributable to the DFC loan and interest capitalised as part of borrowing costs in line with the Group's policy. Additions also include non-cash additions to right-of-use assets. These costs and exchange differences were capitalised within assets under construction.

The Group's capitalisation policy for borrowing costs is provided in note 1.15 and borrowings are disclosed in note 15. Borrowing costs amounting to R183.1 million (2022: R45.1 million) were capitalised to assets under construction representing 100% (2022: 100%) of borrowing costs incurred during the year.

Figures in Rand Thousands

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

	GROUP	
	2023	**2022**
Additions as shown above	610 667	305 866
Capitalised borrowing costs attributable to the DFC loan (note 29)	(38 846)	(31 293)
Unrealised foreign exchange losses attributable to the DFC loan (note 29)	(120 290)	(10 619)
Capitalised borrowing costs attributable to the IDC loan (note 29)	(23 950)	(3 231)
Accruals attributable to assets under contruction (note 19)	(74 057)	-
Non-cash additions to right-of-use assets	(1 076)	-
Additions as reflected in the cash flow statement	**352 448**	**260 723**

The rate used to determine the amount of interest eligible for capitalisation was 1.75% (2022: 3.68%), which is the weighted average interest rate of the specific borrowings.

Capital commitments

Capital commitments attributable to assets under construction are disclosed in note 30.

Revalued property

On 28 February 2020 the Group revalued its land on two farm properties in the Free State by R0.7 million (R0.6 million net of taxation). The properties were revalued to their market value by an independent valuer using the comparable sales method which relied on level 3 inputs as per the IFRS 13 requirements for determining fair value. The comparable sales method assumes that the market value of property should be the average of similar properties that have been sold in the area. The net gain on revaluation was recognised against the revaluation reserve (see note 27).

The significant unobservable input is the average price per hectare which was R8 500 at 28 February 2020. Significant increases (decreases) in the estimated price per hectare in isolation would result in a significantly higher (lower) fair value on a linear basis. A 10% increase or (decrease) in the average price per hectare would result in an increase or (decrease) in the fair value of land by R0.3 million. The total land size is 408.5897 hectares. At 28 February 2023, management determined that the effect of changes in fair values between the last valuation date (28 February 2020) and the reporting date is immaterial. This conclusion was reached based on a high level assessment performed using information obtained from a Windeed search on prices of similar properties in the area.

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

	2023	**2022**
	R'000	**R'000**
Cost	2 777	2 777
Net book value	**2 777**	**2 777**

Land is not depreciated.

Lease assets

The corresponding lease liabilities disclosures for the right-of-use assets are provided in note 16.

Figures in Rand Thousands

4. INTANGIBLE ASSETS

	GROUP					
	2023			2022		
	Cost	Accumulated amortisation	Net book value	Cost	Accumulated amortisation	Net book value
ACQUIRED INTANGIBLE ASSETS						
Exploration and development costs	217 459	(32)	217 427	137 161	(32)	137 129
Computer software	6 647	(1 373)	5 274	4 184	(804)	3 380
INTERNALLY DEVELOPED INTANGIBLE ASSETS						
Development costs - Cryo-Vacc™	15 666	-	15 666	11 466	-	11 466
Development costs - Helium Tokens System	3 475	-	3 475	2 048	-	2 048
TOTAL	**243 247**	**(1 405)**	**241 842**	**154 859**	**(836)**	**154 023**

	COMPANY					
	2023			2022		
	Cost	Accumulated amortisation	Net book value	Cost	Accumulated amortisation	Net book value
INTERNALLY DEVELOPED INTANGIBLE ASSETS						
Development costs - Cryo-Vacc™	25	-	25	745	-	745
Development costs - Helium Tokens System	117	-	117	-	-	-
TOTAL	**142**	**-**	**142**	**745**	**-**	**745**

RECONCILIATION OF INTANGIBLE ASSETS

	GROUP 2023				
	At 1 March 2022	Additions - separately acquired	Additions - internally developed	Amortisation	At 28 February 2023
Exploration and development costs	137 129	80 298	-	-	217 427
Computer software	3 380	2 463	-	(569)	5 274
Development costs - Cryo-Vacc™	11 466	-	4 200	-	15 666
Development costs - Helium Tokens System	2 048	-	1 427	-	3 475
TOTAL	**154 023**	**82 761**	**5 627**	**(569)**	**241 842**

Figures in Rand Thousands

	GROUP 2022					
	At 1 March 2021	Reclassification to property, plant and equipment[1]	Additions - separately acquired	Additions - internally developed	Amortisation	At 28 February 2022
Exploration and development costs	108 994	(4 000)	32 135	-	-	137 129
Computer software	2 864	-	881	-	(365)	3 380
Development costs - Cryo-Vacc™	297	-	-	11 169	-	11 466
Development costs - Helium Tokens System	-	-	-	2 048	-	2 048
TOTAL	**112 155**	**(4 000)**	**33 016**	**13 217**	**(365)**	**154 023**

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

	COMPANY 2023			
	At 1 March 2022	Additions - internally developed	Transfer[2]	At 28 February 2023
Development costs - Cryo-Vacc™	745	-	(720)	25
Development costs - Helium Tokens System	-	117	-	117
TOTAL	**745**	**117**	**(720)**	**142**

2 - Transfer of assets to Cryovation at book value

	COMPANY 2022		
	At 1 March 2021	Additions - internally developed	At 28 February 2022
Development costs - Cryo-Vacc™	270	475	745
TOTAL	**270**	**475**	**745**

Exploration and development costs

These are costs incurred in the exploration and development of natural gas reserves by Tetra4 pursuant to its exploration and production rights (reference 24/04/07PR) in the Free State Province, South Africa.

Exploration and development costs will be recovered through use as determined through the units of production of the Virginia Gas Project. Amortisation will commence upon the start of production.

Impairment of exploration and development costs

A Reserve and Resource Evaluation Report ("Evaluation Report") was completed as at 1 September 2021 by Sproule Incorporated ("Sproule"), an independent sub-surface consultancy based in Calgary, Canada. The evaluation was both a geologic and economic update, based on technical and economic data supplied by Tetra4. Material changes to this Evaluation Report compared to the last one completed in 2019 were the inclusion of 5 new completed wells, the initial flow testing of two wells with new "slant completions", a more detailed sub-surface geologic model, updated capital expenditure and operating costs, updated currency exchange rates, new gas sales agreements and an updated field development plan. Management has not obtained an updated evaluation report to support the impairment assessment as at 28 February 2023, as it is considered that such an update will likely reflect an increase in the value of the Virginia Gas Field given the successful outcomes of exploration activities undertaken during the year and the increase in helium and LNG prices, amongst other factors.

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

The net present value above equates to the recoverable amount which was determined using value-in-use calculations were future estimated cash flows attributable to the 2P Gas Reserves were discounted at 15% (2022: 15%). In order to determine whether the Group's exploration and evaluation assets were impaired as at 28 February 2023 the carrying amount of these assets of R217.4 million (2022: R137.1 million) was compared to the recoverable amount of R31.0 billion (2022: R31.0 billion) which resulted in no impairment charge being recognised for the year under review (2022: Rnil). Management concluded that the impairment assessment is not sensitive to a change in the recoverable amount or other factors due to the significant headroom of R30.8 billion (2022: R30.9 billion), being the difference between the carrying amount of exploration and evaluation assets of R217.4 million (2022: R137.1 million) and their recoverable amount of R31.0 billion (2022: R31.0 billion).

The recoverable amount of R31.0 billion was determined from value in use calculations based on cash flow projections from formally approved budgets covering a fifteen-year period from commencement of operation, which takes into account the life of the Virginia Gas Field. The key assumptions used include: (i) estimated future production based on 2P Gas Reserves accordingly probability weighted, (ii) hydrocarbon prices estimated to be reasonable using empirical data, current prices and prices used in making its exploration and development decisions, and (iii) future operating and development costs as estimated by the Company and reviewed for reasonableness by Sproule.

Methane prices: The initial methane price of R249.69/MMbtu was escalated at the South African CPI of 3.2%/year (as reported in the March 2021 StatsSA Statistical Survey) and was held constant once the initial price had doubled.

Helium prices: The initial helium price of R3 555/Mcf (US$237/Mcf) was escalated at the average US CPI of 2.4%/year and was held constant once the initial price had doubled.

Discount rate: 15%

Development costs - Cryo-Vacc™

These development costs comprise expenditure incurred during the internal development of Cryo-Vacc™ vaccine storage units. No amortisation was recognised during the year as the storage units have not yet been brought into use. Development costs include costs that meet the criteria in note 1.4 and are directly attributable to the development of the storage units. At 28 February 2023 the development costs are not impaired based on an assessment performed by management. No research and development costs were incurred during the year under review (2022: Nil).

Development costs - Helium Tokens System

These development costs comprise expenditure incurred during the internal development of the helium tokens system. Once fully developed, these tokens will be traded and will allow holders to purchase helium from Tetra4. No amortisation was recognised during the year as the tokens system has not yet been brought into use. Development costs include costs that meet the criteria in note 1.4 and are directly attributable to the development of the tokens. At 28 February 2023 the development costs are not impaired based on an assessment performed by management. No research and development costs were incurred during the year under review (2022: Nil).

Computer Software

Computer software comprises costs incurred to acquire the Group's risk management system and costs attributable to the development of the Group's ERP system. Internal salaries allocated based on time spent on the development of the ERP system were capitalised to computer software, however these costs are not material. The ERP system was implemented during the 2021 financial year and system improvements were further implemented during the current and prior financial years.

Figures in Rand Thousands

5. INVESTMENTS IN SUBSIDIARIES

	COMPANY					
			2023	2022	2023	2022
	Country of registration	Principal place of business	% Holding	% Holding	Carrying amount	Carrying amount
Tetra4 Proprietary Limited ("Tetra4")	South Africa	South Africa	100%	100%	**630 006**	**627 666**
Balance at 1 March					627 666	624 603
Equity contribution relating to share-based payments (note 14)					2 340	3 063
Cryovation Proprietary Limited ("Cryovation")	South Africa	South Africa	100%	-	**12 350**	**-**
Balance at 1 March					-	-
Equity contribution relating to initial investment					12 318	-
Equity contribution relating to share-based payments (note 14)					32	-
TOTAL					**642 356**	**627 666**

Tetra4 and Cryovation are wholly owned subsidiaries of Renergen Limited. On 25 August 2022, Renergen incorporated a new subsidiary, Cryovation, to hold its Cryovacc™ business. A description of the Cryovation and Tetra4 operations is provided in note 6.

Tetra4 and Cryovation's share capital consists solely of ordinary shares that are held directly by the Company, and the proportion of ownership interest held equals the voting rights held by the Company.

Renergen has two share schemes under which shares are granted to Executives, senior management and other employees who can influence the growth of the Company - the Bonus Share Scheme implemented in 2017 and the Share Appreciation Rights Plan (SAR Plan) implemented in December 2021 pursuant to approvals obtained from shareholders. The shares granted to employees, senior management and Executives of Tetra4 who participate in the Bonus Share Scheme or the SAR Plan are Renergen shares. The investment in Tetra4 is therefore increased by the share-based payments expenses attributable to the Bonus Share Scheme and SAR Plan shares granted to Tetra4 employees which are treated as an equity contribution. This note should be read together with note 14.

6. SEGMENTAL ANALYSIS

The Group has identified reportable segments that are used by the Group Executive Committee (chief operating decision-maker) to make key operating decisions, allocate resources and assess performance. For management purposes the Group is organised and analysed as follows:

a) Corporate head office

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

Figures in Rand Thousands

b) Tetra4

Tetra4 explores for, develops and sells Liquefied Natural Gas ("LNG") to the South African market. Up until September 2022, Tetra4 also sold Compressed Natural Gas ("CNG") locally. It operates in the Gauteng Province, Free State Province and Mpumalanga Province in the town of Evander.

c) Cryovation

Cryovation developed the ground-breaking Cryo-Vacc™ technology, which enables the safe transportation of vaccines and biologics at extremely low temperatures without the need for electrical power. The Cryovation business model is undergoing refinement and further development with insights from experts from various fields with the intention of exploring several modifications that will improve the overall concept and operational performance to enhance its appeal for the more niche biologics and gene-therapy market internationally.

No geographical information is provided as all assets are situated in South Africa and all sales are made to two South African customers (three up until September 2022) (2022: one customer).

The analysis of reportable segments as at 28 February 2023 is set out below:

	2023						
	Notes	**Corporate Head Office**	**Tetra4**	**Cryovation**	**Total**	**Eliminations**	**Consolidated**
Revenue		-	12 687	-	12 687	-	12 687
External	20	-	12 687	-	12 687	-	12 687
Depreciation and amortisation	21, 23	(194)	(5 218)	-	(5 412)	-	(5 412)
Share-based payment expenses	14	(7 905)	(2 373)	-	(10 278)	-	(10 278)
Employee costs[1]	23	(8 555)	5 712	-	(2 843)	-	(2 843)
Consulting and advisory fees	23	(2 151)	(2 787)	(81)	(5 019)	-	(5 019)
Listing costs	23	(2 769)	-	-	(2 769)	-	(2 769)
Computer and IT expenses	23	(49)	(3 751)	(1)	(3 801)	-	(3 801)
Marketing and advertising	23	(684)	(3 082)	-	(3 766)	-	(3 766)
Legal and professional fees	23	(1 822)	(1 651)	-	(3 473)	-	(3 473)
Net foreign exchange gains	22	818	8 751	-	9 569	-	9 569
Interest income	24	1 422	2 253	-	3 675	-	3 675
Imputed interest	25	-	(4 275)	-	(4 275)	-	(4 275)
Interest expense	25	(5)	(303)	-	(308)	-	(308)
Taxation	26	(235)	9 942	-	9 707	-	9 707
LOSS FOR THE YEAR		**(25 513)**	**(1 040)**	**(172)**	**(26 725)**	**-**	**(26 725)**
TOTAL ASSETS		**1 716 294**	**1 853 584**	**15 520**	**3 585 398**	**(1 684 517)**	**1 900 881**
TOTAL LIABILITIES		**(29 928)**	**(2 069 626)**	**(3 284)**	**(2 102 838)**	**1 042 161**	**(1 060 677)**

1 - Tetra4 employee costs impacted by the reversal of payroll related accruals.

Figures in Rand Thousands

	2022						
	Notes	Corporate Head Office	Tetra4	Cryovation	Total	Eliminations	Consolidated
Revenue		-	2 637	-	2 637	-	2 637
External	20	-	2 637	-	2 637	-	2 637
Depreciation and amortisation	21, 23	(322)	(5 198)	-	(5 520)	-	(5 520)
Share-based payment expenses	14	(52)	(3 063)	-	(3 115)	-	(3 115)
Employee costs	23	-	(3 280)	-	(3 280)	-	(3 280)
Consulting and advisory fees	23	(1 148)	(735)	-	(1 883)	-	(1 883)
Listing costs	23	(1 568)	-	-	(1 568)	-	(1 568)
Computer and IT expenses	23	(16)	(3 396)	-	(3 412)	-	(3 412)
Marketing and advertising	23	(21)	(1 049)	-	(1 070)	-	(1 070)
Legal and professional fees	23	(2 230)	(2 299)	-	(4 529)	-	(4 529)
Net foreign exchange gains	22	12	3 557	-	3 569	-	3 569
Interest income	24	83	192	-	275	-	275
Imputed interest	25	-	(3 708)	-	(3 708)	-	(3 708)
Interest expense	25	-	(509)	-	(509)	-	(509)
Taxation	26	387	8 166	-	8 553	-	8 553
LOSS FOR THE YEAR		**(7 577)**	**(26 173)**	**-**	**(33 750)**	**-**	**(33 750)**
TOTAL ASSETS		**1 131 986**	**1 149 051**	**-**	**2 281 037**	**(1 116 343)**	**1 164 694**
TOTAL LIABILITIES		**(724)**	**(1 366 335)**	**-**	**(1 367 059)**	**488 677**	**(878 382)**

During the year ended 28 February 2023, R1.6 million or 12.2% (2022: R2.6 million or 100%) of the Group's revenue depended on the sales of CNG to one customer. With respect to the Group's revenue generated from the sale of LNG which commenced during the year under review, R8.5 million or 66.8% depended on the sales of LNG to a second customer and R2.6 million or 21.0% to a third customer. This revenue is reported under the Tetra4 operating segment.

Inter-segment revenues and balances are eliminated upon consolidation and are reflected in the 'eliminations' column. The nature of the Group's revenue and its disaggregation are provided in note 20.

7. LOANS TO SUBSIDIARIES

	COMPANY	
	2023	2022
NON-CURRENT		
Tetra4[1]	1 044 213	488 677
Cryovation[2]	1 975	-
TOTAL	**1 046 188**	**488 677**

1 - The loan to Tetra4 is interest free, unsecured and has no fixed repayment terms. This loan is not expected to be repaid within the next 12 months. The Company determines the loss allowance attributable to the loan advanced to Tetra4 based on 12-month expected credit losses as credit risk has not increased significantly since initial recognition. During September 2022, Tetra4 commissioned Phase 1 of the Virginia Gas Project which improved its prospects of repaying the loan owed to the Company. Following the commissioning of the plant, Tetra4 is now producing and selling gas to customers under long-term contracts. As such, the expected credit loss on this loan has been considered to be immaterial.

2 - The loan to Cryovation is interest free, unsecured and has no fixed repayment terms. This loan is not expected to be repaid within the next 12 months. The Company determines the loss allowance attributable to the loan advanced to Cryovation based on 12-month expected credit losses as credit risk has not increased significantly since initial recognition. As at 28 February 2023, management has assessed that expected credit losses attributable to the loan to Cyrovation would be immaterial due to the loan outstanding being immaterial.

Credit risk disclosures relating to these loans are provided in note 33.

Figures in Rand Thousands

8. DEFERRED TAX

	GROUP 2023				
	At 1 March 2022	Recognised in profit or loss	At 28 February 2023	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(102 819)	(83 881)	(186 700)	-	(186 700)
Intangible assets	(19 733)	(21 740)	(41 473)	-	(41 473)
Lease liabilities	(146)	(77)	(223)	-	(223)
Finance lease receivables	-	(1 827)	(1 827)	-	(1 827)
Provisions	9 958	2 815	12 773	12 773	-
Deferred revenue	-	4 075	4 075	4 075	-
S24c Allowance	-	(716)	(716)	-	(716)
Unutilised tax losses	156 269	111 058	267 327	267 327	-
TOTAL	**43 529**	**9 707**	**53 236**	**284 175**	**(230 939)**

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

	COMPANY 2023				
	At 1 March 2022	Recognised in profit or loss	At 28 February 2023	Deferred tax asset	Deferred tax liability
Property, plant and equipment	177	-	177	177	-
Provisions for bonus	-	1 031	1 031	1 031	-
Unutilised tax losses	4 019	(1 266)	2 753	2 753	-
TOTAL	**4 196**	**(235)**	**3 961**	**3 961**	**-**

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

The losses incurred by the Group are mainly attributable to its subsidiary, Tetra4. Tetra4 was in the process of constructing the Virginia Gas Project and recently commissioned Phase 1 of the project in September 2022. The plant is now operational and Tetra4 is producing and selling LNG under long-term contracts.Given the commissioning of the plant in the latter part of the year, revenue for the year under review is minimal.

Figures in Rand Thousands

As at 28 February 2023 the Group's estimated tax losses were R1 450.9 million (2022: R964.6 million). These tax losses do not expire unless the tax entity concerned ceases to operate for a period longer than a year. The tax losses are available to be offset against future taxable profits. For tax years ending on or after 31 March 2023, companies with assessed losses will be entitled to set off a maximum of 80% of their assessed losses (subject to a minimum of R1.0 million) against taxable income in a specific year. A Group net deferred taxation asset of R53.2 million (2022: R43.5 million) has been recognised as it is estimated that future profits will be available against which the assessed losses can be utilised based on the latest financial projections prepared by management.

These projections reflect expected profits from the sale of LNG and the leasing of storage and related infrastructure to customers under 8 year contracts which came into effect during the year under review. Expected future profits are also reflected in the valuation of the exploration and development assets amounting to R31.0 billion (see note 4).

Change in tax rate

On 24 February 2021, a reduction in the corporate tax rate from 28% to 27% for years of assessment commencing 1 April 2022 was announced. This impacts the measurement of deferred tax assets and liabilities which must be measured at the tax rates that are expected to apply to the period in which the underlying asset or liability is realised or settled. The impact on the Group of this change in the future tax rate is not material.

9. RESTRICTED CASH

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
NON-CURRENT				
Environmental rehabilitation cash guarantee	6 021	3 738	-	-
Eskom Holdings SOC Limited ("Eskom") cash guarantee	8 414	-	-	-
	14 435	**3 738**	**-**	**-**
CURRENT				
Debt Service Reserve Accounts ("DSRAs")	**77 552**	**34 257**	**-**	**-**
DFC	61 733	34 257	-	-
IDC	15 819	-	-	-
TOTAL	**91 987**	**37 995**	**-**	**-**

Environmental Rehabilitation Cash Guarantee

The Group has an obligation to manage the negative environmental impact associated with its exploration activities in the Free State. In this regard, the Group has recognised a rehabilitation provision of R40.0 million (2022: R30.8 million) as disclosed in note 18. Cash totalling R6.0 million (2022: R3.7 million) is held in a restricted cash deposit account which has been ringfenced for use towards the settlement of the environmental rehabilitation obligation. Tetra4 does not have access to this account due to restrictions on the use of the funds imposed by a third party. Interest earned on the cash deposit account is re-invested. This restricted cash has been classified as a non-current asset as the rehabilitation programme is not expected to commence in the next 12 months.

Eskom cash guarantee

The Eskom guarantee represents amounts held as security for the due payment of electricity accounts and as an early termination guarantee.

DSRAs

DFC
As part of the terms of the DFC finance agreement (see note 15) Tetra4 is required at any given date, to reserve in

Figures in Rand Thousands

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

IDC

Similar to the terms of the DFC finance agreement, Tetra4 is also required to reserve in a Rand denominated bank account the sum of all payments of principal, interest and fees required to be made to the IDC within the next 6 months. Should Tetra4 default on any payments due and payable, the IDC reserves the right to fund the settlement of amounts due from this bank account. The bank account is restricted and all interest earned accrues to Tetra4. This interest is recorded in interest income on the Statement of Profit or Loss and Other Comprehensive Income.

The DRSAs are held as security for the DFC and IDC loans (see note 15). Foreign exchange gains amounting to R9.8 million (2022: R1.8 million) were recognised during the year under review with respect to the DFC DSRA.

10. FINANCE LEASE RECEIVABLES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Finance lease receivables	54 559	-	-	-
TOTAL	**54 559**	**-**	**-**	**-**

The classification of the above finance lease receivables between long-term and short-term is as follows:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
NON-CURRENT				
Finance lease receivables	48 095	-	-	-
CURRENT				
Finance lease receivables	6 464	-	-	-
TOTAL	**54 559**	**-**	**-**	**-**

Finance lease arrangements

During the 2023 financial year end, Tetra4 entered into finance leasing arrangements, as a lessor for certain equipment and infrastructure required for the delivery, storage, utilisation and conversion of LNG to natural gas. The average term of finance leases entered into is 8 years. Generally, these lease contracts do not include extension options and provide for the transfer of the ownership of the leased assets to the lessees upon the fulfilment of contract provisions, including but not limited to the settlement of all amounts due to Tetra4 under the lease contracts. Tetra4's finance lease arrangements do not include variable payments or lease modifications. The average effective interest rate contracted approximates 9.2% per annum.

The Directors of the Company estimate the loss allowance on finance lease receivables at the end of the reporting period at an amount equal to lifetime ECLs using the simplified approach as the lessees are also the Group's only trade debtors. None of the finance lease receivables at the end of the reporting period is past due. The Directors of the Company therefore consider that the finance lease receivables are not impaired.

Figures in Rand Thousands

The maturity analysis of finance lease receivables including the undiscounted lease payments to be received is as follows:

Amounts receivable under finance leases:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Year 1	11 823	-	-	-
Year 2	10 040	-	-	-
Year 3	10 040	-	-	-
Year 4	10 040	-	-	-
Year 5	10 040	-	-	-
Year 6 onwards	26 457	-	-	-
Total undiscounted lease payments receivable	**78 440**	-	-	-
Less: unearned interest income	(23 881)	-	-	-
Net investment in the lease	**54 559**	-	-	-
Undiscounted lease payments analysed as:				
Recoverable after 12 months	66 617	-	-	-
Recoverable within 12 months	11 823	-	-	-
	78 440	-	-	-
Net investment in the lease analysed as:				
Recoverable after 12 months	48 095	-	-	-
Recoverable within 12 months	6 464	-	-	-
	54 559	-	-	-

The movements in finance lease receivables were as follows:

Group	At 1 March 2022	New leases	Repayments	Interest	At 28 February 2023
Finance lease receivables	-	54 233	(1 042)	1 368	54 559
TOTAL	**-**	**54 233**	**(1 042)**	**1 368**	**54 559**

The following table presents the amounts included in profit or loss:

		GROUP
	Notes	**2023**
Selling profit on finance lease receivables	22	3 924
Interest income - net investment in finance leases	24	1 368
TOTAL		**5 292**

Figures in Rand Thousands

11. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
FINANCIAL INSTRUMENTS				
Trade receivables[1]	8 798	565	-	-
Other receivables[2]	-	927	-	882
	8 798	**1 492**	**-**	**882**
NON-FINANCIAL INSTRUMENTS				
Value-added tax	21 493	25 529	2 759	75
Deposits	1 279	-	-	-
Prepayments	87	11	-	-
	22 859	**25 540**	**2 759**	**75**
TOTAL TRADE AND OTHER RECEIVABLES	**31 657**	**27 032**	**2 759**	**957**

1 - The increase in trade receivables is due to sales attributable to LNG which commenced in September 2022 following the commissioning of Phase 1 of the Virginia Gas Project and the commencement of operations at the plant. Prior year trade receivables were attributable to the sale of CNG. The Group ceased selling CNG in September 2022.

2 - Prior year other receivables primarily comprised amounts that were due for shares issued in February 2022. Due to banking delays payments for these shares were received in March 2022.

Trade receivables are generally on 30 day terms and are not interest bearing.

CATEGORISATION OF TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments.

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
At amortised cost	8 798	1 492	-	882
Non-financial instruments	22 859	25 540	2 759	75
TOTAL	**31 657**	**27 032**	**2 759**	**957**

The Group applies a simplified approach of recognising lifetime expected credit losses for trade receivables as these items do not have a significant financing component. The expected credit losses on trade receivables are estimated using a loss allowance matrix by reference to past default experience, adjusted as appropriate for current observable data. Current observable data includes gross domestic product (GDP) and interest rates. Expected credit losses attributable to trade receivables were assessed as immaterial as at 28 February 2023 (2022: Rnil).

All trade and other receivables are denominated in South African Rands.

12. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Cash and cash equivalents consist of:				
Cash at banks and on hand	17 301	36 714	10 672	2 769
Short-term deposits	38 404	58 374	7 848	6 593
TOTAL	**55 705**	**95 088**	**18 520**	**9 362**

Figures in Rand Thousands

Cash at banks earns interest at floating rates. Short-term deposits are made for varying periods depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Included in cash at banks and on hand is R5.8 million (2022: R2.2 million) denominated in Australian Dollars. The amounts denominated in US Dollars at 28 February 2023 are immaterial (2022: Rnil). The Group banks with financial institutions with a Ba2 Moody's standalone credit rating.

13. STATED CAPITAL

	GROUP		COMPANY	
	2023	2022	2023	2022
AUTHORISED	'000	'000	'000	'000
500 000 000 no par value shares (number)	500 000	500 000	500 000	500 000

RECONCILIATION OF NUMBER OF SHARES ISSUED				
Balance at 1 March	123 934	117 508	123 934	117 508
Issue of shares - ordinary shares issued for cash	20 777	6 400	20 777	6 400
Issue of shares - share incentive scheme, non-cash	37	26	37	26
Balance at 28 February	**144 748**	**123 934**	**144 748**	**123 934**

RECONCILIATION OF ISSUED STATED CAPITAL	**R'000**	**R'000**	**R'000**	**R'000**
Balance at 1 March	563 878	453 078	1 162 277	1 051 477
Issue of shares	574 447	113 376	574 447	113 376
Issue of shares - ordinary shares issued for cash	573 914	113 115	573 914	113 115
Issue of shares - share incentive scheme, non-cash	533	261	533	261
Share issue costs[1]	(3 575)	(2 576)	(3 575)	(2 576)
Balance at 28 February	**1 134 750**	**563 878**	**1 733 149**	**1 162 277**

1 - Share issue costs paid as at 28 February 2023 totalled R1.4 million (2022: R2.6 million) as presented in the statement of cash flows and the remaining amount totalling R2.2 million was unpaid as at year end (2022: Rnil).

Shares issued for cash during the year under review comprise:

2023				
Nature	**Date**	**Number of shares issued '000**	**Issue price Rand**	**Value of shares issued R'000**
Ivanhoe Mines Limited	14 March 2022	5 632	35,62	200 632
Issue of shares on the Johannesburg Stock Exchange[2]	Various	10 543	27,76	292 637
Issue of shares on the Australian Stock Exchange[2]	Various	2 336	23,90	55 825
Exercise of options[3,4]	Various	2 266	10,95	24 820
TOTAL		**20 777**		**573 914**

2 - Shares were issued to numerous parties consisting of existing and new domestic and international institutions and investors.
3 - Issue price represents the average exercise price of the options exercised during the year.
4 - Refer to note 14 for futher details on options exercised during the year.

2022				
Nature	**Date**	**Number of shares issued '000**	**Issue price Rand**	**Value of shares issued R'000**
Issue of Chess Depositary Interests on the Australian Stock Exchange[5]	25 June 2021	2 474	18,24	45 129
Issue of shares on the Johannesburg Stock Exchange[5]	25 June 2021	3 178	19,10	60 709
Exercise of options[6]	Various	748	9,73	7 277
TOTAL		**6 400**		**113 115**

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

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

14. EQUITY SETTLED SHARE-BASED PAYMENTS

EMPLOYEE BONUS SHARE SCHEME

Shares were granted to Executive Directors, senior management and general employees on the dates specified below pursuant to the Bonus Share Scheme approved by shareholders in September 2017. All shares vest after 3 years of employment with the Group and there are no other vesting conditions. Shares granted to participants which have not yet vested lapse if the director or employee leaves the Group. Shares granted to an executive director, senior management and general employees on 17 May 2019 vested on 17 May 2022.

Grant date	Vesting date
6 July 2018	6 July 2021
17 May 2019	17 May 2022
1 March 2020	1 March 2023

Grant date	Vesting date
1 July 2021	1 July 2024
1 March 2022	1 March 2025

The fair value per share on grant date relates to the 30 day volume weighted average price per share on the JSE on the grant date (VWAP).

	GROUP AND COMPANY					
	28 FEBRUARY 2023			28 FEBRUARY 2022		
Reconciliation of shares granted to date:	**Number of shares granted ('000)**	**Fair value per share at grant date Rand[1]**	**Value of shares at grant date (R'000)**	**Number of shares granted ('000)**	**Fair value per share at grant date Rand[1]**	**Value of shares at grant date (R'000)**
Balance at the beginning of the year	486		7 138	433		4 864
ALLOCATION FOR THE YEAR	**127**	**37,43**	**4 775**	**145**	**22,78**	**3 325**
Executive Directors	84	37,43	3 136	106	22,78	2 425
Senior management	11	37,43	428	20	22,78	457
General employees	32	37,43	1 211	19	22,78	443
VESTED SHARES FOR THE YEAR	**(142)**	**8,17**	**(1 168)**	**(27)**	**9,90**	**(261)**
Executive Directors	(117)	8,17	(960)	(10)	9,90	(97)
Senior management	(9)	8,17	(71)	(7)	9,90	(67)
General employees	(16)	8,17	(137)	(10)	9,90	(97)
LAPSED SHARES FOR THE YEAR	**(1)**	**37.43**	**(44)**	**(65)**	**12,15**	**(790)**
Senior management	-		-	(61)	11,59	(707)
General employees	(1)	37,43	(44)	(4)	22,78	(83)
Balance at the end of the year	**470**		**10 701**	**486**		**7 138**

1 - Numbers presented are impacted by rounding.

Figures in Rand Thousands

SHARE OPTIONS GRANTED

ASX listing

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

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

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

During the year under review the ASX lead advisor and corporate advisor exercised 1.9 million share options (at AUD0.96 or an average of R11.03) and 0.4 million share options (at AUD0.80 or R10.59), respectively.

SHARE OPTIONS	28 FEBRUARY 2023				28 FEBRUARY 2022			
Reconciliation of share options granted to date to the ASX lead advisor, corporate advisor and Non-executive Director:	**Number of share options granted ('000)**	**Fair value per share option at grant date Rand**	**Value of share options (R'000)**	**Weighted average exercise price (Rand)[1]**	**Number of shares awarded ('000)**	**Fair value per share option at grant date Rand**	**Value of shares (R'000)**	**Weighted average exercise price (Rand)[1]**
Balance at 1 March	5 051		5 369	8,92	5 549		6 342	10,37
Vested during the year	**250**		**52**	**11,91**	**250**		**52**	**10,59**
Non-executive Director	250	0,21	52	11,91	250	0,21	52	10,59
Exercised during the year[2]	**(2 266)**		**(2 592)**	**10,95**	**(748)**		**(1 025)**	**9,73**
ASX lead advisor	(1 851)	1,03	(1 907)	11,03	(338)	1,03	(348)	10,33
Corporate advisor	(415)	1,65	(685)	10,59	(410)	1,65	(677)	9,23
Total share options awarded to date	**3 035**		**2 829**	**11,36**	**5 051**		**5 369**	**8,92**
Exerciseable at 28 February	**3 035**		**2 829**	**11,36**	**5 051**		**5 369**	**8,92**

1 - Exercise prices are denominated in Australian Dollars and have been translated into South African Rand at the prevailing exchange rate at each year end date or on the date that the share options were exercised.
2- Refer to note 13 for shares issued for cash during the year.

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

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

			Exercise price (Rand)[1]		Number of share options ('000s)	
	Grant date	**Expiry date**	**2023**	**2022**	**2023**	**2022**
ASX lead advisor	6 June 2019	6 June 2023	11,91	10,59	1 190	3 041
Corporate advisor	6 June 2019	6 June 2023	9,92	8,82	845	1 260
Non-executive Director	6 June 2019	6 June 2023	11,91	10,59	1 000	750
TOTAL					**3 035**	**5 051**

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

Equity-settled Share Appreciation Rights Plan (SAR Plan)

The share options below were granted pursuant to the SAR Plan approved by shareholders in July 2021 (see note 1.7). Awards will be subject to the fulfilment of both predetermined performance conditions and continued employment. The share options are categorised into tiers, each of which will be linked to separate performance conditions and performance periods as follows:

Tier	Award price	Performance period	Share Price performance condition which must be achieved	Share price percentage growth from award date[1]	Estimated market cap at achievement of share price performance hurdle (Rand)[2]
1	R37.50	2 years	R75	231%	R8 813 105 025
2	R50.00	3 years	R100	341%	R11 750 806 700
3	R62.50	4 years	R125	452%	R14 688 508 375
4	R75.00	5 years	R150	562%	R17 626 210 050

1 - Calculated on a 30 day VWAP as at 31 May 2021 (R22.65)
2 - Calculated as share price which must be achieved multiplied by the number of shares in issue at the time the SAR Plan was adopted (117 508 067 shares).

All awards are subject to malus and clawback, meaning unvested awards can be reduced or cancelled (by application of malus) and exercised and settled awards can be recouped (by application of clawback), should a trigger event occur during the holding period. The trigger events include but are not limited to:

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

On 17 December 2021, 9.9 million share options were granted to Executive Directors, senior management and general employees of the Group as outlined in the table below. An additional 0.9 million share options were awarded during the year and 0.3 million share options lapsed upon termination of employment of participants.

GROUP AND COMPANY								
SAR PLAN	**28 FEBRUARY 2023**				**28 FEBRUARY 2022**			
Reconciliation of share options granted to date under the SAR Plan:	**Number of share options granted ('000)**	**Fair value per share option at grant date Rand**	**Value of share options (R'000)**	**Weighted average exercise price (Rand)**	**Number of shares awarded ('000)**	**Fair value per share option at grant date Rand**	**Value of shares (R'000)**	**Weighted average exercise price (Rand)**
Balance at 1 March	9 956		15 479	61,10	-		-	-
Granted during the year								
Executives, senior management and general employees	900		1 231	63,19	9 956		15 479	61,10
Tier 1	100	4,64	464	37,50	1 344	4,64	6 236	37,50
Tier 2	150	2,20	330	50,00	2 067	2,20	4 547	50,00
Tier 3	250	1,14	285	62,50	2 906	1,14	3 313	62,50
Tier 4	400	0,38	152	75,00	3 639	0,38	1 383	75,00

Figures in Rand Thousands

GROUP AND COMPANY								
SAR PLAN	**28 FEBRUARY 2023**				**28 FEBRUARY 2022**			
Reconciliation of share options granted to date under the SAR Plan:	**Number of share options granted ('000)**	**Fair value per share option at grant date Rand**	**Value of share options (R'000)**	**Weighted average exercise price (Rand)**	**Number of shares awarded ('000)**	**Fair value per share option at grant date Rand**	**Value of shares (R'000)**	**Weighted average exercise price (Rand)**
Lapsed during the year								
Executives, senior management and general employees	(302)		(480)	60,80	-		-	61,10
Tier 1	(43)	4,64	(200)	37,50	-		-	-
Tier 2	(63)	2,20	(139)	50,00	-		-	-
Tier 3	(88)	1,14	(100)	62,50	-		-	-
Tier 4	(108)	0,38	(41)	75,00	-		-	-
TOTAL SHARES AWARDED TO DATE	**10 554**		**16 231**	**61,29**	**9 956**		**15 479**	**61,10**
EXERCISEABLE AT 28 FEBRUARY	**-**		**-**	**-**	**-**		**-**	**-**

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

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

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

			Exercise price (Rand)		**Number of share options**	
	Grant date	**Expiry date**	**2023**	**2022**	**2023**	**2022**
Tier 1	17 Dec 2021	17 Dec 2023	37,50	37,50	1 301	1 344
Tier 2	17 Dec 2021	17 Dec 2024	50,00	50,00	2 004	2 067
Tier 3	17 Dec 2021	17 Dec 2025	62,50	62,50	2 818	2 906
Tier 4	17 Dec 2021	17 Dec 2026	75,00	75,00	3 531	3 639
Tier 1	1 Mar 2022 - Feb 2023	17 Dec 2023	37,50	37,50	100	-
Tier 2	1 Mar 2022 - Feb 2023	17 Dec 2024	50,00	50,00	150	-
Tier 3	1 Mar 2022 - Feb 2023	17 Dec 2025	62,50	62,50	250	-
Tier 4	1 Mar 2022 - Feb 2023	17 Dec 2026	75,00	75,00	400	-
TOTAL					**10 554**	**9 956**

Figures in Rand Thousands

RECONCILIATION OF SHARE-BASED PAYMENTS RESERVE

	GROUP	
	2023	**2022**
Balance at the beginning of the year	11 354	8 500
Bonus share scheme - share-based payments expense for Renergen participants charged to profit or loss[1]	**2 802**	**-**
Executive Directors	2 534	-
Senior management	258	-
General employees	10	-
Bonus share scheme - share-based payments expense for Tetra4 participants[1]	**859**	**2 086**
Executive Directors	162	1 609
Senior management	219	252
General employees	478	225
SAR Plan[1]	**6 565**	**1 310**
Renergen	5 052	-
Tetra4	1 481	1 310
Cryovation	32	-
Share options - share-based payments expense charged to profit or loss[1]	**52**	**52**
Non-executive Director	52	52
Shares which lapsed during the year[1]	-	(333)
Vested shares issued during the year	(533)	(261)
Balance at the end of the year	**21 099**	**11 354**

1 - Total share-based payments expenses amount to R10 278 000 for the year under review as presented in the statement of comprehensive income (2022: R3 115 000).

	COMPANY	
	2023	**2022**
Balance at the beginning of the year	11 354	8 500
Bonus share scheme - share-based payments expense for Renergen participants charged to profit or loss[1]	**2 802**	**-**
Executive Directors	2 534	-
Senior management	258	-
General employees	10	-
Bonus share scheme - share-based payments expense for Tetra4 participants[2]	**859**	**2 086**
Executive Directors	162	1 609
Senior management	219	252
General employees	478	225

Figures in Rand Thousands

	COMPANY	
	2023	2022
SAR Plan	**6 565**	**1 310**
Renergen[1]	5 052	-
Tetra4[2]	1 481	1 310
Cryovation[3]	32	-
Share options - share-based payments expense charged to profit or loss	**52**	**52**
Non-executive Director[1]	52	52
Shares which lapsed during the year - Tetra4[2]	-	(333)
Vested shares issued during the year	(533)	(261)
Balance at the end of the year	**21 099**	**11 354**

1 - Total share-based payments expenses amount to R7 905 000 for the year under review as presented in the statement of comprehensive income (2022: R52 000).
2 - Total share-based payments expenses recognised as an equity contribution in note 5 amount to R2 340000 for the year under review (2022: R3 063 000).
3 - Total share-based payments expenses recognised as an equity contribution in note 5 amount to R32 000 for the year under review (2022: Rnil).

15. BORROWINGS

	GROUP		COMPANY	
	2023	2022	2023	2022
HELD AT AMORTISED COST				
Molopo Energy Limited ("Molopo")	51 036	46 761	-	-
US International Development Finance Corporation ("DFC")	678 180	614 004	-	-
Industrial Development Corporation ("IDC")	181 799	162 075	-	-
TOTAL	**911 015**	**822 840**	**-**	**-**

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

	GROUP		COMPANY	
	2023	2022	2023	2022
NON-CURRENT				
Molopo	51 036	46 761	-	-
DFC	598 394	564 220	-	-
IDC	157 128	162 075	-	-
	806 558	**773 056**	-	-
CURRENT				
DFC	79 786	49 784	-	-
IDC	24 671	-	-	-
	104 457	**49 784**	**-**	**-**
TOTAL	**911 015**	**822 840**	**-**	**-**

Movements in the Group's borrowings are analysed in note 29.

Molopo

Tetra4 entered into a R50.0 million loan agreement with Molopo on 1 May 2013. This loan was part of the conditions of the sale of shares in Tetra4 from Molopo to Windfall Energy Proprietary Limited. The 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. 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.

DFC

Tetra4 entered into a US$40.0 million finance agreement with the 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 disclosed in notes 3 and 9.

Interest

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

Interest is payable by Tetra4 to the DFC quarterly on 15 February, 15 May, 15 August and 15 November of each year (Repayment Dates) for the duration of the loan. This interest is capitalised to assets under construction within PPE in line with the Group policy. Interest paid during the year totalled US$0.7 million (R11.7 million) (2022: US$0.6 million (R9.7 million)).

Guarantee fee

A guarantee fee of 4% per annum is payable by Tetra4 to the DFC on any outstanding loan balance. The guaranty fee is payable quarterly on the Repayment Dates. Tetra4 paid guaranty fees totalling US$1.6 million (R26.6 million) during the year under review (2022: US$1.3 million (R21.0 million)).

Commitment fee

A commitment fee of 0.5% per annum is payable by Tetra4 to the DFC on any undisbursed amounts under the Facility Agreement. Commitment fees were payable quarterly on the Repayment Dates. Tetra4 did not pay any commitment fees as there were no undrawn amounts during the year under review. (2022: US$2 500 (R38 250)).

Facility fee

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

Maintenance fee

An annual maintenance fee of US$0.04 million is payable by Tetra4 to the DFC for the duration of the loan term and is payable on 15 November of each year, commencing on 15 November 2020. The maintenance fee covers administrative costs relating to the loan. Tetra4 paid maintenance fees amounting to US$0.04 million (R0.6 million) during the year under review (2022: US$0.04 million (R0.5 million)).

Debt covenants

The following debt covenants apply to the DFC loan:

a) Tetra4 is required to maintain at all times i) a ratio of all interest bearing Debt to EBITDA of not more than 3.0 to 1; (ii) a ratio of Current Assets to Current Liabilities of not less than 1 to 1; and (iii) a Reserve Tail Ratio of not less than 25%.

(b) Tetra4 is required to maintain at all times (i) a ratio of Cash Flow for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, to Debt Service for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, of not less than 1.30 to 1; and (ii) a ratio of Cash Flow for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, to Debt Service for the next succeeding four (4) consecutive full fiscal quarters of not less than 1.3 to 1.

(c) Tetra4 is required to ensure that the Debt Service Reserve Account (note 9) is funded in the aggregate of all amounts due to the DFC within the next 6 months.

The covenants in a) and b) will apply 18 months after the completion of the construction of Phase 1 of the Virginia Gas Plant. The Group has complied with the covenant under c) above for the year under review and believes that it will be able to comply with the covenants throughout the tenure of the loan.

"Reserve Tail Ratio" means for any calculation date, the quotient obtained by dividing (a) all of the Borrower's remaining Proved Reserves as of such calculation date by (b) all of the Borrower's Proved Reserves as of the date of this Agreement.

IDC

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

Debt coventants

The following debt covenants apply to the IDC loan.

a) Tetra4 is required to maintain the same financial and reserve tail ratios, and a 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'sprior 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 year under review 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.

Figures in Rand Thousands

16. LEASE LIABILITIES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Non-current	1 108	1 407	-	-
Current	1 184	1 775	-	-
TOTAL	**2 292**	**3 182**	**-**	**-**

The maturity analysis of lease liabilities is as follows:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Lease payments				
Due within one year	1 358	1 990	-	-
Due within two to five years	1 260	1 518	-	-
	2 618	**3 508**	-	-
Finance charges	(326)	(326)	-	-
Net present value	**2 292**	**3 182**	**-**	**-**

The lease liability relates to the lease of certain motor vehicles and the head office building. The net book value of the right of use assets as at 28 February 2023 is R3.1 million (28 February 2022: R3.7 million). The lease term for motor vehicles is 5 years and 3 years for the head office building. The lease for the head office building expired in June 2022 and the Group is currently on a short-term lease for office space up until June 2023 when it is expected to commence a new lease.

There were no breaches or defaults on contracts during the current or comparative period.

The expenses relating to lease payments not included in the measurement of the lease liability is as follows:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Leases of low value assets	571	386	-	-
TOTAL	**571**	**386**	**-**	**-**

As at 28 February 2023 the Group was committed to leases of low value assets and total commitments at that date were R0.3 million (2022: R0.5 million). Payments made during the year relating to low value leases totalled R0.6 million (2022: R0.4 million).

A reconciliation for the related right-of-use assets is provided in note 3 and the interest expense on leases is disclosed in note 25.

The movements in lease liabilities are outlined below:

	GROUP 2023					
	At 1 March 2022	**New leases**	**Interest expense**	**Interest paid**	**Lease payments**	**At 28 February 2023**
Lease liabilities	3 182	1 238	302	(302)	(2 128)	2 292
TOTAL	**3 182**	**1 238**	**302**	**(302)**	**(2 128)**	**2 292**

Figures in Rand Thousands

	GROUP 2022				
	At 1 March 2021	Interest expense	Interest paid	Lease payments	At 28 February 2022
Lease liabilities	6 190	480	(480)	(3 008)	3 182
TOTAL	**6 190**	**480**	**(480)**	**(3 008)**	**3 182**

17. DEFERRED REVENUE

	GROUP		COMPANY	
	2023	2022	2023	2022
Balance at 1 March	-	-	-	-
Arising during the year	14 956	-	-	-
Foreign exchange losses	137	-	-	-
Balance at 28 February	**15 093**	**-**	**-**	**-**

Tokens to the value of $0.8 million (3 556 units at a price of $225 per unit) were issued. The tokens have no expiry date. When a token is redeemed, revenue relating to the transaction is recognised at the original value at which the token has been issued.

18. PROVISIONS

RECONCILIATION OF PROVISIONS

	GROUP						
	2023			2022			
	Opening Balance	Arising during the year	Total	Opening Balance	Arising during the year	Reversals	Total
NON-CURRENT LIABILITIES							
Environmental rehabilitation	29 486	8 078	37 564	4 000	25 486	-	29 486
CURRENT LIABILITIES							
Environmental rehabilitation	1 272	1 128	2 400	-	1 272	-	1 272
Provision for IDC costs	-	-	-	2 180	-	(2 180)	-
TOTAL	**30 758**	**9 206**	**39 964**	**6 180**	**26 758**	**(2 180)**	**30 758**

Additional amounts recognised with respect to the rehabilitation provision were recorded against assets under construction within property, plant and equipment (see note 3).

ENVIRONMENTAL REHABILITATION

The Group has production and exploration rights on land in the Free State (South Africa). Exploration is currently ongoing and a provision of R40.0 million (2022: R30.8 million) has been recognised with respect to the rehabilitation of this land. This amount is based on an estimate of the costs to be incurred to address the following:

- Disturbed infrastructure areas;
- Existing production wells and all exploration wells;

Figures in Rand Thousands

- General surface rehabilitation;
- Monitoring; and
- Latent/residual environmental risk related to resealing wells.

The rehabilitation provision was calculated on scheduled closure costs. The scheduled closure costs represented the costs required to rehabilitate the environment as at the end of Feb 2023. There are no uncertainties around the amount nor timing as the rehabilitation provision refers to current obligations based on the current condition of the environment.

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

IDC PROVISION

The Group entered into a loan agreement with the IDC on 31 March 2017 for an amount equal to R218.0 million to fund the construction of the Virginia Gas Project. Shortly after concluding the loan agreement, the Board took a strategic decision to pivot away from compressed natural gas (CNG) and opted to develop a liquified natural gas (LNG) and helium facility. The loan agreement was cancelled during the 2019 financial year and a provision of R5.8 million was raised by the Group at 28 February 2019 for commitment and administration fees incurred on the IDC funding agreement. As agreed with the IDC the provision was reduced during the 2020 year to 1% of the amount that would have been advanced. During the prior year the provision was reversed due to the cancellation by the IDC of the historical commitment and administration fees on inception of the new loan agreement referred to in note 15.

19. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
FINANCIAL INSTRUMENTS				
Trade payables[1]	71 070	6 225	21 086	180
Accrued expenses	13 769	9 275	5 026	544
	84 839	**15 500**	**26 112**	**724**
NON-FINANCIAL INSTRUMENTS				
Accrued leave pay	3 029	2 758	1 301	-
Accrual for bonus	4 445	3 344	2 515	-
TOTAL	**92 313**	**21 602**	**29 928**	**724**

1 - The increase is trade payables reflects the increase in operations following the commissioning of the Virginia Gas Project in September 2022. The increase also reflects costs associated with finalising the construction and commissioning of the plant.

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

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
US Dollars	18 292	28	16 444	-
Australian Dollars	59	144	59	139
Great British Pounds	1 075	-	667	-
Euros	32 112	-	-	-
South African Rands	40 775	21 430	12 758	585
TOTAL	**92 313**	**21 602**	**29 928**	**724**

Figures in Rand Thousands

For purposes of the cashflow statement the movement in trade and other payables comprises:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Trade and other payables at the beginning of the year	(21 602)	(27 291)	(724)	(1 353)
Eliminated in the cashflow statement:				
Accruals attributable to - share issue costs	(2 208)	-	(2 208)	-
- leave pay	(138)	728	(1 302)	-
- bonus	(1 877)	2 293	(3 250)	-
- assets under construction	(74 057)	-	-	-
Trade and other payables at the end of the year	92 313	21 602	29 928	724
Movement in trade and other payables as per the cashflow statement	**(7 569)**	**(2 668)**	**22 444**	**(629)**

20. REVENUE

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
REVENUE FROM CONTRACTS WITH CUSTOMERS				
Sale of CNG	1 550	2 637	-	-
Sale of LNG	11 137	-	-	-
TOTAL	**12 687**	**2 637**	**-**	**-**

All of the Group's revenue is recognised when products are delivered to the destination specified by the customer and the customer has gained control of the products through their ability to direct the use of and obtain substantially all the benefits from the products.

Revenue increased by 381% during the year under review as Tetra4 entered into supply agreements with two new customers for the supply of LNG. Tetra4 commenced sales of LNG in September 2022.

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

21. COST OF SALES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Employee costs	499	689	-	-
Plant depreciation	2 435	2 142	-	-
Fuel and lubricants	1 409	88	-	-
Utilities	4 341	493	-	-
TOTAL	**8 684**	**3 412**	**-**	**-**

Cost of sales increased during the year under review due to production costs associated with LNG. Tetra4 commenced producing LNG in September 2022.

Figures in Rand Thousands

22. OTHER OPERATING INCOME

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Profit on disposal of property, plant and equipment[1]	55	-	-	-
Selling profit on finance lease receivables	3 924	-	-	-
Net foreign exchange gains	9 569	3 569	818	12
Other income	82	167	-	-
TOTAL	**13 630**	**3 736**	**818**	**12**

1 - A motor vehicle with a net book value of Rnil was disposed of during the year for R55 000 resulting in the reported profit on disposal.

The net foreign exchange gains above arose on translation of foreign creditors and US Dollar and Australian Dollar denominated cash balances.

23. OTHER OPERATING EXPENSES

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
OPERATING EXPENSES BY NATURE				
Consulting and advisory fees[1]	5 019	1 883	2 151	1 148
Listing costs[2]	2 769	1 568	2 769	1 568
Employee costs[3]	2 843	3 280	8 555	-
Depreciation and amortisation[4]	2 977	3 378	194	322
Computer and IT expenses	3 801	3 412	49	16
Security	322	1 871	-	-
Selling and distribution expense	1 455	-	-	-
Marketing and advertising	3 766	1 070	684	21
Insurance	1 245	1 548	-	-
Legal and professional fees	3 473	4 529	1 822	2 230
Other operating costs[5]	9 798	8 037	1 223	407
Directors fees - Non-executive	2 161	2 295	2 161	2 295
Executive Directors' remuneration[6]	3 250	5 336	-	-
TOTAL	**42 879**	**38 207**	**19 608**	**8 007**

1 - Increase attributable to advisory fees for the proposed initial public offering in the United States of America and consulting relating to the Group's strategy, risk management and funding initiatives. Prior year fees primarily comprised tax advisory, remuneration consultancy and corporate research costs.
2 - Listing costs in the current year were impacted by additional listing fees for the new shares issued as highlighted in note 13.
3 - Excludes employee costs amounting to R0.5 million (2022: R0.7 million) attributable to the manufacturing of gas sold which are included in cost of sales.
4 - Excludes depreciation for plant and machinery amounting to R2.4 million (2022: R2.1 million) which is included in cost of sales. Amounts presented include amortisation for computer software amounting to R0.6 million (2022: R0.4 million).
5 - The remaining other operating costs primarily consist of travel and accomodation costs, training expenses, health and safety costs, office expenses, motor vehicle costs, repairs and maintenance and exploration expenses.
6 - Directors fees amounting to R13.0 million (2022: R9.7 million) were capitalised to assets under construction (note 3) during the year under review.

24. INTEREST INCOME

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Interest income - cash and cash equivalents	2 307	275	1 422	83
Interest income - net investment in finance leases	1 368	-	-	-
TOTAL	**3 675**	**275**	**1 422**	**83**

Figures in Rand Thousands

Interest received as presented in the statement of cash flows excludes interest income on the net investment in finance leases which is non-cash in nature.

25. INTEREST EXPENSE AND IMPUTED INTEREST

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Interest - leasing arrangements	302	480	-	-
Imputed interest - borrowings	4 275	3 708	-	-
Interest - other	6	29	5	-
TOTAL	**4 583**	**4 217**	**5**	**-**

Interest paid as presented in the statement of cash flows comprises:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
Interest - leasing arrangements	302	480	-	-
Interest - other	6	29	5	-
Interest paid per the statement of cash flows	**308**	**509**	**5**	**-**

26. TAXATION

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
MAJOR COMPONENTS OF THE TAX INCOME				
Deferred				
Originating and reversing temporary differences	9 707	8 553	(235)	387
TOTAL	**9 707**	**8 553**	**(235)**	**387**

RECONCILIATION OF EFFECTIVE TAX RATE				
Accounting loss before taxation	(36 432)	(42 303)	(25 278)	(7 964)
Tax at the applicable tax rate of 28% (2022: 28%)	10 201	11 845	7 078	2 230
Tax effect of:				
Non-deductible expenses				
- Share-based payments	(2 869)	(872)	(2 213)	(14)
- Imputed interest expense	(1 197)	(1 038)	-	-
- Bursaries	(29)	-	-	-
- Legal fees	-	470	-	-
Current year losses for which no deferred tax asset has been recognised	(22 762)	(29 581)	(4 926)	(1 614)
Special oil & gas allowances[1]	24 093	20 294	-	-
Increase in rehabilitation guarantee	2 485	9 057	-	-
Effect of change in tax rate	(215)	(1 622)	(174)	(215)
TOTAL	**9 707**	**8 553**	**(235)**	**387**

1 - See note 1.8

Figures in Rand Thousands

27. REVALUATION RESERVE

	GROUP		COMPANY	
	2023	2022	2023	2022
Balance at the beginning of the year	598	598	-	-
Balance at the end of the year	**598**	**598**	**-**	**-**

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

28. CASH (USED IN)/FROM OPERATIONS

		GROUP		COMPANY	
	Notes	2023	2022	2023	2022
Loss before taxation		**(36 432)**	**(42 303)**	**(25 278)**	**(7 964)**
CASH ADJUSTMENTS					
Interest received - cash and cash equivalents	24	(2 307)	(275)	(1 422)	(83)
Cash interest paid	25	6	29	5	-
Movement in restricted cash	9	(53 992)	(17 184)	-	-
Lease liabilities - interest expense	25	302	480	-	-
NON-CASH ADJUSTMENTS					
Interest received - net investment in financial lease	24	(1 368)	-	-	-
Imputed interest	25	4 275	3 708	-	-
Depreciation and amortisation	21, 23	5 412	5 520	194	322
Share-based payments expense	14	10 278	3 115	7 905	52
Selling profit on finance lease receivables	22	(3 924)	-	-	-
Profit on disposal of property, plant and equipment	22	(55)	-	-	-
Decrease in IDC provision	18	-	(2 180)	-	-
Increase/(decrease) in leave pay accrual		138	(728)	1 302	-
Increase/(decrease) in bonus accrual		1 877	(2 293)	3 250	-
Net foreign exchange gains	19	(933)	(4 899)	(1 069)	(152)
CHANGES IN WORKING CAPITAL					
Inventory		(147)	-	-	-
Deferred Revenue	17	14 956	-	-	-
Finance lease receivables	10	1 042	-	-	-
Trade and other receivables		(4 462)	(19 263)	(1 801)	(677)
Trade and other payables		(7 569)	(2 668)	22 444	(629)
TOTAL		**(72 903)**	**(78 941)**	**5 530**	**(9 131)**

Figures in Rand Thousands

29. CHANGES IN LIABILITES ARISING FROM FINANCING ACTIVITIES

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	GROUP 2023					
	At 1 March 2022	Interest[1]	Non-cash movements: foreign exchange losses[2]	Repayments - capital[3]	Repayments - interest[3]	At 28 February 2023 (note 15)
Molopo Energy Limited ("Molopo")	46 761	4 275	-		-	51 036
US International Development Finance Corporation ("DFC")	614 004	38 846	120 290	(56 114)	(38 846)	678 180
Industrial Development Corporation ("IDC")	162 075	23 950	-		(4 226)	181 799
TOTAL	**822 840**	**67 071**	**120 290**	**(56 114)**	**(43 072)**	**911 015**

1 - Interest on the Molopo loan is non-cash imputed interest representing the unwinding of the discount applied on initial recognition of the loan (see notes 15 and 25). Interest on the DFC and IDC loans is cash in nature and is capitalised to assets under construction within property, plant and equipment (see note 3).
2 - Exchange differences are capitalised to assets under construction within property, plant and equipments (see note 3)
3 - Repayments of capital, interest and fees attributable to the DFC loan in line with loan terms (see note 15). The Group has elected to show repayments of interest under financing activities (see note 1.15).

	GROUP 2022					
	At 1 March 2021	Advances	Interest[4]	Non-cash movements: foreign exchange losses[5]	Repayments - interest[6]	At 28 February 2022 (note 15)
Molopo	43 053	-	3 708	-	-	46 761
DFC	491 240	112 145	31 293	10 619	(31 293)	614 004
IDC	-	158 844	3 231	-	-	162 075
TOTAL	**534 293**	**270 989**	**38 232**	**10 619**	**(31 293)**	**822 840**

4 - Interest on the Molopo loan is non-cash imputed interest representing the unwinding of the discount applied on initial recognition of the loan (see notes 15 and 25). Interest on the DFC and IDC loans is cash in nature and is capitalised to assets under construction within property, plant and equipment (see note 3).
5 - Exchange differences are capitalised to assets under construction within property, plant and equipments (see note 3) which is permissible under IAS-23 borrowing costs.
6 - Repayments of interest and fees attributable to the DFC loan in line with loan terms (see note 15). The Group has elected to show repayments of interest under financing activities (see note 1.15).

30. COMMITMENTS AND CONTINGENT LIABILITIES

30.1 CONTINGENT LIABILITIES

There are no contingent liabilities as at 28 February 2023 (2022: nil) attributable to any of the Group companies.

30.2 COMMITMENTS

	2023		
	Spent to date	Contractual commitments	Total approved
Capital equipment, construction and drilling costs	317 020	56 365	373 385
TOTAL	**317 020**	**56 365**	**373 385**

	2022		
	Spent to date	Contractual commitments	Total approved
Capital equipment, construction and drilling costs	390 000	219 700	609 700
TOTAL	**390 000**	**219 700**	**609 700**

Figures in Rand Thousands

The Board approved total project costs amounting to R1.5 billion (2022: R1.1 billion) relating to the construction of the Virginia Gas Plant. At 28 February 2023 the Group had contractual commitments totalling R56.4 million (Feb 2022: R219.7 million) for the procurement of capital equipment. As at the end of the reporting period there were no other material contractual commitments to acquire capital equipment.

31. RELATED PARTIES

RELATIONSHIPS

Subsidiary	Tetra4 (Proprietary) Limited (see note 5)
	Cryovation (Proprietary) Limited (see note 5)
Shareholders with significant influence	CRT Investments (Proprietary) Limited
	MATC Investment Holdings (Proprietary) Limited
Companies controlled by Directors	CRT Investments (Proprietary) Limited
	MATC Investment Holdings (Proprietary) Limited
	Luhuhi Investments (Proprietary) Limited

There were no transactions with companies controlled by Directors (2022: Rnil).

Key management personnel include Executive and Non-executive Directors and members of the Executive Committee. Refer to the Directors' Report for more detail. Remuneration of key management personnel is disclosed in note 32.

RELATED PARTY BALANCES

COMPANY			
2023	**TETRA4**	**CRYOVATION**	**TOTAL**
At 1 March 2022	**488 677**	**-**	**488 677**
New loans advanced	555 536	1 975	557 511
At 28 February 2023	**1 044 213**	**1 975**	**1 046 188**

2022	**TETRA4**
At 1 March 2021	**395 775**
New loans advanced	92 902
At 28 February 2022	**488 677**

Figures in Rand Thousands

32. DIRECTORS' AND PRESCRIBED OFFICERS EMOLUMENTS

	GROUP					
	NON-EXECUTIVES					
	2023			2022		
Fees paid to Non-executive Directors:	**Directors' Board fees**	**Committee fees**	**Total**	**Directors' Board fees**	**Committee fees**	**Total**
Brett Kimber[1]	-	-	-	550	59	609
David King	739	77	816	338	4	342
Mbali Swana	274	190	464	240	207	447
Luigi Matteucci	274	200	474	254	224	478
Bane Maleke[2]	274	133	407	254	165	419
TOTAL	**1 561**	**600**	**2 161**	**1 636**	**659**	**2 295**

1 - Resigned from his roles as Chairman and Non-Executive Director of Renergen on 30 November 2021.
2 - Retired on 6 February 2023

Thembisa Skweyiya and Dumisa Hlatshwayo who were appointed as independent Non-Executive Directors on 6 February 2023 did not earn any remuneration during the year under review.

Francois Olivier stepped down from his role as Non-Executive Director of Renergen on 6 February 2023. He was appointed in November 2018 to represent Mazi Asset Management (one of Renergen's shareholders) and did not earn Directors fees.

Alex Pickard stepped down from his role as Non-Executive Director of Renergen on 6 February 2023. He was appointed in April 2022 to represent Ivanhoe Mines Limited (one of Renergen's shareholders) and did not earn Directors fees.

	GROUP								
	EXECUTIVES								
	2023				2022				
Remuneration paid to Executive Directors:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Other[2]**	**Total**
Stefano Marani	4 666	1 213	1 213	7 092	4 320	860	860	-	6 040
Fulu Ravele[1]	-	-	-	-	227	-	-	1 444	1 671
Brian Harvey	3 779	723	723	5 225	2 917	-	500	-	3 417
Nick Mitchell	4 666	1 201	1 201	7 068	4 320	916	916	-	6 152
TOTAL	**13 111**	**3 137**	**3 137**	**19 385**	**11 784**	**1 776**	**2 276**	**1 444**	**17 280**

1 - Resigned on 31 March 2021.
2 - Payment made as part of exit package upon resignation on 31 March 2021.

Figures in Rand Thousands

	GROUP							
	PRESCRIBED OFFICERS							
	2023				2022			
Remuneration paid to Prescribed Officers:	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**	**Total annual guaranteed package**	**Short-term cash incentive paid**	**Share incentive**	**Total**
Johann Weideman[3]	-	-	-	-	1 953	198	198	2 349
Khalid Patel[3]	-	-	-	-	1 552	149	149	1 850
Mandy-Leigh Stuart[3]	-	-	-	-	1 399	111	111	1 621
Nalanie Naidu[3]	-	-	-	-	1 610	148	148	1 906
Leonard Eiser [4]	2 238	-	-	2 238	-	-	-	-
TOTAL	**2 238**	**-**	**-**	**2 238**	**6 514**	**606**	**606**	**7 726**

3 - These employees are no longer prescribed officers due to a change in the structure of the Group Executive Committee.
4 - Appointed on 1 April 2022

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

	GROUP					
	EXECUTIVES AND PRESCRIBED OFFICERS					
	2023			2022		
Bonus shares granted to Executive Directors and Prescribed Officers:	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)[6]**	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)[6]**
Stefano Marani	32	37,43	1 213	38	22,78	860
Brian Harvey	19	37,43	723	22	22,78	500
Nick Mitchell	32	37,43	1 201	40	22,78	916
Johann Weiderman[7]	-	-	-	9	22,78	198
Khalid Patel[7]	-	-	-	6	22,78	149
Mandy-Leigh Stuart[7]	-	-	-	5	22,78	111
Nalanie Naidu[7]	-	-	-	6	22,78	148
TOTAL	**83**		**3 137**	**126**		**2 882**

6 - Numbers presented are impacted by rounding.
7 - Bonus shares were granted to these employees during the year under review, however the awards are not disclosed above as the employees are no longer prescribed officers due to a change in the structure of the Group Executive Committee.

	GROUP					
	EXECUTIVES AND PRESCRIBED OFFICERS					
	2023			2022		
Share options granted to Executive Directors and Prescribed Officers pursuant to the SAR Plan:	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)**	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)**
Stefano Marani	**-**	**-**	**-**	**2 360**		**3 687**
Tier 1	-	-	-	320	4,64	1 485
Tier 2	-	-	-	500	2,20	1 100
Tier 3	-	-	-	680	1,14	775
Tier 4	-	-	-	860	0,38	327
Brian Harvey	**-**	**-**	**-**	**1 652**		**2 581**
Tier 1	-	-	-	224	4,64	1 039
Tier 2	-	-	-	350	2,20	770
Tier 3	-	-	-	476	1,14	543
Tier 4	-	-	-	602	0,38	229
Nick Mitchell	**-**	**-**	**-**	**2 360**		**3 687**
Tier 1	-	-	-	320	4,64	1 485
Tier 2	-	-	-	500	2,20	1 100
Tier 3	-	-	-	680	1,14	775
Tier 4	-	-	-	860	0,38	327
Johan Weiderman	**-**		**-**	**400**		**597**
Tier 1	-	-	-	50	4,64	232
Tier 2	-	-	-	75	2,20	165
Tier 3	-	-	-	125	1,14	143
Tier 4	-	-	-	150	0,38	57
Khalid Patel	**-**	**-**	**-**	**400**		**597**
Tier 1	-	-	-	50	4,64	232
Tier 2	-	-	-	75	2,20	165
Tier 3	-	-	-	125	1,14	143
Tier 4	-	-	-	150	0,38	57
Mandy-Leigh Stuart	**-**		**-**	**400**		**597**
Tier 1	-	-	-	50	4,64	232
Tier 2	-	-	-	75	2,20	165
Tier 3	-	-	-	125	1,14	143
Tier 4	-	-	-	150	0,38	57
Nalanie Naidu	**-**		**-**	**400**		**597**
Tier 1	-	-	-	50	4,64	232
Tier 2	-	-	-	75	2,20	165
Tier 3	-	-	-	125	1,14	143
Tier 4	-	-	-	150	0,38	57

(continued)

	GROUP					
	EXECUTIVES AND PRESCRIBED OFFICERS					
	2023			2022		
Share options granted to Executive Directors and Prescribed Officers pursuant to the SAR Plan:	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)**	**Number of shares granted ('000)**	**Fair value per share at grant date Rand**	**Value of shares at grant date (R'000)**
Leonard Eiser	**450**		**616**	**-**		**-**
Tier 1	50	4,64	232	-	-	-
Tier 2	75	2,20	165	-	-	-
Tier 3	125	1,14	143	-	-	-
Tier 4	200	0,38	76	-	-	-
Russell Broadhead	**450**		**616**	**-**		**-**
Tier 1	50	4,64	232	-	-	-
Tier 2	75	2,20	165	-	-	-
Tier 3	125	1,14	143	-	-	-
Tier 4	200	0,38	76	-	-	-
TOTAL	**900**		**1 232**	**7 972**		**12 343**

The performance and service conditions for the above share options and bonus scheme shares are provided in note 14.

Post employment and termination benefits.
The Group does not provide post-employment or termination benefits.

33. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

CATEGORIES OF FINANCIAL INSTRUMENTS

Categories of financial assets

		GROUP	
	Notes	**2023**	**2022**
		Amortised cost	**Amortised cost**
Restricted cash	9	91 987	37 995
Trade and other receivables	11	8 798	27 032
Cash and cash equivalents	12	55 705	95 088
TOTAL		**156 490**	**160 115**

		COMPANY	
	Notes	**2023**	**2022**
		Amortised cost	**Amortised cost**
Loans to subsidiaries	7	1 046 188	488 677
Cash and cash equivalents	12	18 520	9 362
Trade and other receivables	11	-	957
TOTAL		**1 064 708**	**498 996**

Figures in Rand Thousands

The carrying values of the financial assets disclosed above approximate their fair values.

Categories of financial liabilities

	GROUP						
	Notes	2023			2022		
		Amortised cost	Leases	Total	Amortised cost	Leases	Total
Trade and other payables	19	84 839	-	84 839	21 602	-	21 602
Borrowings	15	911 015	-	911 015	822 840	-	822 840
Lease liabilities	16	-	2 292	2 292	-	3 182	3 182
TOTAL		**995 854**	**2 292**	**998 146**	**844 442**	**3 182**	**847 624**

		COMPANY	
	Notes	2023	2022
		Amortised cost	Amortised cost
Trade and other payables	19	26 112	724
TOTAL		**26 112**	**724**

The carrying values of the financial liabilities disclosed above approximate their fair values.

PRE-TAX GAINS AND LOSSES ON FINANCIAL INSTRUMENTS

Gains and (losses) on financial assets

	GROUP				
	Notes	2023		2022	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income	24	2 307	2 307	275	275

	COMPANY				
	Notes	2023		2022	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest income	24	1 422	1 422	83	83

Gains and (losses) on financial liabilities

	GROUP				
	Notes	2023		2022	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Net foreign exchange gains	22	9 569	9 569	3 569	3 569
Interest expense	25	(6)	(6)	(509)	(509)
Imputed interest expense	25	(4 275)	(4 275)	(3 708)	(3 708)
TOTAL		**5 288**	**5 288**	**(648)**	**(648)**

Figures in Rand Thousands

	COMPANY				
	Notes	2023		2022	
		Amortised cost	Total	Amortised cost	Total
RECOGNISED IN PROFIT OR LOSS					
Interest expense	25	(5)	(5)	-	-
Net foreign exchange gains	22	818	818	12	12
TOTAL		**813**	**813**	**12**	**12**

CAPITAL RISK MANAGEMENT

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for all other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. It manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group recently transitioned from a construction project following the commencement of LNG operations in September 2022. As such, the Group is in the process of finalising the optimal capital structure along with funding for Phase 2 of the Virginia Gas Project. In order to maintain or adjust the capital structure, the Group may issue new shares or acquire new debt.

The Group's borrowings, cash and cash equivalents and equity are disclosed in notes 15, 12 and 13, respectively. Debt covenants relating to loans are disclosed in note 15.

		GROUP		COMPANY	
	Notes	2023	2022	2023	2022
Cash and cash equivalents	12	55 705	95 088	18 520	9 362
Stated capital	13	(1 134 750)	(563 878)	(1 733 149)	(1 162 277)
Borrowings	15	(911 015)	(822 840)	-	-
TOTAL		**(1 990 060)**	**(1 291 630)**	**(1 714 629)**	**(1 152 915)**

FINANCIAL RISK MANAGEMENT

Overview

The Group is exposed to a variety of financial risks: market risk (including price risk, currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. Overall responsibility for establishment and oversight of the risk management framework rests with the Board of directors ("Board"). The Board, through the Group Executive Committee, is responsible for the development, monitoring and communication of the processes for managing risk across the Group. The Group's overall risk management programme ensures that business risks are systematically identified, assessed and reduced to acceptable levels, whether they are insurable or not, without unduly affecting the Group's competitiveness and flexibility. The Group maintains an integrated, enterprise-wide, risk management programme and risks are monitored, measured, assessed and reported to the Board on a quarterly basis. Through this process the Board reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets to manage financial risks.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Figures in Rand Thousands

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales and cash held on its behalf by counterparties. The Company's credit risk also arises from loans advanced to subsidiaries. Credit risk in this regard is managed on a Group basis as well as on an individual company basis to ensure that counterparty default risk is reduced to an acceptable level. Financial instruments exposed to credit risk include restricted cash (note 9), cash and cash equivalents (note 12), trade and other receivables (note 11), finance lease receivables (note 10) and the loans to subsidiaries (note 7).

Cash and cash equivalents and restricted cash

The Company and Group only deposit cash with major banks with high-quality credit standing and limit exposure to any one counterparty. The Group's cash is held with financial institutions with a Ba2 Moody's credit rating.

Trade and other receivables and lease receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. These procedures include third-party credit checks which assist to assess the short-term liquidity and financial position of each prospective customer. Credit limits are also established for each customer which represent the maximum open amount without requiring approval from the Group Executive Committee.

Loans to subsidiaries

All loans to subsidiaries are approved by the Group Executive Committee and are subject to shareholder approvals which are granted and renewed annually. Loans are granted after an assessment has been performed of the Group company's ability to repay amounts advanced. In this regard, the Company assesses the respective Group's company's cash flow forecasts and financial plans.

The maximum credit risk exposure of the Company and the Group is the carrying values of trade and other receivables, restricted cash, cash and cash equivalents, finance lease receivables and the loans to subsidiaries disclosed in notes 11, 9, 12, 10 and 7, respectively. These financial instruments and related carrying values are listed below.

	GROUP							
	Notes	2023				2022		
		Gross carrying amount	Credit loss allowance	Amortised cost	Leases	Gross carrying amount	Credit loss allowance	Amortised cost
Finance lease receivables	10	-	-	-	54 559	-	-	-
Trade and other receivables	11	8 798	-	8 798	-	1 492	-	1 492
Restricted cash	9	91 987	-	91 987	-	37 995	-	37 995
Cash and cash equivalents	12	55 705	-	55 705	-	95 088	-	95 088
TOTAL		**156 490**	**-**	**156 490**	**54 559**	**134 575**	**-**	**134 575**

Figures in Rand Thousands

	COMPANY						
	Notes	2023			2022		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Loans to subsidiaries	7	1 046 188	-	1 046 188	488 677	-	488 677
Trade and other receivables	11	-	-	-	882	-	882
Cash and cash equivalents	12	18 520	-	18 520	9 362	-	9 362
TOTAL		**1 064 708**	**-**	**1 064 708**	**498 921**	**-**	**498 921**

At 28 February 2023, the Group and Company's exposure to credit risk is not material for reasons highlighted above (also see notes 7, 10 and 11) (2022: Rnil).

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. Management manages cash flows on a Group basis through an ongoing review of future commitments against available cash and credit facilities. Rolling cash flow forecasts are prepared monthly and spending is monitored for compliance with internal targets. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on a portion of its long-term borrowings, this is further discussed in the 'interest rate risk' section below.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	GROUP 2023								
	Notes	Within 3 months	Within 4 - 6 months	Within 7 -12 months	2 to 3 years	4 to 5 years	Over 5 years	Total	Carrying amount
NON-CURRENT LIABILITIES									
Borrowings	15	-	-	-	295 697	351 171	453 622	1 100 490	806 558
Deferred revenue	17	-	-	-	15 093	-	-	15 093	15 093
Lease Liabilities	16	-	-	-	905	355	-	1 260	1 108
CURRENT LIABILITIES									
Borrowings	15	36 231	37 711	77 116	-	-	-	151 058	104 457
Trade and other payables	19	84 839	-	-	-	-	-	84 839	84 839
Lease liabilities	16	340	340	678	-	-	-	1 358	1 184
TOTAL		**121 410**	**38 051**	**77 794**	**311 695**	**351 526**	**453 622**	**1 354 098**	**1 013 239**

Figures in Rand Thousands

	GROUP 2022							
	Notes	**Within 3 months**	**Within 4 - 6 months**	**Within 7 -12 months**	**2 to 5 years**	**Over 5 years**	**Total**	**Carrying amount**
NON-CURRENT LIABILITIES								
Borrowings	15	-	-	-	652 427	341 668	994 095	773 056
Lease Liabilities	16	-	-	-	1 518	-	1 518	1 407
CURRENT LIABILITIES								
Borrowings	15	8 831	25 426	50 673	-	-	84 930	49 784
Trade and other payables	19	18 844	-	2 758	-	-	21 602	21 602
Lease liabilities	16	498	498	994	-	-	1 990	1 775
TOTAL		**28 173**	**25 924**	**54 425**	**653 945**	**341 668**	**1 104 135**	**847 624**

	COMPANY 2023							
	Notes	**Within 3 months**	**Within 4 - 6 months**	**Within 7 -12 months**	**2 to 5 years**	**Over 5 years**	**Total**	**Carrying amount**
CURRENT LIABILITIES								
Trade and other payables	19	26 112	-	-	-	-	26 112	26 112
TOTAL		**26 112**	**-**	**-**	**-**	**-**	**26 112**	**26 112**

	COMPANY 2022							
	Notes	**Within 3 months**	**Within 4 - 6 months**	**Within 7 -12 months**	**2 to 5 years**	**Over 5 years**	**Total**	**Carrying amount**
CURRENT LIABILITIES								
Trade and other payables	19	724	-	-	-	-	724	724
TOTAL		**724**	**-**	**-**	**-**	**-**	**724**	**724**

Market risk

Market risk arises from the Group's use of interest bearing and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk). The Group's financial assets and liabilities affected by market risk include cash and cash equivalents (note 12), restricted cash (note 9), deferred revenue (note 17) and borrowings (note 15).

Foreign currency risk

The Group's operations expose it to foreign currency risk arising from purchases of goods and services, the acquisition of debt and cash held in currencies other than the South African Rand. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. During the year under review the Group transacted in currencies including the US Dollar, Australian Dollar, Euro and British Pound, however the Group is mostly exposed to transactions and balances denominated in US Dollars (see table below). The Company and Group review foreign currency exposure, including exposures arising from commitments on a monthly basis. The Group will in future rely on its ability to generate revenue in US Dollars (from Phase 2 of the Virginia Gas Project) which will be utilised to repay debt and other obligations denominated in this currency. In addition, the Group is also exploring foreign currency hedgeing strategies following the commissioning of the Virginia Gas Project in the second half of the financial year.

Figures in Rand Thousands

Included in the statement of financial position are the following carrying values denominated in currencies other than the Rand:

	GROUP 2023					
	Notes	USD	AUD	GBP	EURO	TOTAL
Restricted cash	9	61 733	-	-	-	61 733
Cash and cash equivalents	12	4	5 792	-	-	5 796
Trade and other payables	19	(18 292)	(59)	(1 075)	(32 112)	(51 538)
Deferred revenue	17	(15 093)	-	-	-	(15 093)
Borrowings	15	(678 180)	-	-	-	(678 180)
TOTAL		**(649 828)**	**5 733**	**(1 075)**	**(32 112)**	**(677 282)**

	GROUP 2022			
	Notes	USD	AUD	TOTAL
Restricted cash	9	34 257	-	34 257
Cash and cash equivalents	12	-	2 206	2 206
Trade and other payables	19	(28)	(144)	(172)
Borrowings	15	(614 004)	-	(614 004)
TOTAL		**(579 775)**	**2 062**	**(577 713)**

		COMPANY 2023			
	Notes	USD	AUD	GBP	TOTAL
Cash and cash equivalents	12	-	5 792	-	5 792
Trade and other payables	19	(16 444)	(59)	(667)	(17 170)
TOTAL		**(16 444)**	**5 733**	**(667)**	**(11 378)**

		COMPANY 2022	
	Notes	AUD	TOTAL
Cash and cash equivalents	12	2 206	2 206
Trade and other payables	19	(139)	(139)
TOTAL		**2 067**	**2 067**

A variation in the exchange rate, with all other variables held constant, would impact the Group post tax loss and equity as follows:

	GROUP		COMPANY	
	2023	2022	2023	2022
Weakening of Rand against the US Dollar by 2%	(12 997)	(11 594)	(329)	-
Strengthening of Rand against the US Dollar by 2%	12 997	11 594	329	-
Weakening of Rand against the Australian Dollar by 10%	573	206	573	207
Strengthening of Rand against the Australian Dollar by 10%	(573)	(206)	(573)	(207)
Weakening of Rand against the Euro by 5%	(1 606)	-	-	-
Strengthening of Rand against the Euro dollar by 5%	1 606	-	-	-

Figures in Rand Thousands

The impact of fluctuations in the British Pound against the Rand is not material at 28 February 2023.

	GROUP AND COMPANY	
	2023	**2022**
Year-end exchange rates	**R**	**R**
US Dollar	18,4505	15,3501
Australian Dollar	12,4040	11,0283
Euro	19,5328	*
British Pound	22,2178	*

** - no balances denominated in these currencies in 2022.*

Price risk

The Group is exposed to the risk of fluctuations in the prices of helium and CNG. The Group manages this risk through the use of contract-based prices with its customers which mitigates the volatility that may arise. As the Group's operations grow, it will consider options available to hedge its price risk exposure and is currently exploring the use of helium tokens currently under development (see note 4) as one way to manage this risk. At 28 February 2023 the Group's exposure to price risk is not material.

The Group is not exposed to equity price risk.

Interest rate risk

The Group's interest rate risk arises from its DFC, IDC and Molopo borrowings disclosed in note 15. The DFC borrowings expose the Group to fair value interest rate risk as they are secured at fixed interest rates. The IDC and Molopo borrowings expose the Group to cash flow interest rate risk as they are secured at a variable interest rates. The Group manages its interest rate risk by having a balanced portfolio of borrowings at fixed and variable rates, and also by monitoring interest rates on a regular basis.

A variation in the interest rate, with all other variables held constant, would impact the Group post tax loss and equity as follows:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
USD borrowings - DFC				
A 2% increase in the interest rate	(13 564)	(12 280)	-	-
A 2% decrease in the interest rate	13 564	12 280	-	-
Rand borrowings - IDC and Molopo				
A 5% increase in the interest rate	(11 642)	(8 104)	-	-
A 5% decrease in the interest rate	11 642	8 104	-	-

Management of risk associated with leased assets

All lease agreements set out the terms for the use, maintenance, transfer and relocation of leased assets. Tetra4 is responsible for maintaining or appointing a service provider to maintain all leased assets. The relocation of leased assets requires authorisation from Tetra4. The Group also regularly assesses the physical security over all leased assets.

Concentration risk

The Group is subject to marginal concentration risk as it had two LNG customers (see note 6) as at 28 February 2023 and one liquid helium customer. In May 2023, the Group secured a third LNG customer for the supply of LNG (see note 36). In order to manage concentration risk the Group is in discussions with various potential new customers for the remainder of the Phase 1 LNG production.

34. LOSS PER SHARE

		GROUP	
		2023	**2022**
Loss per share			
Basic and diluted	(cents)	(19,86)	(27,73)
Loss attributable to equity holders of Renergen Limited used in the calculation of the basic and diluted loss per share	R'000	(26 725)	(33 750)

Weighted average number of ordinary shares used in the calculation of basic loss per share:	**(000's)**	**134 536**	**121 689**
Issued shares at the beginning of the year	(000's)	123 934	117 508
Effect of shares issued during the year (weighted)	(000's)	10 602	4 181
Add: Dilutive share options		-	-
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**(000's)**	**134 536**	**121 689**

The share options and bonus scheme shares have not been included in the weighted average number of shares used to calculate the diluted loss per share or the diluted headline loss per share as they are anti-dilutive. These options are anti-dilutive because of the loss position of the Group.

Headline loss per share			
Basic and diluted	(cents)	(19,89)	(27,73)

Reconciliation of headline loss			
Loss attributable to equity holders of Renergen Limited	R'000	(26 725)	(33 750)
Profit on disposal of property, plant and equipment	R'000	(55)	-
Tax effects	R'000	15	-
Headline loss	**R'000**	**(26 765)**	**(33 750)**

The headline loss has been calculated in accordance with Circular 1/2021 issued by the South African Institute of Chartered Accountants.

35. NET ASSET VALUE PER SHARE

		GROUP	
		2023	**2022**
Number of shares in issue	(000's)	144 748	123 934
Net assets	R'000	840 204	286 312
Total equity		840 204	286 312
Tangible net assets	R'000	598 362	132 289
Total equity		840 204	286 312
Intangible assets		(241 842)	(154 023)
Net asset value per share	**(cents)**	**580,46**	**231,02**
Tangible net asset value per share	**(cents)**	**413,38**	**106,74**

36. EVENTS AFTER THE REPORTING PERIOD

Proposed issue of 67.5 million ordinary shares of the Company

On 11 April 2023, the Company obtained specific authority from its shareholders to issue 67.5 million ordinary shares ("Specific Issue Shares"), including such ordinary shares represented by American Depository Shares ("ADSs") and CHESS Depositary Interests (a unit of beneficial ownership in Renergen shares as defined in the ASX Settlement Operating Rules) to be issued under the specific authority or convertible debt instruments that will be convertible into Specific Issue Shares in terms of one or more placements ("Placements"), which Placements are expected to primarily be executed through the proposed listing and public offering of Renergen shares represented by ADSs on the Nasdaq Stock Market.

Increase in beneficial interests held by the Government Employees Pension Fund and the FRB ITF Northshore Prime Flexible Qualified Investor Hedge Fund.

On 7 March 2023, the Company announced that it had received notification from the Public Investment Corporation, manager of the Government Employees Pension Fund, advising that it had acquired a beneficial interest in the securities of the Company such that the total of all beneficial interests held by it amounts to 5.118% of the Company's total issued ordinary share capital.

On 6 March 2023, the Company announced that it had received notification from the FRB ITF Northshore Prime Flexible Qualified Investor Hedge Fund advising that it had acquired a beneficial interest in the securities of the Company such that the total of all beneficial interests held by it amounts to 5.72% of the Company's total issued ordinary share capital.

Acquisition of new customer

In May 2023, Tetra4 concluded a sales agreement with Timelink for the supply of LNG.

37. GOING CONCERN

The financial statements presented have been prepared on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due. The Group regularly monitors its liquidity position as set out in note 33 as part of its ongoing risk management programme. In conducting its most recent going concern assessment:

- The Group has considered the period up to 23 May 2024 ("Assessment Period") as it has assessed that key funding initiatives will be concluded during this period.
- The Group has reviewed its cash flow projections for the Assessment Period ("Cash Forecast") and has performed stress testing of the base case projections. The stress case scenarios include downward variations in the selling prices of LNG (40%) and helium (30%) and a 10% increase in operating costs.
- The Group has considered volatilities in the exchange rates, interest rates and energy prices in determining the Cash Forecast. Furthermore, based on information available on the assessment date, the Group has concluded that developments with the Russia/Ukraine war and disruptions to global supply chains will not materially impact its operations during the Assessment Period.

After consideration of the Cash Forecast and the outcome of the stress testing performed, the Group has concluded that the going concern basis of preparation is appropriate. Various initiatives have come to fruition since 28 February 2023 which have resulted in cash inflows as well as increasing the certainty of future cash inflows. These inflows have and will continue to address current liabilities exceeding current assets. The Cash Forecast base case and stress case scenarios assume the following fund-raising initiatives ("Funding Initiatives") during the Assessment Period:

- The Group anticipates securing a R295.0 million bridge loan which is dependent on credit approval by the relevant financial institution.
- The Group expects to obtain financing approval for debt amounting to R14.25 billion ($750.0 million) from DFC and a commercial bank, which is in the final stages of approval. Management are confident that the approval will be obtained shortly.
- The Group plans to list on the Nasdaq Stock Market in the United States of America ("Proposed IPO") and anticipates raising R2.6 billion (US$150.0 million) during the Assessment Period. Shareholder approval for the Proposed IPO was obtained on 11 April 2023, however the Proposed IPO is dependent on market conditions which will determine whether it is completed during the Assessment Period. The Proposed IPO is also subject to Securities and Exchange Commission and exchange control approvals.
- Subject to market conditions, the Group is able to raise funding through the issuing of ordinary shares for Phase 2 expansion as approved by shareholders on 11 April 2023.
- The Group expects to complete the disposal of 10% of Tetra4 to the Central Energy Fund ("CEF") for R1.0 billion. This disposal remains subject to the CEF securing funding to acquire the interest in Tetra4.

The regulatory and other approvals highlighted above, and the completion of the Funding Initiatives during the Assessment Period represent material uncertainties that may cast significant doubt on the group's and company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Shareholder Information

SHAREHOLDER ANALYSIS

Company: Renergen Limited
Register date: 24 February 2023
Issued Share Capital: 144 748 378

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
1 - 1 000 shares	38 342	82,90	5 847 739	4,04
1 001 - 10 000 shares	6 704	14,49	21 731 133	15,01
10 001 - 100 000 shares	1 071	2,32	29 229 317	20,19
100 001 - 1 000 000 shares	117	0,25	27 921 940	19,29
1 000 001 shares and over	17	0,04	60 018 249	41,46
Totals	**46 251**	**100,00**	**144 748 378**	**100,00**

DISTRIBUTION OF SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Banks/Brokers	84	0,18	14 627 776	10,11
Close Corporations	90	0,19	634 971	0,44
Endowment Funds	17	0,04	417 279	0,29
Individuals	43 811	94,72	49 172 975	33,97
Insurance Companies	52	0,11	961 940	0,66
Investment Companies	6	0,01	101 971	0,07
Medical Scheme	1	0,00	6 542	0,00
Medical Schemes	3	0,01	243 097	0,17
Mutual Funds	61	0,13	13 167 893	9,10
Other Corporations	175	0,38	271 334	0,19
Private Companies	587	1,27	31 083 314	21,47
Public Companies	8	0,02	14 945 716	10,33
Retirement Funds	785	1,70	15 457 784	10,68
Treasury Stock	1	0,00	17 714	0,01
Trusts	570	1,23	3 638 072	2,51
Totals	**46 251**	**100,00**	**144 748 378**	**100,00**

Shareholder Analysis

PUBLIC / NON - PUBLIC SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Non - Public Shareholders	14	0,03	17 785 115	12,29
Directors,Associates and Prescribed Officers of the Company	13	0,03	17 767 401	12,27
Treasury Stock	1	0,00	17 714	0,01
Public Shareholders	46 237	99,97	126 963 263	87,71
Totals	**46 251**	**100,00**	**144 748 378**	**100,00**

Beneficial shareholders holding 5% or more	No of Shares	%
Notable Pioneer Ltd	9 230 000	6,38
MATC Investments (Pty) Ltd	8 714 306	6,02
CRT Investments (Pty) Ltd	8 600 269	5,94
Northshore Capital	6 831 981	4,72
Government Employees Pension Fund	6 593 043	4,55
Ivanhoe Mines Ltd	5 631 787	3,89
Tamryn Investment Holdings (Pty) Ltd	4 903 940	3,39
Totals	**50 505 326**	**34,89**

Institutional shareholders holding 3% or more	No of Shares	%
Mazi Asset Management	12 332 379	8,52
Northshore Capital	6 831 981	4,72
Peresec Prime Brokers	1 752 325	1,21
Mergence Investment Managers	1 501 098	1,04
36ONE Asset Management	1 482 487	1,02
Totals	**23 900 270**	**16,51**

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
South Africa	42 951	92,87	100 876 025	69,69
Australiasia	2 780	6,01	24 831 529	17,15
Asia	40	0,09	9 377 528	6,48
North America	17	0,04	6 026 277	4,16
United Kingdom	34	0,07	1 377 380	0,95
Europe	27	0,06	1 242 805	0,86
Rest of the World	402	0,87	1 016 834	0,70
Totals	**46 251**	**100,00**	**144 748 378**	**100,00**

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

("Renergen" or "the Company")

NOTICE TO SHAREHOLDERS OF THE ANNUAL GENERAL MEETING (AGM) OF RENERGEN LIMITED

Notice is hereby given that the AGM of shareholders of the Company for the year ended 28 February 2023 will be held at 10:00 on Monday, 31 July 2023, in the Boardroom at Renergen's offices situated on the 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg. Registration for attendance will commence at 09:30.

Quorum

A quorum for the purpose of considering the resolutions set out below consists of three shareholders of the Company, personally present or represented by proxy and entitled to vote at the AGM. In addition, a quorum will comprise 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions contained in this AGM notice.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services (Pty) Ltd ("Computershare"), to be entitled to attend, participate in and vote at the AGM is Friday, 21 July 2023.

Voting and proxies

To record the votes more effectively and give effect to the intentions of shareholders, voting on all resolutions will be conducted by way of a poll. Any shareholder entitled to attend and vote at the AGM may appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the Company.

The attached form of proxy is to be completed only by those shareholders who are:

- holding the Company's ordinary shares in certificated form; or
- recorded on the electronic sub-register in "own name" dematerialised form.

Completion of a form of proxy will not preclude a shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.

Dematerialised shareholders (not with "own name" registration) must notify their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the AGM in order for such CSDP or broker to be able to issue them with the necessary letter of representation to enable them to attend the AGM, or, alternatively, should the dematerialised shareholder not wish to attend the AGM, they should provide their CSDP or broker with their voting instructions.

A form of proxy is attached but may also be obtained on request from the Company's registered office. Completed forms of proxy should be returned to the transfer secretaries, Computershare at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132), so as to reach them by no later than 12:00 on Wednesday, 26 July 2023. It may also be emailed to them at **proxy@computershare.co.za** Any forms of proxy not submitted in this time may nevertheless be submitted to the transfer secretaries before the AGM or handed to the chairperson of the AGM before voting on a particular resolution commences.

AGM participants may be required to provide identification to the reasonable satisfaction of the chairperson of the AGM. An official identification document issued by the South African Department of Home Affairs, a driving license or a valid passport will be accepted as sufficient identification.

Shareholders who have any doubt as to what action they are required to take in respect of the following resolutions, should consult their CSDP, broker, banker, attorney, accountant or other professional adviser immediately.

Electronic participation

In terms of section 61(10) of the Companies Act, No 71 of 2008, as amended ("Companies Act"), every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders, or their proxies, may participate in a meeting by way of a teleconference call if they wish to do so. In this event:

- Written notice to participate via electronic communication must be sent to the Company Secretary, Acorim Secretarial and Governance Services ("Acorim"), at **renergen@acorim.co.za** to be received by no later than 12:00 on Wednesday, 26 July 2023.
- A pin number and dial-in details for the conference call will be provided.
- Shareholders will be billed separately by their own telephone service providers for the teleconference call to participate in the AGM.
- Valid identification will be required:
  - If the shareholder is an individual, a certified copy of their identity document, driver's licence and/or passport.
  - If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of teleconference call.
  - No electronic voting facilities will be available so shareholders who wish to participate in the meeting by teleconference and wish to vote are still required to submit their proxy forms in advance.
- The participant indemnifies the Company and its Directors, employees, company secretary, transfer secretary, service providers and advisors against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic facility, whether or not the problem is caused by any act or omission on the part of the participants or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic facility or any defect in it or from total or partial failure of the electronic facility and connections linking the electronic facility to the AGM.

Important Dates

In terms of section 62(3)(a), read together with section 59 of the Companies Act, the following dates apply to the AGM:

Important dates and times (1), (2)	**2023**
Record date for determining which shareholders are entitled to receive the AGM notice	Friday, 23 June 2023
AGM notice posted to shareholders on or about	Friday, 30 June 2023
Last day to trade to be eligible to participate and vote at the AGM	Tuesday, 18 July 2023
Record date for attending and voting at the AGM(3)	Friday, 21 July 2023
AGM to be held at 10:00 on	Monday, 31 July 2023
Results of AGM to be released on ("SENS") on the JSE Ltd's ("JSE") Stock Exchange News Service	Monday, 31 July 2023

Notes

1) All times referred to in this notice are local times in South Africa.

2) Any material variation of the above dates and times will be announced on SENS.

3) The Board of Directors of Renergen ("the Board") has determined that the record date for the purpose of determining which shareholders are entitled to receive the AGM notice is Friday, 23 June 2023, and the record date for purposes of determining which shareholders of the Company are entitled to participate and vote at the AGM is Friday, 21 July 2023. Accordingly, only shareholders who are recorded as such in the register maintained by the transfer secretaries of the Company on Friday, 21 July 2023, will be entitled to participate in and vote at the AGM.

4) Kindly note that AGM participants (including shareholders and proxies) are required to provide satisfactory picture identification before being entitled to attend or participate at the AGM. Forms of satisfactory identification include valid identity documents, driver's licences and passports.

AGENDA

The purpose of the AGM is for the following business to be transacted and the following ordinary and special resolutions to be proposed:

1. Presentation of audited consolidated financial statements

To present the Company's audited financial statements (as approved by the Board), as well as the reports of the external auditor, Audit, Risk and IT Committee, Governance, Ethics, Social, Transformation and Compensation ("GESTC") Committee and Directors for the financial year ended 28 February 2023.

The Integrated Annual Report, which this AGM notice is part of, contains the full audited financial statements, together with the reports referred to above, for the year ended 28 February 2023. The Integrated Annual Report is also obtainable from the Company's website: www.renergen.co.za or from the Company Secretary.

2. Re-election of Director retiring by rotation

2.1. Ordinary resolution number 1

"Resolved that Mr L Matteucci, who retires by rotation in terms of clause 5.1.7 of the Company's memorandum of incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as Director."

Brief curriculum vitae of Mr L Matteucci who has offered himself for re-election is included on pages 44 of Renergen's Integrated Annual Report, of which the AGM notice forms part.

The reason for ordinary resolution number 1 is that the memorandum of incorporation of the Company, the JSE Listings Requirements and, to the extent applicable, the Companies Act, require that at least one third of the Non-executive Directors rotates at every Annual General Meeting of the Company and, being eligible, may offer themselves for re-election as Directors.

For Ordinary Resolution Number 1 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

3. Confirmation of appointment of Directors appointed since the previous AGM

3.1. Ordinary resolution number 2

"Resolved that the appointment of Ms T Skweyiya by the Board of Renergen as an independent non-executive director of the Company with effect from 6 February 2023, be and is hereby confirmed."

3.2. Ordinary resolution number 3

"Resolved that the appointment of Mr D Hlatshwayo by the Board of Renergen as an independent non-executive director of the Company with effect from 6 February 2023, be and is hereby confirmed."

Ms Skweyiya and Mr D Hlatshwayo's brief curriculum vitae are included on pages 46 of Renergen's Integrated Annual Report of which this AGM notice forms part of.

The reason for ordinary resolutions numbers 2 and 3 is that clause 5.3.3 of the memorandum of incorporation of the Company and the JSE Listings Requirements require that the election of a Director to fill a vacancy or as an addition to the Board be confirmed by shareholders at the Company's next AGM.

For Ordinary Resolutions Numbers 2 and 3 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

4. Re-appointment of the members of the Audit, Risk and IT Committee

For avoidance of doubt, all references to the Audit, Risk and IT Committee of the Company refer to the audit committee as contemplated in the Companies Act.

4.1. Ordinary resolution number 4

"Resolved that Mr L Matteucci, subject to the approval of ordinary resolution number 1 being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the Board of Directors of the Company, until the next Annual General Meeting of the Company."

4.2. Ordinary resolution number 5

"Resolved that Mr M Swana, being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the Board of Directors of the Company, until the next Annual General Meeting of the Company."

4.3. Ordinary resolution number 6

"Resolved that Mr D Hlatshwayo, subject to the approval of ordinary resolution number 3, being eligible, be hereby re-appointed as a member of the Audit, Risk and IT Committee, as recommended by the Board of Directors of the Company, until the next Annual General Meeting of the Company."

In terms of the Companies Act, the audit committee is a committee elected by the shareholders at each AGM. A brief curriculum vitae of each of the Independent Non-executive Directors mentioned above appears on pages 44 to 46 of Renergen's Integrated Annual Report of which this AGM notice forms part of.

The reason for ordinary resolutions numbers 4 to 6 (inclusive) is that the Company, being a public listed company, must appoint an audit committee and section 94 of the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each AGM of such company.

For Ordinary Resolution Numbers 4, 5 and 6 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

5. Appointment of the external auditor

5.1. Ordinary resolution number 7

"Resolved that BDO South Africa Incorporated ("BDO") be and is hereby appointed as auditor of the Company for the ensuing financial year or until the next Annual General Meeting of the Company, whichever is the later, with the designated auditor being Mr J Barradas, as registered auditor and partner in the firm, on the recommendation of the Audit, Risk and IT Committee of the Company."

The Company's Audit, Risk and IT Committee has concluded that the appointment of BDO will comply with the requirements of the Companies Act, the Companies Regulations 2011 and the JSE Listings Requirements and has accordingly nominated BDO for appointment as the Company's external auditor.

The reason for ordinary resolution number 7 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed, as the case may be, at each AGM of the Company, as required by section 90 of the Companies Act and the JSE Listings Requirements.

For Ordinary Resolution Number 7 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

6. General authority to Directors to allot and issue authorised but unissued ordinary shares for cash

6.1. Ordinary resolution number 8

"Resolved that the Directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's memorandum of incorporation, the Companies Act and the JSE Listings Requirements, provided that:

- The authority shall be valid until the date of the Company's next AGM, provided that it shall not extend beyond 15 months from the date of this AGM.
- Issues in terms of the authority will not, in any financial year, in aggregate, exceed 5% of the number of ordinary shares in the Company's issued share capital as at the date of the AGM (5% amounts to 7 300 000 shares), it being recorded that ordinary shares issued pursuant to a rights offer to shareholders, shares issued in connection with the Renergen Share Appreciation Rights Plan or options granted thereunder in accordance with the JSE Listings Requirements shall not diminish the number of ordinary shares that comprise the 5% of

the ordinary shares that can be issued in terms of this ordinary resolution 1. In the event of a sub-division or consolidation of issued equity securities, this authority must be adjusted accordingly to represent the same allocation ratio.

- The shares, which are the subject of the issue for cash, must be of a class already in issue or, where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue.
- The shares must be issued only to public shareholders (as defined in the JSE Listings Requirements) and not to related parties, save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be “out of the book” and not be allocated shares; and (ii) equity securities must be allocated equitably “in the book” through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.
- The maximum discount at which such shares may be issued is 10% of the weighted average traded price of Renergen shares over the 30 business days prior to the date that the price of the issue is agreed between Renergen and the party subscribing for the securities.
- Upon any issue of shares for cash which, on a cumulative basis within the validity period of this general authority, constitute 5% or more of the number of shares of the class in issue as at the date of this AGM, Renergen shall by way of an announcement on SENS, give full details thereof in compliance with the JSE Listings Requirements."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for aquisitions (including via vendor consideration placements) and/or in connection with duly approved share incentive schemes), it is necessary for the Board of the Company to obtain prior authority from shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the Company. Accordingly, the reason for ordinary resolution number 8 is to obtain such general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the Company.

In terms of the JSE Listings Requirements, for Ordinary Resolution Number 8 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

7. Non-binding advisory endorsement of Renergen’s remuneration policy and implementation report

7.1. Ordinary resolution number 9

"Resolved that the Company’s remuneration policy, as set out on pages 48 to 54 of the Integrated Annual Report to which this AGM notice is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 9 is that the King IV™ Report on Corporate Governance™ for South Africa, 2016 ("King IV™") recommends, and the JSE Listings Requirements require, that the remuneration policy of a listed company be tabled for a non-binding advisory vote thereon by shareholders at each Annual General Meeting of such company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 9, if passed, will be to endorse the Company’s remuneration policy. Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements.

7.2. Ordinary resolution number 10

"Resolved that the Company’s implementation report on its remuneration policy, as set out on pages 52 to 54 of the Integrated Annual Report to which this AGM notice is annexed, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 10 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a listed company's remuneration policy be tabled for a non-binding advisory vote thereon by shareholders at each Annual General Meeting of such company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 10, if passed, will be to endorse the Company's implementation report on its remuneration policy. Ordinary resolution number 10 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to implementation of the Company's remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 9 or ordinary resolution number 10 be against either resolution, or both resolutions, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

8. Non-executive Directors' remuneration

8.1. Special resolution number 1

"Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its Non-executive Directors for their services as Directors, which include serving on various sub-committees, and to make payment of the amounts set out below (plus any value-added tax, to the extent applicable), provided that this authority will be valid for the latter of, the period from 1 March 2023 until 29 February 2024 or until the next Annual General Meeting of the Company:

Proposed fees	2024	2023
ANNUAL RETAINER		
Board		
Chairperson	R579 475.00	R579 475.00
Member	R213 578.00	R213 578.00
Audit, Risk and IT Committee		
Chairperson	R41 124.00	R41 124.00
Member	R21 547.00	R21 547.00
GESTC Committee		
Chairperson	R61 219.00	R61 219.00
Member	R42 446.00	R42 446.00
PER MEETING FEES		
Board		
Chairperson	R39 877.00	R39 877.00
Member	R15 068.00	R15 068.00
Audit, Risk and IT Committee		
Chairperson	R20 420.00	R20 420.00
Member	R11 562.00	R11 562.00

Proposed fees	2024	2023
GESTC Committee		
Chairperson	R20 419.00	R20 419.00
Member	R11 563.00	R11 563.00
AD HOC TELECONFERENCE FEES PER MEETING		
Board		
Chairperson	R4 320.00	R4 320.00
Member	R4 320.00	R4 320.00
Committees		
Chairperson	R4 320.00	R4 320.00
Member	R4 320.00	R4 320.00

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its Non-executive Directors in accordance with the requirements of section 66(9) of the Companies Act. The effect of special resolution number 1, if passed, is that the Company will be able to pay its Non-executive Directors for the services they render to the Company as Directors without requiring further shareholder approval until the next Annual General Meeting of the Company.

For Special Resolution Number 1 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

9. Provision of financial assistance to related or inter-related companies

9.1. Special resolution number 2

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the Board of the Company may deem fit to any company or corporation that is related or inter-related ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company."

The reason for and effect, if passed, of special resolution number 2 is to grant the Directors of the Company the authority, until the next Annual General Meeting of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

For Special Resolution Number 2 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

Note: In the normal course of business, the Company may be required to grant financial assistance to its subsidiaries. This assistance includes, but is not limited to, loans and guarantees for banking facilities. If this authorisation is not granted, it could inhibit the Company from obtaining banking facilities without having to call a general meeting of shareholders on each occasion. Special Resolution Number 2 will enable Renergen to provide financial assistance to its subsidiaries for any purpose in the normal course of business.

Section 45 of the Companies Act provides, inter alia, that any financial assistance to related or inter-related companies, including, inter alia, to subsidiaries of the Company, must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category, and the Board must be satisfied that:

- Immediately after providing the financial assistance, the Company will satisfy the solvency and liquidity test, as defined in section 4 of the Companies Act.
- The terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.
- Any conditions or restrictions in respect of the granting of financial assistance set out in Renergen's MOI have been satisfied.

9. Provision of financial assistance for the subscription of securities

9.1. Special resolution number 3

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board of the Company may deem fit to any person, including any company or corporation that is related or inter-related to the Company ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or in any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board of the Company may determine for the purpose of, or in connection with the, subscription for any option, or any shares or other securities, issued or to be issued by the Company or by a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or of a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company."

The reason for and effect, if passed, of special resolution number 3 is to grant the Directors the authority, until the next Annual General Meeting of the Company, to provide financial assistance to any person, including any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries.

A typical example of where the Company may rely on this authority is where a wholly owned subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly owned subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plan to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

Note: Section 44 of the Companies Act provides, inter alia, that any financial assistance to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by Renergen, must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category, and the Board must be satisfied that:

- Immediately after providing the financial assistance, the Company will satisfy the solvency and liquidity test, as defined in section 4 of the Companies Act.
- The terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.
- Any conditions or restrictions in respect of the granting of financial assistance set out in Renergen's MOI have been satisfied.

For Special Resolution Number 3 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

10. General authority to repurchase ordinary shares in issue

10.1. Special resolution number 4

"Resolved, as a special resolution, that the Company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings Requirements, including, inter alia, that:

- Any such acquisition of ordinary shares shall be effected through the order book operated by the JSE or the ASX trading system and done without any prior understanding or arrangement between Renergen and the counterparty (reported trades are prohibited).
- This general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond 15 months from the date of passing of this special resolution.
- An announcement will be published as soon as Renergen or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue and for each 3% in aggregate of the initial number acquired thereafter, in compliance with the JSE Listings Requirements.
- Acquisitions of ordinary shares in aggregate in any one financial year may not exceed 20% of Renergen's ordinary issued share capital as at the date of passing of this Special Resolution Number 4.
- Ordinary shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE or ASX, whichever may be applicable, as determined over the five business days immediately preceding the date of repurchase of such ordinary shares by Renergen or any of its subsidiaries.
- At any point in time, Renergen may only appoint one agent to effect any repurchase on its behalf.
- Prior to entering the market to repurchase the Company's shares, a resolution authorising the repurchase will have been passed in accordance with the requirements of section 46 of the Companies Act, stating that the Board has applied the solvency and liquidity test as set out in section 4 of the Companies Act, and has reasonably concluded that the Company and its subsidiaries ("the Group") will satisfy the solvency and liquidity test immediately after the repurchase, and that since the test was performed there have been no material changes to the financial position of the Group.
- Renergen and/or its subsidiaries may not repurchase any ordinary shares during a prohibited period as defined by the JSE Listings Requirements unless a repurchase programme is in place, where the dates and quantities of ordinary shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period.
- The general repurchase is authorised by the Company's memorandum of incorporation.

Although there is no immediate intention to effect a repurchase of the Company's securities, the Board would utilise this general authority to repurchase securities as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action. The Board undertakes that, after considering the maximum number of securities which may be repurchased and the price at which the repurchases may take place pursuant to this general authority, for a period until the next AGM or 15 months (whichever is shorter), after the date of notice of this AGM:

- The Company and the Group will be able to pay its debts in the ordinary course of business for a period of 12 months after the date of the AGM and for the period of 12 months after the repurchase.
- The consolidated assets of the Company and the Group (fairly valued in accordance with statements of International Financial Reporting Standards), will at the time of the AGM and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the consolidated liabilities of the Company and the Group.
- The ordinary share capital, reserves and working capital of the Company and the Group will be adequate for ordinary business for a period of 12 months after the AGM and after the date of the share repurchase.
- A resolution by the Board will be passed confirming that it has authorised the repurchase, that the Company and the Group has passed the solvency and liquidity test and, since the test was performed, there have been no material changes to the financial position of the Company and the Group.

The reason for and effect, if passed, of special resolution number 4 is to grant the Directors a general authority in terms of the Company's memorandum of incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 4. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise and it be in the best interest of the Company to do so.

The following additional information, which appears in the Integrated Annual Report on page 149 and 150, is provided in terms of the JSE Listings Requirements for purposes of the general authority to repurchase shares:

- Major shareholders – page 150; and
- Share capital – page 149.

Material changes

Other than the facts and developments reported on in the Integrated Annual Report, there have been no material changes in the affairs or financial position of Renergen and its subsidiaries since the date of signature of the audit report and up to the date of this AGM notice.

Directors' responsibility statement

The Directors, whose names appear on pages 43 to 46 of the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this AGM notice contains all information required by law and the JSE Listings Requirements.

For Special Resolution Number 4 to be adopted, the support of at least 75% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

11. Ordinary Resolution Number 11 – Signature of documents

That any one Director or the Company Secretary of Renergen be and is hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening the AGM at which this ordinary resolution will be considered.

For Ordinary Resolution Number 11 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required.

12. Other business

To transact such other business as may be transacted at an AGM or raised by shareholders with or without advance notice to Renergen.

By order of the Board

N Davies – Acorim Secretarial and Governance Services
Company Secretary

30 June 2023

Acorim

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Form of Proxy

To: Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)
email: proxy@computershare.co.za

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

("Renergen" or "the Company")

For use only by ordinary shareholders who:

1. hold ordinary shares in certificated form ("certificated ordinary shareholders"); or
2. have dematerialised their ordinary shares ("dematerialised ordinary shareholders") and are registered with "own name" registration,

at the Annual General Meeting ("AGM") of shareholders of Renergen to be held at 10:00 on Monday, 31 July 2023 in the Boardroom at Renergen's offices situated at 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg, and any adjournment thereof.

Dematerialised ordinary shareholders holding ordinary shares other than with "own name" registration who wish to attend the AGM must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the AGM and request their CSDP or broker to issue them with the relevant letter of representation to attend the AGM in person or by proxy and vote. If they do not wish to attend the AGM in person or by proxy, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered between them and the CSDP or broker. These ordinary shareholders must not use this form of proxy.

I/We____

of (address)____

(Please print)

being the holder(s) of___________ordinary shares in the capital of the company, do hereby appoint (see note 2):

1. or failing him/her____

2. or failing him/her____

3. the chairperson of the AGM____

as my/our proxy to act on my/our behalf at the AGM, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of all the above ordinary shares registered in my/our name/s, in accordance with the following instructions:

Form of Proxy

Please indicate with an "X" in the appropriate box below how you wish to vote.	**Number of ordinary shares**		
	For	**Against**	**Abstain**
Resolution			
Ordinary Resolution Number 1: To re-elect Director retiring by rotation: L Matteucci			
Ordinary Resolution Number 2: Confirmation of appointment of a Director appointed since the previous AGM: T Skweyiya			
Ordinary Resolution Number 3: Confirmation of appointment of a Director appointed since the previous AGM: D Hlatshwayo			
Ordinary Resolution Number 4: Re-appointment of a member of the Audit, Risk and IT Committee: L Matteucci (subject to the passing of Ordinary Resolution Number 1)			
Ordinary Resolution Number 5: Re-appointment of a member of the Audit, Risk and IT Committee: M Swana			
Ordinary Resolution Number 6: Re-appointment of a member of the Audit, Risk and IT Committee: D Hlatshwayo (subject to the passing of Ordinary Resolution Number 3)			
Ordinary Resolution Number 7: To approve the appointment of the external auditor			
Ordinary Resolution Number 8: General authority to Directors to allot and issue authorised but unissued ordinary shares			
Non-binding Ordinary Resolution Number 9: Non-binding advisory endorsement of Renergen's remuneration policy			
Non-binding Ordinary Resolution Number 10: Non-binding advisory endorsement of Renergen's remuneration implementation report			
Ordinary Resolution Number 11: Signature of documents			
Special Resolution Number 1: Approval of Non-executive Directors' remuneration			
Special Resolution Number 2: Authorising the provision of financial assistance to related or inter-related companies			
Special Resolution Number 3: Authorising the provision of financial assistance for subscription of securities			
Special Resolution Number 4: General authority to repurchase ordinary shares in issue			

Signed at____on_____________________________________2023

Signature____

Assisted by (if applicable) ____

Notes on the Form of Proxy

Notes

1. Shareholders who have dematerialised their shares through a CSDP or broker must either inform their CSDP or broker of their intention to attend the AGM to provide them with the necessary authority to attend or provide the CSDP or broker with their voting instruction in terms of the custody agreement entered into between the beneficial owner and the CSDP or broker.

2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided. The person whose name appears first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

3. A shareholder's instructions to the proxy must be indicated by "X" in the appropriate box provided on the form of proxy. Failure to comply with the above will be deemed to authorise a proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of all the members' votes exercisable at the Annual General Meeting.

4. The completion and lodging of this form of proxy will not preclude the shareholder from attending the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof should the shareholder wish to do so (see note 1 above).

5. The chairperson of the AGM may reject or accept any form of proxy that is completed and/or received, other than in accordance with these notes.

6. Each shareholder is entitled to appoint one or more proxies (none of whom needs to be a shareholder of Renergen) to attend, speak and vote in place of the shareholder at the AGM.

7. Any alteration to this form of proxy, other than a deletion of alternatives, must be initialled by the signatories.

8. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by Renergen.

9. Where there are joint shareholders –

    (a) Any one shareholder may sign the form of proxy.

    (b) The vote of the senior (for that purpose seniority will be determined by the order in which the names of shareholders appear in Renergen's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote/s of the other joint shareholder/s.

10. For administrative purposes only, forms of proxy should be lodged with the transfer secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 or be posted to them at Private Bag X9000, Saxonwold, 2132, or emailed to them at **proxy@computershare.co.za**, by Thursday, 27 July 2023, at 12:00 or thereafter to the Company by hand at its offices situated at 1st Floor, No.1 Bompas Road, Dunkeld West, Johannesburg. Any forms of proxy not submitted by this time may nevertheless be submitted to the transfer secretaries before the AGM or handed to the chairperson of the AGM prior to the shareholder exercising any rights of a shareholder at the AGM.

11. In terms of section 61(10) of the Companies Act, every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders or their proxies may participate in a meeting by way of teleconference if they wish to do so. In this event:

- Renergen's Company Secretary must be contacted by email (at the address **renergen@acorim.co.za**) by no later than 12:00 on Wednesday, 26 July 2023 in order to obtain dial-in details for participation.

- Valid identification will be required:
  - if the shareholder is an individual, a certified copy of their identity document, driver's licence and/or passport;
  - if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents, driver's licences and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of video conference call as well as a valid email address and/or facsimile number; and
- No electronic voting facilities will be available so shareholders who wish to participate in the meeting by teleconference and wish to vote are still required to submit their proxy forms in advance.

IF YOU HOLD CHESS DEPOSITARY INTERESTS IN RENERGEN

Each CDI holder has the right to direct CHESS Depositary Nominees Proprietary Limited ("CDN"), the legal holder of the Shares to which the CDIs relate, how to vote the underlying Shares in respect of their CDIs in respect of the business of the General Meeting.

If you are a CDI holder and you wish to direct or instruct CDN in the manner contemplated above, please read, complete, and sign the enclosed CDI voting instruction form and return by one of the methods and by the deadline set out on the CDI voting instruction form.

CDI voting instruction forms received later than the specified date and time will be invalid.

General Information

GLOSSARY OF TERMS AND ACRONYMS

AGM	Annual General Meeting
AltX	AltX is an alternative public equity exchange for small and medium-sized companies in South Africa operated in parallel with and wholly owned by the JSE Securities Exchange
ASX	Australian Stock Exchange
A2X	A2X Markets
B-BBEE	Broad-Based Black Economic Empowerment
Bcf	Billion cubic feet
CEO	Chief Executive Office
CFO	Chief Financial Officer
CH4	Methane
CNG	Compressed natural gas, made by compressing natural gas and primarily used as a fuel which can be used in place of petrol, diesel and liquid petroleum gas
CSI	Corporate Social Investment
Company	Refers to Renergen only
COO	Chief Operating Officer
COVID-19	Coronavirus disease of 2019
Downstream	Downstream, commonly referred to as petrochemical, is the refining of petroleum crude oil and the processing and purifying of raw natural gas, as well as the marketing and distribution of products made from crude oil and natural gas
EIA	Environmental Impact Assessment
EPC	Engineering, procurement, and construction
ERM	Enterprise Risk Management
Exco	Executive Committee
FEED	Front End Engineering and Design
GETSC	Governance, Ethics, Transformation, Social and Compensation Committee
GJ	Gigajoules
Governing Body	Means the Board, as per King IV™
GRI	Global Reporting Initiatives
Group	Refers to Renergen and its subsidiaries
GHG	Greenhouse gas
HDSA	Historically Disadvantaged South Africans
He	Helium
IDC	Industrial Development Corporation
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council's International <IR> Framework
INED	Independent Non-executive Directors
IRBA	Independent Regulatory Board for Auditors
IT	Information technology
JSE	Johannesburg Stock Exchange

Glossary of Terms and Acronyms

Kg	Kilogram
King IV™	King IV™ Report on Corporate Governance for South Africa
LNG	Liquefied natural gas. A gas which has been cooled to liquid form for ease and safety of non-pressurised storage or transport
LHe	Liquid Helium
LPG	Liquid petroleum gas
LTIFR	Lost Time Injury Frequency Rate
LTI	A lost time injury (LTI) is an injury sustained on the job by an employee that results in the loss of productive work time
Mcf	Mcf is a unit of measurement for natural gas that equals 1,032 cubic feet, according to the U.S. Energy Information Administration. One Mcf is equal to approximately 1 million British Thermal Units (BTUs)
Midstream	Midstream involves the transportation (by pipeline, rail, ship, oil tanker or truck), storage, and sale marketing of crude or refined petroleum products
MRI	Magnetic Resonance Imaging
NED	Non-executive Directors
NG	Natural gas
PASA	Petroleum Agency of South Africa
Probable	Probable reserves, 50% certainty of commercial extraction
Proven	Proved reserves, 90% certainty of commercial extraction
R	South African Rand
RoD	Record of Decision
ROI	Return on Investment
SAICA	The South African Institute of Chartered Accountants
scf	Standard cubic feet
SENS	Stock Exchange News Service
SPAC	Special purpose acquisition company
Tetra4	A subsidiary of Renergen
UNGC	United Nations Global Compact
Upstream	The upstream part of the gas industry refers to searching for potential underground or underwater crude oil and natural gas fields and drilling/operating the wells that bring the crude oil and/or raw natural gas to the surface
US dollar	United States dollar ($)
WHO	World Health Organisation
Windfall	Windfall Energy Proprietary Limited

Corporate Information

RENERGEN LIMITED
Date of incorporation: 30 September 2014
Place of incorporation: South Africa

COMPANY SECRETARY AND REGISTERED ADDRESS

ACORIM PROPRIETARY LIMITED
(Registration number 2014/195093/06)

13th Floor, Illovo Point, 68 Melville Road,
Illovo, Sandton, 2196, South Africa

Postnet Suite 610
Private Bag x10030
Randburg, 2125
South Africa

DESIGNATED ADVISER

PSG CAPITAL
(Registration number 2006/015817/07)

1st Floor, Ou Kollege Building,
35 Kerk Street, Stellenbosch, 7600

PO Box 7403
Stellenbosch
7599

CORPORATE COMMUNICATIONS FIRM (AUSTRALIA)

CITADEL-MAGNUS

Suite 27.03, Level 27, 420 George Street,
Sydney, New South Wales, 2000, Australia

AUDITORS - CURRENT

BDO SOUTH AFRICA INCORPORATED

Practice number 905526, Wanderers Office Park,
52 Corlette Drive, Illovo, 2196

Private Bag X28
Benmore
2010

On 17 August 2022, we changed our Auditor from Mazars to BDO.

MAZARS

Mazars is a partnership, not a registered company.
IRBA membership number 888648 and IRBA practice number 900222

Mazars House
54 Glenhove Road, Melrose Estate, 2196, South Africa

ATTORNEYS

RENERGEN REGISTERED OFFICE IN AUSTRALIA

Norton Rose Fulbright Australia
Level 15, RACV Tower, 485 Bourke Street,
Melbourne, Australia
+61 3 8686 6000

RENERGEN REGISTERED OFFICE IN SOUTH AFRICA

First Floor, 1 Bompas Road, Dunkeld West, 2196
Gauteng, South Africa

TRANSFER SECRETARIES

COMPUTERSHARE INVESTOR SERVICES PROPRIETARY LIMITED (SOUTH AFRICA)
(Registration number 2004/003647/07)

Rosebank Towers, 15 Biermann Avenue,
Rosebank, South Africa
+27 11 370 5000

PO Box 61051, Marshalltown, 2107, South Africa

COMPUTERSHARE INVESTOR SERVICES LIMITED (AUSTRALIA)

Level 11, 172 St Georges Terrace, Perth,
WA 6000, Australia

GPO Box D182
Perth, WA 6840
+61 3 8686 6000

www.renergen.co.za

RENERGEN

FUTURE ENERGY, TODAY

RENERGEN.CO.ZA