

Appendix 5B

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

Name of entity

RENERGEN LIMITED

ABN

93998352675

Quarter ended ("current quarter")

31 AUGUST 2021

Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (6 months) ZAR'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	716	1 156
1.2	Payments for		
	(a) exploration & evaluation	(244)	(361)
	(b) development	-	-
	(c) production	180	(579)
	(d) staff costs	(7 447)	(10 166)
	(e) administration and corporate costs	(8 995)	(15 925)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	21
1.5	Interest and other costs of finance paid	(157)	(313)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other - Quarter: comprised of working capital changes (-R7.0m), movement of restricted cash (-R1.5m), foreign exchange differences (-R1.8m) and other (-R0.3m).	(10 662)	(16 479)
1.9	Net cash used in operating activities	(26 609)	(42 646)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(35 879)	(105 472)
	(d) exploration & evaluation	(6 941)	(17 949)
	(e) investments	-	-
	(f) other non-current assets – other intangible assets	(1 393)	(5 884)

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Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (6 months) ZAR'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash used in investing activities	(44 213)	(129 305)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	108 916	109 874
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2 443)	(2 443)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(6 819)	(13 777)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(712)	(1 510)
3.10	Net cash from financing activities	98 942	92 144

4.	Net increase/(decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	21 294	130 878
4.2	Net cash used in operating activities (item 1.9 above)	(26 609)	(42 646)
4.3	Net cash used in investing activities (item 2.6 above)	(44 213)	(129 305)
4.4	Net cash used in financing activities (item 3.10 above)	98 942	92 144

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Consolidated statement of cash flows		Current quarter ZAR'000	Year to date (6 months) ZAR'000
4.5	Effect of movement in exchange rates on cash held	1 765	108
4.6	Cash and cash equivalents at end of period	51 179	51 179

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter ZAR'000	Year to date (6 months) ZAR'000
5.1	Bank balances	49 853	49 853
5.2	Call deposits	1 326	1 326
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	51 179	51 179

6.	Payments to related parties of the entity and their associates	Current quarter ZAR'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	7 691
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

The amount disclosed under 6.1 relates to remuneration paid to directors and prescribed officers.

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7.	Financing facilities	Total facility amount at quarter end ZAR'000	Amount drawn at quarter end ZAR'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	584 248	474 702
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	584 248	474 702
7.5	Unused financing facilities available at quarter end		109 546
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	The amounts disclosed above were translated at a rate of R14.6062/US\$1 on 31 August 2021.		
	Tetra4 entered into a US\$40.0 million finance agreement with the US International Development Finance Corporation (DFC) on 20 August 2019 ("Facility Agreement"). The first draw down of US\$20.0 million took place in September 2019 and the second draw down of US\$12.5 million in June 2020. Tetra4 shall repay the loan in equal quarterly instalments of US\$0.9 million on each payment date beginning 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. There is still US\$7.5 million available for drawdown under this facility.		
	The first drawdown of \$20.0 million attracts interest of 2.11% per annum. Interest on the second drawdown is 1.49% per annum. 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.		
	A guaranty fee of 4% per annum is payable by Tetra4 to DFC on any outstanding loan balance. The guaranty fee is payable quarterly on the Repayment Dates.		
	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 are payable quarterly on the Repayment Dates.		
	An annual maintenance fee of \$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.		

8.	Estimated cash available for future operating activities	ZAR'000
8.1	Net cash used in operating activities (item 1.9)	(26 609)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(6 941)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(33 550)
8.4	Cash and cash equivalents at quarter end (item 4.6)	51 179
8.5	Unused finance facilities available at quarter end (item 7.5)	109 546
8.6	Total available funding (item 8.4 + item 8.5)	160 725
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.79
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not applicable		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

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

Date: **30 September 2021**

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

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Notes

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