

ASX Release

December 20, 2018

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ASX CODE

RNU

Developing Australia's Largest Graphite Deposit

Siviour Graphite Project -- On the March Towards Development in 2019

- **Rapid advancement of Siviour Graphite Project continues, with Siviour Definitive Feasibility Study (DFS) expected to be completed in early Q2 2019**
- **Key DFS achievements in recent weeks have included:**
 - Completion of resource and geotechnical modelling following infill drill program earlier this quarter
 - Confirmation of preliminary process plant design criteria and plant flowsheet
 - Commencement of DFS engineering phase
- **The Siviour Mining Lease Application (MLA) remains on schedule, following completion of MLA public consultation process and continued consultation with the South Australia Department of Energy and Mining; Renascor expects South Australia's Minister for Energy and Mining to make a final decision on Renascor's MLA early next year**
- **Following achievement of +99.95% total graphitic carbon (TGC) purity with caustic roasting process, Renascor is updating the Spherical Graphite Prefeasibility Study (PFS) to include caustic roast capital and operating cost parameters; Renascor expects to complete the Spherical Graphite PFS early next quarter**
- **Renascor has continued discussions with potential offtake and finance partners, with recent marketing efforts including dispatching Siviour sample material, completion of pilot plant production and meetings with potential partners in China, Europe and the United States**



Figure 1. Siviour Graphite Project

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Renascor Resources (ASX: RNU) is pleased to provide the following update on its Siviour Graphite Project, located near the coast of South Australia's Eyre Peninsula, as Renascor continues the project's advancement, with a target of having the project development-ready in 2019.

Siviour Definitive Feasibility Study

DFS work programs are on schedule, with all major work programs completed or underway. DFS achievements in recent weeks have included:

- Earlier this quarter, Renascor completed a 114 hole, 5,468 metre infill drill program that confirmed the continuity of widespread, high-grade graphite within the Siviour Indicated Resource area. See Renascor ASX announcement dated 7 December 2018. Following completion of this program, Renascor has completed revised geological resource and geotechnical modelling. These models are now being used to update the Siviour Mineral Resource and Reserve determination (expected to be completed next quarter) and finalise mine scheduling for DFS purposes.
- Confirmation of preliminary process plant design criteria and plant flowsheet and commencement of key mineral process testing, including comminution, scrubber, cyclone and primary and regrind test programs.
- Following the execution of a strategic partnership agreement with international Engineering, Procurement and Construction (EPC) contractor, Royal IHC Australia (Royal IHC) (see Renascor ASX announcement dated 5 November 2018), Royal IHC, together with engineering firm Wave International, have commenced detailed DFS engineering. At the conclusion of the DFS, Royal IHC is expected to provide Renascor with an EPC proposal to undertake project works necessary to construct a graphite processing plant for Siviour. In the event Renascor accepts such proposal and the project proceeds, Royal IHC is expected to assist Renascor in obtaining project finance commitments to support the capital development of Siviour. Such assistance is expected to include utilising Royal IHC's Treasury team which has strong connections with major commercial banks and export credit agencies that may participate in project financing.

Renascor expects to complete the Siviour DFS, which is considering both an immediate large-scale production case, as well as a low start-up capital, smaller-scale production case, in early Q2 2019.

Regulatory

Mine lease planning has continued following the lodgment of the Siviour Mining Lease Application (MLA) last quarter. See Renascor ASX announcement dated 28 August 2018. Renascor recently completed the MLA public consultation process, submitted a response document to the South Australia Department of Energy and Mining (DEM) and has continued discussions with the DEM and local and regional government representatives regarding the MLA. Renascor expects South Australia's Minister for Energy and Mining to make a final decision on Renascor's MLA early next year.

Spherical Graphite Prefeasibility Study

Renascor continues to advance the Siviour Spherical Graphite PFS, which is investigating the viability of producing spherical graphite from graphite concentrates to

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be produced at Siviour. Spherical graphite is used in the production of lithium-ion battery anodes, and Renascor considers the production of spherical graphite from Siviour to offer the potential to attract further offtake partners and unlock significant additional value from Siviour.

Earlier this quarter, Renascor undertook test work that achieved +99.95% total graphitic carbon (TGC) purity using a caustic roasting process. See Renascor ASX announcement dated 28 November 2018. This caustic roasting process may offer environmental and operational cost advantages in comparison to a hydrofluoric acid purification process, the purification process generally used in China to upgrade graphite concentrates to lithium-ion battery standards. Renascor is updating its assessment to include caustic roast capital and operating cost parameters, with the Spherical Graphite PFS expected to be completed early next quarter.

Marketing and finance

Renascor has continued discussions with potential offtake and finance partners. Renascor recently successfully completed pilot plant production of graphite concentrates from Siviour graphite (See Renascor ASX announcement dated 31 October 2018) and continues to dispatch sample material to potential offtake partners for testing purposes. Recent marketing efforts have included meetings with potential partners in China, Europe and the United States. Renascor has also commenced discussions with debt advisors regarding potential debt finance options.

Additional information relating to advances in work programs at Siviour will be released as results become available.

Bibliography

Renascor ASX announcement dated 27 October 2017, "Development Options for Siviour Graphite Project"

1. Renascor ASX announcement dated 28 August 2018, "Mining Lease Lodged for Siviour Graphite Project"
2. Renascor ASX announcement dated 31 October 2018, "Successful Pilot Plant Concentrate Production"
3. Renascor ASX announcement dated 28 November 2018, "Breakthrough to Drive Lower Spherical Graphite OPEX"
4. Renascor ASX announcement dated 5 November 2018, "Strategic Partnership Agreement for Development of Siviour"
5. Renascor ASX announcement dated 7 December 2018, "Final DFS Drill Assay Results"

Renascor confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Renascor confirms that the form and context in which the Competent Person's findings, if applicable, are presented have not been materially modified from the original market announcement.

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The results reported herein, insofar as they relate to exploration activities and exploration results, are based on information provided to and reviewed by Mr G.W. McConachy (Fellow of the Australasian Institute of Mining and Metallurgy) who is a director of the Company. Mr McConachy has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr McConachy consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.

Metallurgical Results

The information in this document that relates to metallurgical test work results is based on information compiled and reviewed by Mr Simon Hall, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hall is a consultant to the Company. Mr Hall has sufficient experience relevant to the mineralogy and type of deposit under consideration and the typical beneficiation thereof to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Hall consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.

This report may contain forward-looking statements. Any forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. It should be noted that a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.

For further information, please contact:**David Christensen**

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