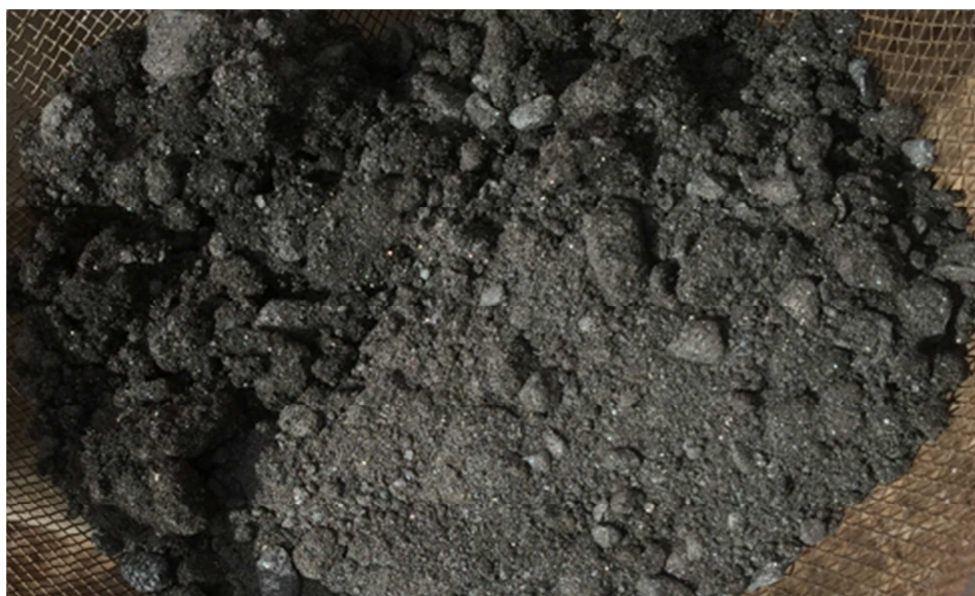


## EXTENSIVE THICK GRAPHITE INTERSECTIONS AT ARNO GRAPHITE PROJECT

- Broad intervals of near-surface, high-grade graphite intersected at Renascor's Arno Graphite Project in South Australia's Eyre Peninsula, with assay results for total graphitic carbon (TGC) from the initial 10 holes from 24-hole program including:
  - **23m @ 12.9% TGC** (from 12m), including **19m @ 14.8% TGC** (from 12m) (Siv014)
  - **31m @ 7.4% TGC** (from 33m), including **18m @ 10.2% TGC** (from 42m) (Siv015)
  - **30m @ 9.0% TGC** (from 37m), including **23m @ 10.7% TGC** (from 41m) (Siv010)
  - **21m @ 8.5% TGC** (from 43m) and **10m @ 3.8% TGC** (from 31m) (Siv012)
- Graphite was intersected in three north-south oriented traverses across the main Siviour prospect area extending mineralisation 600m west of a previously drilled north-south traverse of five holes which intersected high-grade, coarse flake graphite
- Assay results and geological observation of drill samples in remaining holes indicate continuity of a near flat-lying body of graphite mineralisation at shallow depth over the 600m strike length
- Graphite observed in two holes drilled a further 600m to the west suggests mineralisation may be continuous within a high conductive zone extending over at least 1.2km strike and open to the north
- The flat-lying attitude, substantial true thickness and shallow depth of graphite mineralisation appear to mark the Siviour mineralised body as being unique in the Eyre Peninsula
- Renascor expects to report assay results from the remaining holes within the next two to three weeks, after which its next-stage exploration program is planned to include diamond core drilling to further establish mineral recovery and graphite product quality characteristics



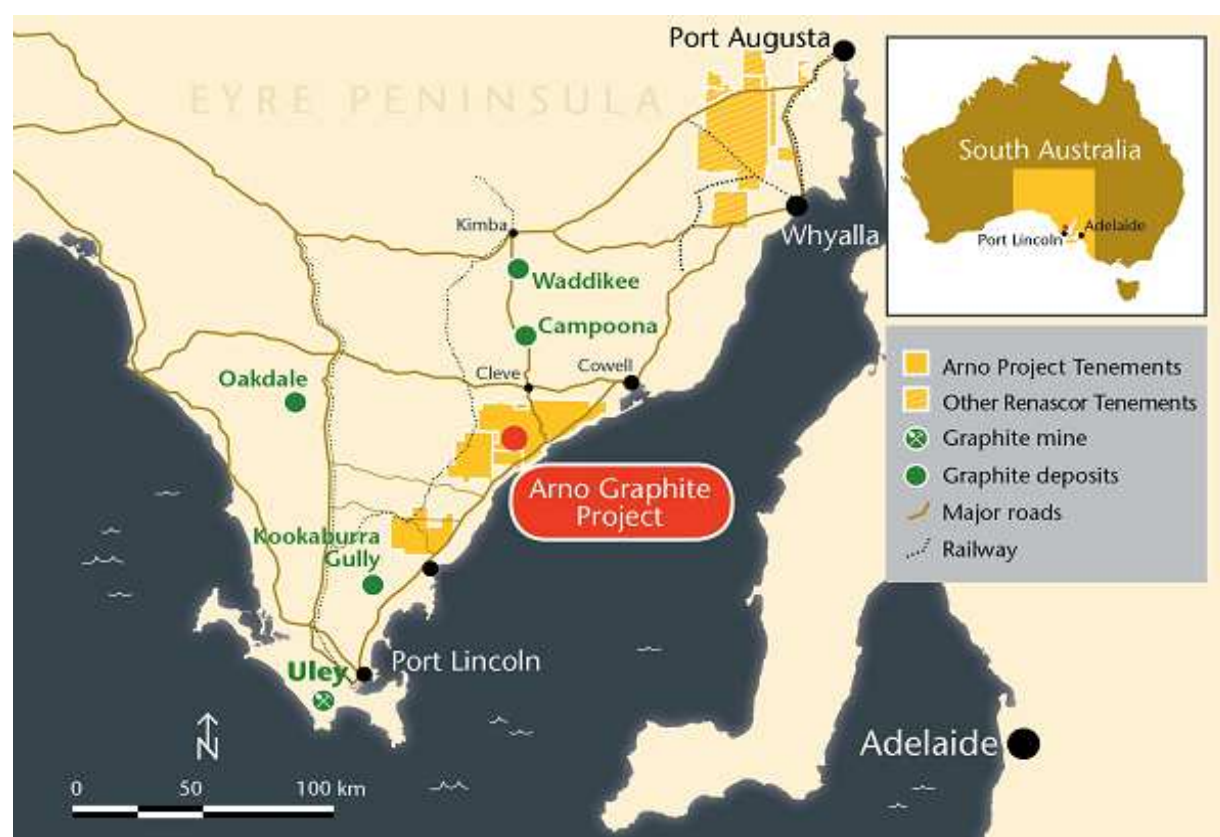
**Figure 1. Graphite bearing biotite-quartz-feldspar schist drill sample from SIV012**



Renascor Resources (ASX: RNU) is pleased to announce initial assay results from its recently completed reverse circulation drill program at its high-grade, coarse-flake Arno Graphite Project in South Australia's Eyre Peninsula. See Figure 2. To date, Renascor has received assays from 10 drill holes in the 24-hole program, with high-grade results (5% total graphitic carbon (TGC) cut-off) from multiple drill holes, including: 19m @ 14.8% TGC (from 12m) (Siv014), 18m @ 10.2% TGC (from 42m) (Siv015) and 23m @ 10.7% TGC (from 41m) (Siv010). The available assay results and geological observation of the remaining drill samples indicate continuity of a near-flat lying body of graphite mineralisation at shallow depths within the Siviour prospect area. The flat-lying attitude, substantial true thickness and shallow depth of graphite mineralisation appear to mark the main mineralised body as being unique in the region. Renascor expects to report additional assay results within the next two to three weeks, after which its next-stage exploration program is planned to include core drilling to further establish mineral recovery and graphite product quality characteristics.

Commenting on the project, Renascor Managing Director David Christensen stated:

We are delighted with the preliminary drill results, which have confirmed significant extensions to previous high-grade, coarse-flake graphite. Pending receipt of complete assays from the program, the Siviour mineralised body is very quickly being established as a large, near flat-lying graphite body with strong potential to become a commercial graphite resource in the short term.

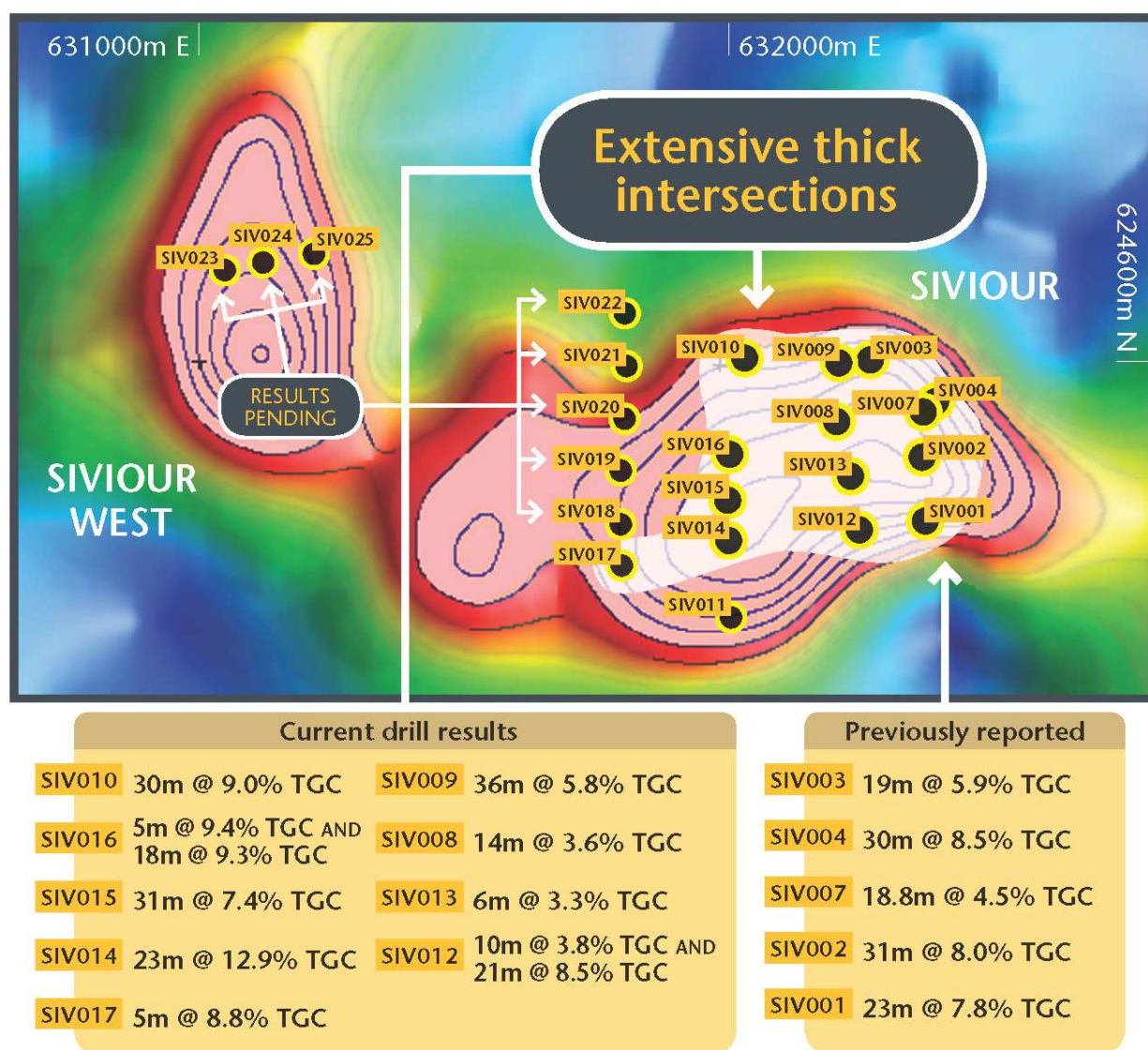


**Figure 2. Arno graphite project, showing location and significant nearby graphite deposits**



## Recent drill program

Renascor recently completed an approximately 1,550m, 24-hole reverse circulation drill program intended to test for extensions to previously intersected coarse-flake, high-grade graphite. As shown in Figure 3 below, the program included a series of drill traverse designed to test for continuity of graphite mineralisation to the west of previous drilling across high electromagnetic (EM) conductive zones within the Siviour prospect area. To date, Renascor has received assays for 10 holes, all of which were drilled within the Siviour prospect. The assays confirm the westward extension of high-grade graphite mineralisation at Siviour. Visual observations of the remaining five drill holes at Siviour suggest continuity of a near flat-lying body of graphite mineralisation at shallow depths.



**Figure 3. Arno Graphite Project -- Electromagnetic image (Ch15 Zcomponent) showing drill hole locations and available assay results (2% TGC cut-off)**

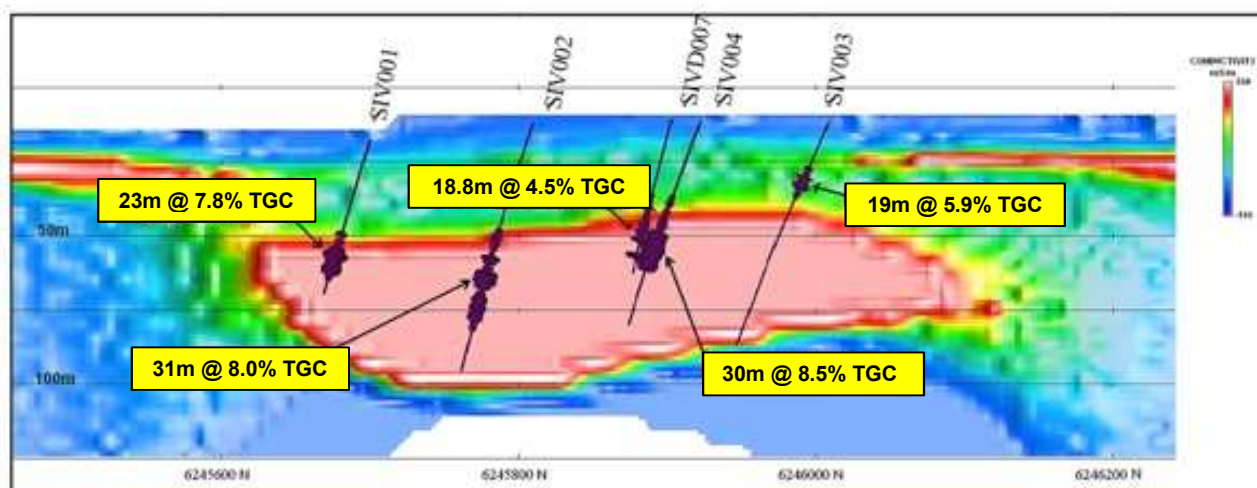
The program also included three additional reconnaissance drill holes testing the Siviour West prospect (to the immediate west of Siviour) and a further three holes testing the Paxtons prospect (located approximately 1km southeast of Siviour). Renascor has not yet received assay results for these holes. Three additional holes drilled at the Malbrom prospect (located approximately 3km to the southwest of Siviour) did not intersect significant graphite mineralisation and were not submitted for assays.





### ***Siviour and Siviour West prospects***

The program's main focus was the Siviour prospect, the largest and most advanced prospect in the project area. See Figures 3, 5 and 6. Within the eastern portion of the Siviour EM anomaly, five holes had been previously drilled on a north-south oriented section (Section 632340E), intersecting significant intervals of high-grade, coarse-flake graphite at shallow depths. As shown in Figure 4, Renascor's interpretation of drilling results and conductivity interpreted from the EM data suggests a flat-lying, shallow conductive zone extending approximately 400m north-south. Importantly, the broad graphite intersections across the section show an excellent correlation with the interpreted conductivity anomaly.



**Figure 4. Siviour prospect: EM conductivity depth image for north-south Section 632340E showing assays at 2% TGC cut-off**

The recent drill program included 18 holes testing the area immediately west of Section 632340E, where the high conductivity zone appears to extend for +1,200m, at a comparable thickness and shallower depth. See Figures 5 and 6. Within the Siviour prospect, Renascor completed 15 holes over three north-south oriented traverses extending west at approximately 200m intervals from Section 632340E. To date, Renascor has received assay results from 10 of these drill holes, confirming the westward extension of high-grade graphite mineralisation, with results including:

- 23m @ 12.9% TGC (2% cut-off) (from 12m), including 19m @ 14.8% TGC (5% cut-off) (from 12m) (Siv014)
- 31m @ 7.4% TGC (2% cut-off) (from 33m), including 18m @ 10.2% TGC (5% cut-off) (from 42m) (Siv015)
- 30m @ 9.0% TGC (2% cut-off) (from 37m), including 23m @ 10.7% TGC (5% cut-off) (from 41m) (Siv010)
- 21m @ 8.5% TGC (5% cut-off) (from 43m) (Siv012) and 10m @ 3.8% TGC (2% cut-off) (from 31m) (Siv012)

Complete drill details received to date are provided in Table 1.



Hole	Prospect	Collar (MGAE)	Collar (MGAN)	From (metres)	To (metres)	Interval (metres)	TGC %*
16SIVRC008	Sivour	632200	6245900 and	6	9	3	4.1
				16	30	14	3.6
16SIVRC009	Sivour	632204	6246003 including and	6	40	34	5.8
				8	13	5	9.3**
				30	38	8	8.1**
16SIVRC010	Sivour	632030	6246015 including	37	67	30	9.0
				41	64	23	10.7**
16SIVRC011	Sivour	632000	6245520	No Significant Result			
16SIVRC012	Sivour	632240	6245690 and	31	41	10	3.8
				43	64	21	8.5
16SIVRC013	Sivour	632222	6245792 and	58	64	6	3.3
				67	75	8	2.7
16SIVRC014	Sivour	631995	6245666 including	12	35	23	12.9
				12	31	19	14.8**
16SIVRC015	Sivour	631995	6245750 including	33	64	31	7.4
				42	60	18	10.2**
16SIVRC016	Sivour	632000	6245828 and	51	56	5	9.4**
				61	79	18	9.3**
16SIVRC017	Sivour	631791	6245622	11	16	5	8.8**
16SIVRC018	Sivour	631790	6245700	Laboratory Assay Results Pending			
16SIVRC019	Sivour	631790	6245800	Laboratory Assay Results Pending			
16SIVRC020	Sivour	631800	6245900	Laboratory Assay Results Pending			
16SIVRC021	Sivour	631800	6246000	Laboratory Assay Results Pending			
16SIVRC022	Sivour	631800	6246100	Laboratory Assay Results Pending			
16SIVRC023	Sivour West	631042	6246180	Laboratory Assay Results Pending			
16SIVRC024	Sivour West	631119	6246192	Laboratory Assay Results Pending			
16SIVRC025	Sivour West	631210	6246208	Laboratory Assay Results Pending			
16SIVRC026	Malbrom	629840	6244622	No Significant Result			
16SIVRC027	Malbrom	629940	6244590	No Significant Result			
16SIVRC028	Malbrom	630040	6244560	No Significant Result			
16SIVRC029	Paxtons	634213	6245087	Laboratory Assay Results Pending			
16SIVRC030	Paxtons	634290	6245154	Laboratory Assay Results Pending			
16SIVRC031	Paxtons	634371	6245220	Laboratory Assay Results Pending			

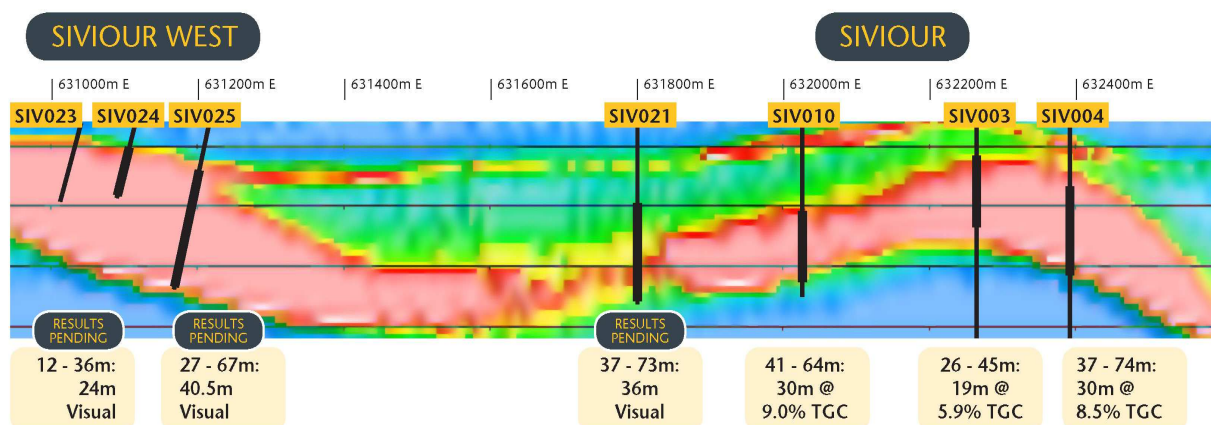
\* Unless otherwise noted, TGC based on 2% cut-off, with maximum 1m internal waste

\*\* TGC based on 5% cut-off, with maximum 1m internal waste

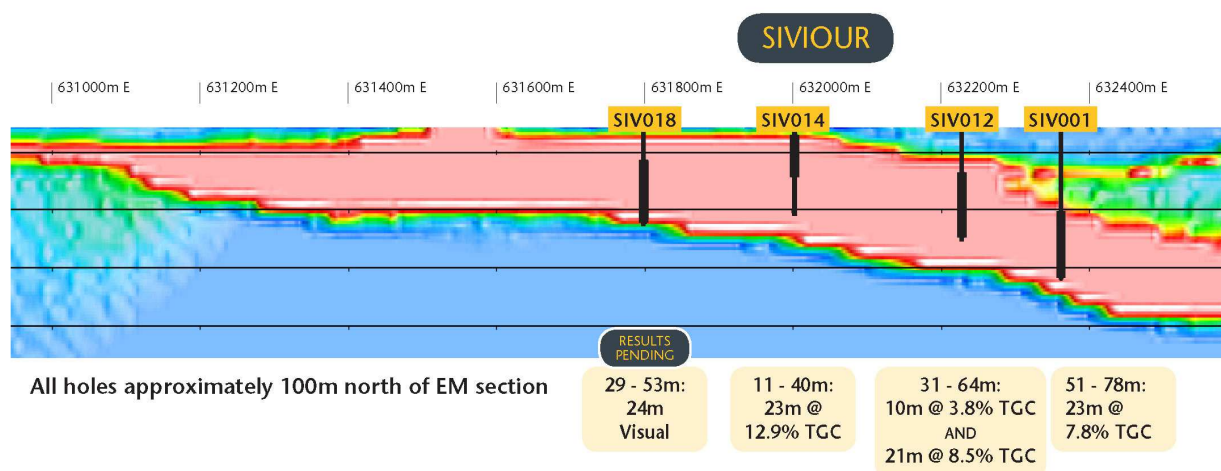
**Table 1. Drill results – Renascor January 2016 (see Appendix 1-A for drill hole parameters and Appendix 1-B for results of previous drilling within prospect area)**



The available assays results, together with visual observation of the remaining holes within the three north-south traverses, indicate extensive graphite mineralisation in 14 holes. As show in Figures 5 and 6, the drill results indicate that there is a near-flat lying body of graphite mineralisation at shallow depths extending for at least 600m west of Section 632340E. The program also included three additional holes drilled a further 600m to the west, within the Siviour West EM anomaly. See Figure 3. Renascor's visual examination of drill samples from two of these holes recorded extensive graphite mineralisation, suggesting mineralisation may be continuous within a high conductive zone covering both the main Siviour prospect area and the Siviour West EM anomaly, thus extending the graphite mineralised zone to over 1.2km and remaining open in all directions.



**Figure 5. Conductivity cross-section looking north, showing available TGC assay results (2% TGC cut-off) and visual graphite observations over Section 624600N**



**Figure 6. Conductivity cross-section looking north, showing available TGC assay results (2% TGC cut-off) and visual graphite observations over Section 6245600N (all holes 100m north of EM section)**



### ***Metallurgical and petrology tests***

Preliminary metallurgical test work previously undertaken has established favourable characteristics in respect of recovery and purity of concentrates in the project area. In 2014, ALS Metallurgy performed flotation and gravity tests from a historical core hole (CRA090) drilled within the Paxtons prospect, on the eastern margin an EM conductive zone located approximately 1km southeast of the Siviour prospect. The hole, which was drilled to test for uranium and not originally assayed for graphite, intersected 24m of graphitic mineralisation, which subsequent assaying has shown included 12.4m @ 8.1% TGC from 67.7m. See Figure 8. ALS Metallurgy performed bench flotation and gravity tests over a 2.5kg core sample from CRA090, obtaining carbon (graphite) recovery of 87% and producing 93% purity of concentrates.



**Figure 8. Super jumbo flakes (>600µm) from diamond core hole (CRA090) at Paxtons prospect**

While detailed metallurgy has not yet been completed over the higher-grade areas that have now been defined over the Siviour prospect area, petrological description of samples from Section 632340E has established the presence of coarse flake graphite within the high-grade zones. In 2015, 13 samples from high-grade portions of SIV003 and SIV004, as well as SIV005 (located approximately 800m north of Siviour West within in Buckies prospect), returned flake size of up to 1,600µm, with average lengths in the jumbo to super jumbo categories, ranging from 400µm to 800µm. While this preliminary petrological testing is not conclusive, Renascor considers it to suggest the potential for the Siviour prospect to host material amounts of coarse-flake graphite. Renascor is planning on performing more definitive metallurgical testing after having completed core drilling over the Siviour prospect as part of its next-state exploration program.

### **Next steps**

The preliminary results suggest that Renascor has identified a near flat-lying graphite mineralised body of potentially significant scale. The flat-lying attitude, substantial true thickness and shallow depth of graphite mineralisation appear to mark the Siviour mineralised body as being unique in the region and favoured in terms of both its potential size and strip ratio. Renascor expects to report additional assay results within the next two to three weeks, after which its next-stage exploration program is planned to include core drilling to further establish mineral recovery and graphite product quality characteristics.





*The results reported herein, insofar as they relate to 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. 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. A number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.*

## **Background information**

Renascor Resources is an Australian-based company focused on the discovery and development of economically viable mineral deposits. Renascor has an extensive tenement portfolio, holding interests in projects in key mineral provinces of South Australia, the Northern Territory and Western Australia, including significant graphite projects at Arno, Eyre Peninsula South Australia and at Munglinup, Western Australia.

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## Appendix 1-A

### Drill hole parameters<sup>1</sup>

Arno Graphite Project drill hole parameters - January 2016 Drill Program											
HOLE	TENEMENT	PROSPECT	TYPE	GRID ID	MGAE	MGAN	RL	AZIMUTH	DIP	SURVEY TYPE	TOTAL DEPTH (meters)
16SIVRC008	EL5618	Sivour	RC	MGA94_53	632200	6245900	37	180	-70	GPS	64
16SIVRC009	EL5618	Sivour	RC	MGA94_53	632204	6246003	40	180	-70	GPS	52
16SIVRC010	EL5618	Sivour	RC	MGA94_53	632030	6246015	40	180	-70	GPS	70
16SIVRC011	EL5618	Sivour	RC	MGA94_53	632000	6245520	27	180	-70	GPS	64
16SIVRC012	EL5618	Sivour	RC	MGA94_53	632240	6245690	28	180	-70	GPS	70
16SIVRC013	EL5618	Sivour	RC	MGA94_53	632222	6245792	31	180	-70	GPS	77
16SIVRC014	EL5618	Sivour	RC	MGA94_53	631995	6245666	25	180	-70	GPS	45
16SIVRC015	EL5618	Sivour	RC	MGA94_53	631995	6245750	29	180	-70	GPS	71
16SIVRC016	EL5618	Sivour	RC	MGA94_53	632000	6245828	33	180	-70	GPS	82
16SIVRC017	EL5618	Sivour	RC	MGA94_53	631791	6245622	21	180	-70	GPS	40
16SIVRC018	EL5618	Sivour	RC	MGA94_53	631790	6245700	27	180	-70	GPS	60
16SIVRC019	EL5618	Sivour	RC	MGA94_53	631790	6245800	32	180	-70	GPS	46
16SIVRC020	EL5618	Sivour	RC	MGA94_53	631800	6245900	32	180	-70	GPS	40
16SIVRC021	EL5618	Sivour	RC	MGA94_53	631800	6246000	32	180	-70	GPS	76
16SIVRC022	EL5618	Sivour	RC	MGA94_53	631800	6246100	32	180	-70	GPS	82
16SIVRC023	EL5618	Sivour West	RC	MGA94_53	631042	6246180	29	270	-70	GPS	69
16SIVRC024	EL5618	Sivour West	RC	MGA94_53	631119	6246192	27	270	-70	GPS	40
16SIVRC025	EL5618	Sivour West	RC	MGA94_53	631210	6246208	29	270	-70	GPS	70
16SIVRC026	EL5618	Malbrom	RC	MGA94_53	629840	6244622	34	278	-70	GPS	99
16SIVRC027	EL5618	Malbrom	RC	MGA94_53	629940	6244590	33	278	-70	GPS	84
16SIVRC028	EL5618	Malbrom	RC	MGA94_53	630040	6244560	29	278	-70	GPS	45
16SIVRC029	EL5618	Paxtons	RC	MGA94_53	634213	6245087	21	229	-70	GPS	73
16SIVRC030	EL5618	Paxtons	RC	MGA94_53	634290	6245154	23	229	-70	GPS	57
16SIVRC031	EL5618	Paxtons	RC	MGA94_53	634371	6245220	25	229	-70	GPS	70

<sup>1</sup> Details for sampling techniques and data and other relevant exploration information are included in Appendix 2.



## Appendix 1-B

### Results of previous drilling within prospect area <sup>2</sup>

Hole	Prospect	Collar (MGAE)	Collar (MGAN)	From (metres)	To (metres)	Interval (metres)	TGC %*
SIV001	Sivour	632367	6245703 including	55	78	23	7.8
				59	75	16	9.8**
SIV002	Sivour	632366	6245820 including and including and including including	55	66	11	3.9
				58	60	2	5.9**
				70	76	6	5.4
				70	73	3	7.5
				78	109	31	8.0
				78	86	8	12.6**
				89	105	16	7.8**
SIV003	Sivour	632261	6246009 including	26	45	19	5.9
				32	40	8	8.9**
SIV004	Sivour	632382	6245935 and including	37	42	5	2.4
				44	74	30	8.5
				55	74	19	11.1**
SIV005	Buckies	631254	6247102 including	34	70	36	8.5
				42	70	28	9.4**
SIV006	Buckies	631354	6247165 including and and and	27	59	32	5.3
				33	40	7	9.2**
				47	54	7	6.6**
				110	118	8	7.6**
				155	162	7	5.2**
SIVD007	Sivour	632362	6245912 and including and	34.9	37.1	2.2	2.1
				39.3	58.1	18.8	4.5
				49.6	58.1	8.5	6.4**
				64.7	65.9	1.2	9.3
CRD090	Paxton	634452	6245284 including	65	82.7	17.7	6.5
				67.7	80.1	12.4	8.1**

\* Unless otherwise noted, TGC based on 2% cut-off, with maximum 1m internal waste

\*\* TGC based on 5% cut-off, with maximum 1m internal waste

<sup>2</sup> Appendix 1-B has been prepared based on information made available to Renascor Resources Limited by Eyre Peninsula Minerals Pty Ltd.



## Appendix 2

### JORC Table – Checklist of Assessment and Reporting Criteria

Section 1: Sampling Techniques and Data (criteria in this group apply to all succeeding groups)	
Criteria	Explanation
Sampling techniques.	<ul style="list-style-type: none"> <li>RC Drill samples were collected at one-metre intervals.</li> <li>Face sampling RC hammer diameter approximately 100mm.</li> <li>Approximately 60% of samples were not submitted for assay due to the visual non-mineralised nature of the material collected. All other graphitic intervals were submitted for analyses.</li> <li>All samples were sent to Bureau Veritas laboratory in Adelaide for preparation and for Total Graphitic Carbon (TGC) analyses.</li> <li>All samples were pulverised using an LM5 mill, 90% passing 75µm.</li> <li>Sampling was guided by Renascor Resources Limited's protocols and QA/QC procedures</li> </ul>
Drilling techniques.	<ul style="list-style-type: none"> <li>The "ARNO" tenement targets were sampled by reverse circulation (RC) holes.</li> </ul>
Drill sample recovery.	<ul style="list-style-type: none"> <li>One-metre drill chip samples were collected throughout the drill program in sequentially numbered bags.</li> <li>Every interval drilled is represented in an industry standard chip tray that provides a check for sample continuity down hole.</li> </ul>
Logging.	<ul style="list-style-type: none"> <li>Primary data was captured into spreadsheet format by the supervising geologist, and subsequently loaded into the Renascor Resources Limited's database.</li> <li>No adjustments have been made to any assay data.</li> </ul>
Sub-sampling techniques and sample preparation.	<ul style="list-style-type: none"> <li>All of the samples were marked with unique sequential numbering as a check against sample loss or omission.</li> <li>At the Bureau Veritas laboratory sample preparation involved the original sample being dried at 105° for up to 24 hours on submission to laboratory.</li> <li>Sample is split to less than 3kg through linear splitter and excess retained.</li> <li>Pulverising was completed using LM5, 90% passing 75µm in preparation for analysis using the Bureau Veritas network.</li> </ul>
Quality of assay data and laboratory tests.	<ul style="list-style-type: none"> <li>Duplicate analysis was completed and no issues identified with sampling reliability.</li> <li>A portion of the sample is dissolved in weak acid to liberate carbonate carbon.</li> <li>The residue is then dried at 420°C driving off organic carbon and then analysed by its sulphur-carbon analyser to give Total Graphitic Carbon (TGC).</li> <li>Bureau Veritas Minerals has adopted the ISO 9001 Quality Management Systems. All Bureau Veritas laboratories work to documented procedures in accordance with this standard.</li> </ul>
Verification of sampling and assaying.	<ul style="list-style-type: none"> <li>Duplicate analysis was completed and no issues identified with sampling representatively.</li> <li>There were no twinned holes.</li> <li>Field duplicates, laboratory duplicates and blanks were collectively inserted at a rate of 10% and QAQC data analysis was completed to industry standards.</li> <li>Field duplicates results are good</li> <li>Excellent correlation of assayed sample results against industry standards.</li> </ul>





## JORC Table – Checklist of Assessment and Reporting Criteria (Continued)

Section 1: Sampling Techniques and Data (Continued)	
(criteria in this group apply to all succeeding groups)	
Explanation	
Location of data points.	<ul style="list-style-type: none"> <li>All drill hole collars were pegged to the plan collar location using a hand held GPS. These collar coordinates are entered into the drill hole database.</li> <li>The degree of accuracy of drill hole collar location and RL was estimated to be within a 5-metre error level.</li> <li>The grid system for the project was Geoscentric Datum of Australia (GDA) 94, Zone 53.</li> </ul>
Data spacing and distribution.	<ul style="list-style-type: none"> <li>Drilling was initial exploration only, with holes at approximately 100m spacing on 3 x 200m separated sections.</li> </ul>
Orientation of data in relation to geological structure.	<ul style="list-style-type: none"> <li>Interpretation of the relationship between the drilling orientation and the orientation of key mineralised structures could not be undertaken with Reverse Circulation drilling</li> <li>No diamond drilling has been carried out to confirm the orientation of key mineralised structures.</li> </ul>
Audits or reviews.	<ul style="list-style-type: none"> <li>All data collected was subject to internal review.</li> </ul>
Section 2: Reporting of Exploration Results	
(criteria listed in the preceding group apply also to this group)	
Criteria	Explanation
Mineral tenement and land tenure status.	<ul style="list-style-type: none"> <li>All drilling was entirely within Exploration Licence EL 5618 (formerly EL4430) granted on 29 January 2015 for a 2 year term expiring in 2017. EL 5618 is 100% owned by Ausmin Development Pty Ltd and in good standing with no known impediments.</li> </ul>
Exploration done by other parties.	<ul style="list-style-type: none"> <li>Historic exploration has been carried out by several companies over many years but without any focus on graphite prospectivity. EM data was acquired across the tenement in 2006 and 2007 by Cameco Ltd as part of their uranium exploration program. Cameco drilled hole CRD0090, without testing for graphite.</li> <li>During 2014 Eyre Peninsula Minerals Pty Ltd carried graphite focused exploration and drilled a further 6 RC holes and 1 diamond core hole reporting graphite intersections in all holes.</li> </ul>
Geology.	<ul style="list-style-type: none"> <li>Meso-proterozoic sediments of the Hutchison Group</li> </ul>
Data aggregation methods.	<ul style="list-style-type: none"> <li>Exploration laboratory assay results have been reported using weighted average techniques.</li> </ul>
Relationship between mineralisation widths and intercept lengths.	<ul style="list-style-type: none"> <li>The mineralized widths are down-hole drilled intercepts. True width is unknown.</li> <li>The geometry of the mineralisation with respect to the drill hole angle is speculative at this time.</li> </ul>
Diagrams.	<ul style="list-style-type: none"> <li>Scaled maps and geophysical section are included in the body of this report.</li> </ul>
Balanced reporting.	<ul style="list-style-type: none"> <li>The reporting is considered to be balanced. Material considered to be waste (i.e., not containing graphite) was not assayed.</li> </ul>
Other substantive exploration data.	<ul style="list-style-type: none"> <li>Nothing material to report.</li> </ul>
Further work.	<ul style="list-style-type: none"> <li>Follow-up drill RC and diamond core drill testing to further confirm extensions of graphite mineralisation and establish to mineral recovery and graphite product quality characteristics</li> </ul>

