

EM advances world-class Australian graphite project

ASX: RNU

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Renascor Resources Ltd

ABN 90 135 531 341

HEAD OFFICE

36 North Terrace
Kent Town, SA 5067
Australia

CONTACT

T: +61 8 8363 6989
F: +61 8 8363 4989
info@renascor.com.au
www.renascor.com.au

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RNU

- Recently completed airborne electromagnetic (EM) survey over Siviour graphite deposit confirms shallow, flat-lying orientation of Siviour mineralised body and identifies significant near-surface, flat-lying extensions along strike
- The results follow the recently completed Scoping Study for Siviour (see RNU ASX release dated 23 May 2017) that estimated an operating cost among the lowest of reported graphite developments globally
- The results of the EM survey will be used in advanced mine planning studies and are expected to further contribute to establishing a globally competitive, low-cost mining operation
- The results will also be used to optimize life-of-mine throughput and concentrate production options consistent with product sales opportunities

Developing
Australia's largest
graphite deposit

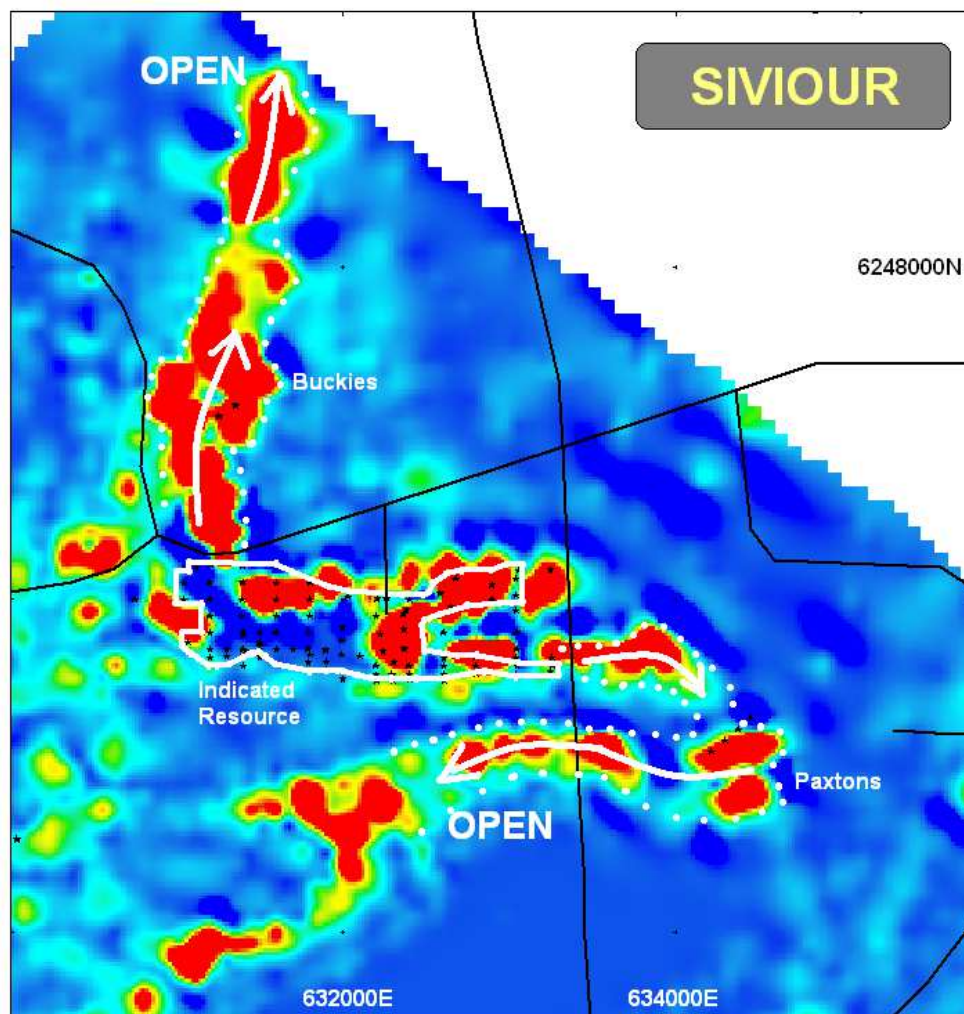


Figure 1. Siviour Indicated Resource outline over 40m airborne EM depth slice highlighting conductivity continuity into adjoining prospect areas

Renascor Resources (ASX: RNU) is pleased to announce the completion of an airborne electromagnetic survey over its advanced Siviour graphite development project in South Australia's Eyre Peninsula. See Figure 2.

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

The survey results confirm the shallow, horizontal orientation of Siviour, which we recognise as a key factor underpinning the comparatively low operating costs estimated in our recent Siviour Scoping Study.

We expect Siviour's ability to produce high-quality flake graphite from Australia at costs that are competitive with emerging production globally to be critical in advancing Siviour's development.

By further delineating near-surface, flat-lying graphite, these results offer additional support for establishing a world-class, low-cost mining operation at Siviour as we advance our on-going feasibility studies.

Background

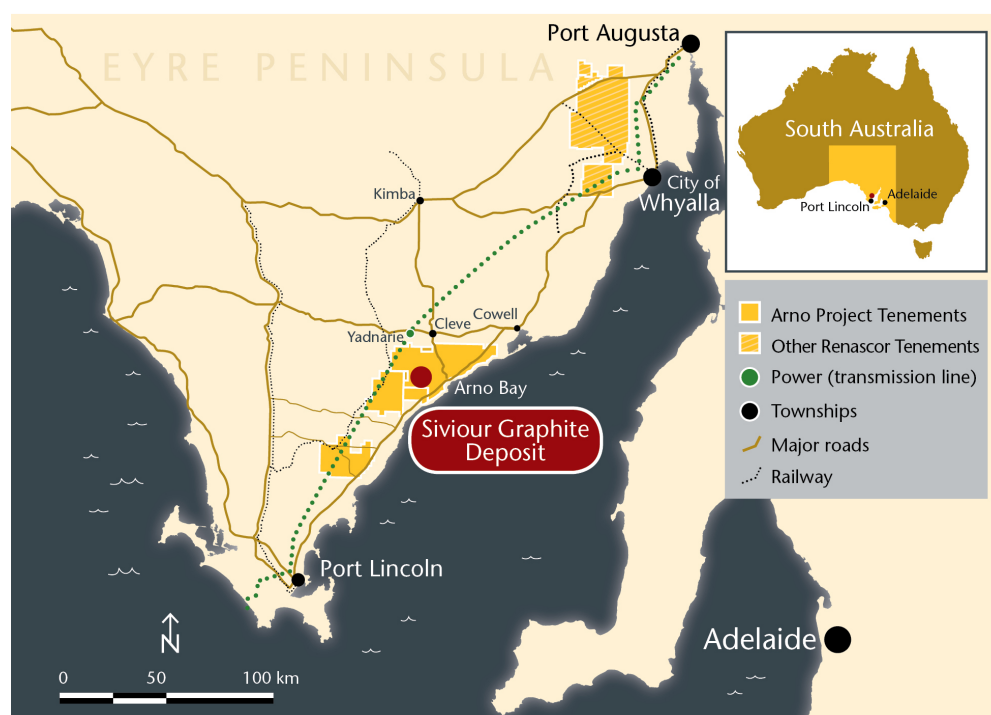


Figure 2. Project location

The Siviour Graphite Deposit, located in South Australia's Eyre Peninsula (see Figure 2), is among the world's largest reported graphite deposits, with a Mineral Resource estimate of 80.6 million tonnes @ 7.9% TGC for 6.4 million tonnes of contained graphite, including higher-grade mineralisation of 30.1 million tonnes @ 10.0% TGC for 3.0 million tonnes of contained graphite.

Renascor recently completed a Scoping Study for Siviour (see RNU ASX release dated 23 May 2017) that suggests Siviour can produce a high quality flake concentrate at an estimated operating cost among the lowest of reported graphite developments globally.

Discussion

To support on-going advanced mining studies at Siviour, Renascor recently completed an airborne electromagnetic (EM) survey over areas within and adjacent to the Siviour Indicated Resource.

Survey data was collected using the Xcite helicopter EM system over flight lines following a northwest-southeast pattern. Flight-line spacing consisted of 100m-spacing over the Siviour Indicated Resource and areas immediately adjacent to it, and a series of 200m- and 400m-spacing across areas extending further from the immediate Indicated Resource zone.

Analysis of the EM data has confirmed the general shallow, flat-lying orientation of the Siviour mineralised body, as well as identifying significant near-surface, horizontal extensions along strike.

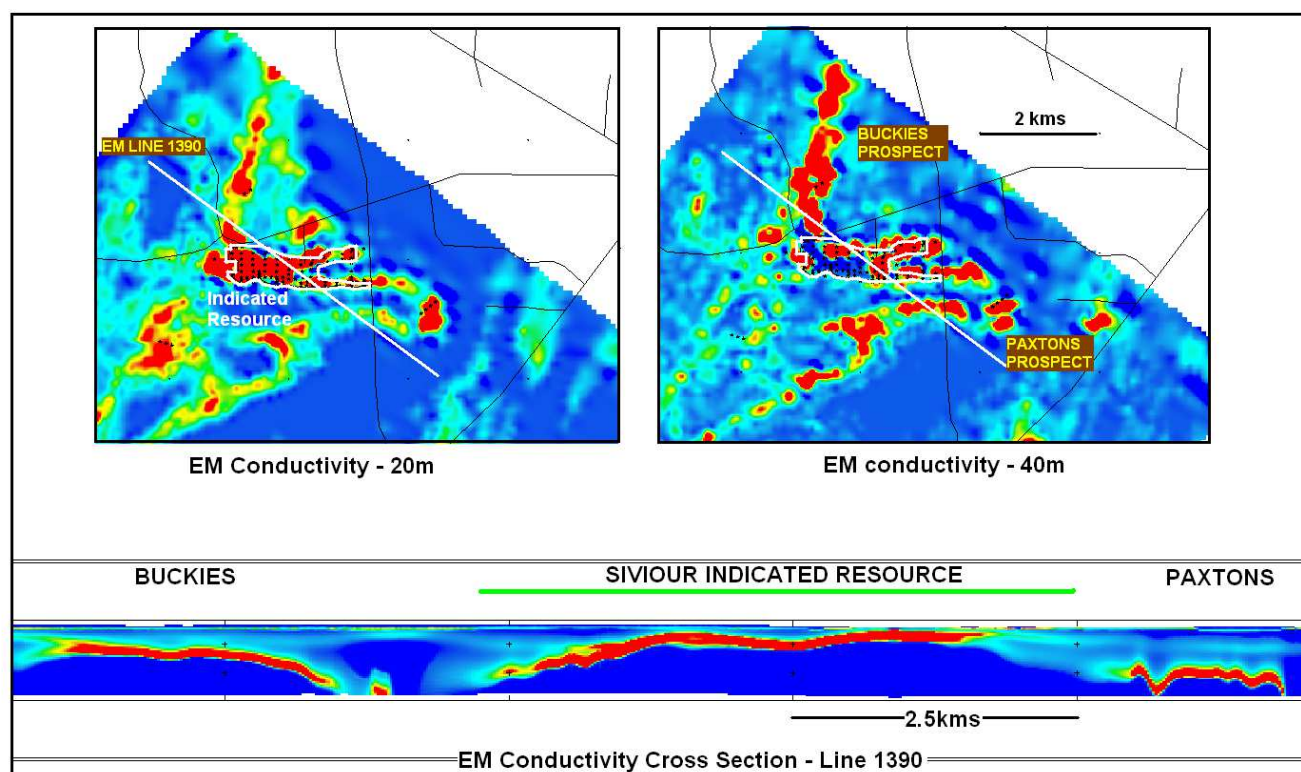


Figure 3. Comparison of EM conductivity depth images and cross section for EM line 1390

As illustrated in the EM depth slices shown in Figure 3, at an interpreted depth of approximately 20m (top left image), there is strong correlation between conductivity and the Siviour Indicated Resource. In this area, graphite mineralisation commences from approximately 5m to 10m and includes intersections of graphite mineralisation of over 30m.

As shown in the EM cross-section for flight line 1390 (Figure 3, bottom image), the EM data confirms the near-surface, flat-lying orientation of graphite mineralisation over the Indicated Resource and suggests this geometry continues into conductive anomalies in the Buckies and Paxton areas, adjacent to the current Indicated Resource.

At a depth slice of 40m (Figure 3, top right image), larger areas of comparable conductivity are evident to the north of Siviour (at the Buckies prospect) and to the southeast (at the Paxtons prospect). Previous drilling within these prospect areas intersected some of the widest graphite

intersections within the project area, suggesting the potential for significant extensions to the current Indicated Resources with a similarly favourable near-surface, flat-lying orientation.

Next steps

Renascor is currently conducting a pre-feasibility study in relation to the development of Siviour. The results of the recent EM survey will be used in advanced mine planning studies and are expected to further contribute to establishing an efficient, low-cost mining operation at Siviour.

The EM results will also be used to define potential resource extensions and to optimize life-of-mine throughput and concentrate production options consistent with product sales opportunities

Background information

Siviour is part of Renascor's Arno Graphite Project. Renascor has the right to acquire the project through an option agreement between Renascor's wholly-owned subsidiary Eyre Peninsula Minerals Pty Ltd (EPM) and Ausmin Development Pty Ltd (Ausmin). EPM's option to acquire the project is exercisable upon completing a feasibility study in relation to the commercial development of graphite by issuing to the owners of Ausmin a 22% equity interest in a listed vehicle holding the project. See RNU ASX release dated 1 September 2016.

Competent Person Statement

The information in this document that relates to exploration activities and exploration results is based on information compiled and reviewed by Mr G.W. McConachy who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McConachy 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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

David Christensen
Managing Director

+61 8 8363 6989

info@renascor.com.au

Angelo Gaudio
Company Secretary

Appendix 1

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"> Airborne electromagnetic survey.
Drilling techniques.	<ul style="list-style-type: none"> No drilling was carried out as part of the survey.
Drill sample recovery.	<ul style="list-style-type: none"> No drilling or sample recovery was carried out as part of the survey.
Logging.	<ul style="list-style-type: none"> No drill logging was carried out as part of the survey.
Sub-sampling techniques and sample preparation.	<ul style="list-style-type: none"> No drill sub-sampling was carried out as part of the survey.
Quality of assay data and laboratory tests.	<ul style="list-style-type: none"> No drilling and hence no samples or assays were collected as part of the survey.
Verification of sampling and assaying.	<ul style="list-style-type: none"> No samples or assays were collected as part of the survey and hence no verification was required.
Location of data points.	<ul style="list-style-type: none"> GPS with accuracy of a 20cm error level. The grid system for the project is Geocentric Datum of Australia (GDA) 94, Zone 53.
Data spacing and distribution.	<ul style="list-style-type: none"> The survey comprised a moving loop helicopter EM survey on NW-SE oriented 100-200m-spaced lines across the Siviour area. The survey used the "Xcite" commercial EM system flown by NRG Australia Pty Ltd, using an 18m transmitter loop at a base frequency of 25 Hz.
Orientation of data in relation to geological structure.	<ul style="list-style-type: none"> Northwest southeast lines cross the average interpreted strike of the graphite bodies across the survey area.
Audits or reviews.	<ul style="list-style-type: none"> All data collected is subject to contractor and internal review. No external audits have been undertaken at this stage.

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

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"> • Exploration Licence EL5618 (formerly EL4430) granted on 29 January 2015 for a two-year term expiring in 2020. • EL5618 is 100% owned by Ausmin Development Pty Ltd and in good standing with no known impediments.
Exploration done by other parties.	<ul style="list-style-type: none"> • Several companies have carried out historic exploration over many years, but without any focus on graphite prospectivity. Cameco Ltd, as part of a uranium exploration programme, acquired EM data across the tenement in 2006 and 2007. Cameco drilled hole CRD0090, without testing for graphite. • 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.
Geology.	<ul style="list-style-type: none"> • Mineralisation within Meso-proterozoic sediments of the Hutchison Group
Data aggregation methods.	<ul style="list-style-type: none"> • No drilling and assays were collected as part of the survey hence no data aggregation was undertaken.
Relationship between mineralisation widths and intercept lengths.	<ul style="list-style-type: none"> • No drilling and assays were collected as part of the survey hence no drill hole data can be reported.
Diagrams.	<ul style="list-style-type: none"> • Scaled map is included in the body of this report.
Balanced reporting.	<ul style="list-style-type: none"> • All results of significance have been reported within this report
Other substantive exploration data.	<ul style="list-style-type: none"> • All data considered substantive has been reported for this survey.
Further work.	<ul style="list-style-type: none"> • The surveys have identified electromagnetic anomalies. No drilling is currently scheduled.