

ACQUISITION OF 100% OF EYRE PENINSULA MINERALS

- Renascor exercises option to acquire 100% ownership interest in Eyre Peninsula Minerals Pty Ltd (EPM), which holds an option over the Arno Graphite Project in South Australia's Eyre Peninsula
- Renascor currently owns 49% of EPM and has now exercised its option to acquire the remaining 51% of EPM by issuing (subject to shareholder approval) 42,068,684 ordinary shares and 15,000,000 options (exercisable at \$0.05 per option)
- Renascor intends to continue advancing the Arno Project, where earlier this year it defined Australia's largest graphite Mineral Resource at the Siviour Graphite Deposit
- Upcoming work programs are expected to include incorporating recent resource expansion drill results in a revised Mineral Resource estimate for Siviour and further metallurgical test work to assist in the preparation of a scoping study later this year



Figure 1. Arno graphite project, showing location and nearby graphite deposits



Renascor Resources (ASX: RNU) is pleased to announce that it has exercised its option to increase its ownership interest in Eyre Peninsula Minerals Pty Ltd (EPM), which holds an option over the Arno Graphite Project in South Australia's Eyre Peninsula, to 100%.

Discussion

Renascor currently owns 49% of the outstanding share capital of EPM, and, pursuant to an agreement with EPM and EPM's shareholders, Renascor has an option to acquire the remaining 51% of EPM.

Renascor has now served notice to EPM's shareholders of the exercise of its option to acquire the remaining 51% of EPM. Subject to obtaining shareholder approval at Renascor's upcoming annual shareholder meeting, Renascor will acquire the remaining shares in EPM in exchange for 42,068,684 ordinary shares in Renascor and 15,000,000 unlisted options exercisable at \$0.05 per option and expiring three years from the date of issue. The issuance of the 42,068,684 ordinary shares in Renascor is calculated, pursuant to the agreement with EPM and its shareholders, based on issuing shares in Renascor valued at \$2,040,000 as determined by the 20-day volume-weighted average price of Renascor shares of approximately \$0.04849 at the time of exercise.

EPM option to acquire Ausmin

EPM's primary asset is an option to acquire Ausmin Development Pty Ltd (Ausmin), which owns the underlying rights to the exploration tenements that comprise the Arno Graphite Project. The option can be exercised at any time prior to 30 September 2018, and can be extended to December 2019 and to December 2020 by payment of \$150,000 and \$250,000, respectively. To exercise the option, EPM must complete a bankable feasibility study in relation to the commercial development of graphite on the project tenements and issue to the owners of Ausmin a 22% equity interest in a listed vehicle holding the project. After exercise of the option, the Ausmin shareholders are entitled to an overriding 1% gross royalty on minerals produced from the project tenements. See RNU ASX release dated 6 December 2015.

Next steps

Renascor intends to continue advancing the Arno Project, where earlier this year it defined Australia's largest graphite Mineral Resource at the Siviour Graphite Deposit.

Upcoming work programs are expected to include incorporating recent resource expansion drill results in a revised Mineral Resource estimate for Siviour and further metallurgical test work to assist in the preparation of a scoping study later this year.

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 near Arno Bay, South Australia and at Munghlinup, Western Australia.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr David Christensen

Managing Director

+61 8 8363 6989

info@renascor.com.au

Mr Angelo Gaudio

Company Secretary

