RENASCOR RESOURCES

ASX Announcement

26 October 2016

Siviour Graphite Mineral Resource Upgraded from 16.8 Million Tonnes @ 7.4% TGC to 60.8 Million Tonnes @ 7.8% TGC

- Reverse circulation and diamond drilling along strike from mineralisation quantified earlier in 2016 has nearly quadrupled the Siviour Mineral Resource estimate to **60.8 million tonnes @ 7.8% Total Graphitic Carbon (TGC) for 4.7 million tonnes of contained graphite**
- Siviour Mineral Resources include higher-grade mineralisation of **22.2 million tonnes @ 10.0% TGC for 2.2 million tonnes of contained graphite**
- Shallow dips of the mineralised horizon continue to be noted and attractive potential strip ratios continue to be confirmed
- Opportunity to further increase Mineral Resources exists both along and across strike
- On-going mineral process test work has advanced sufficiently to confirm that conventional industry mineral processing techniques should enable recovery of Siviour graphite concentrates to marketable specifications in each of the super jumbo, jumbo, large, medium and fine categories
- Renascor is funded for its planned next stage work programs, with current cash of ~$2.7m. Upcoming programs will include completion and expansion of ongoing mineral processing studies, further drilling to increase Siviour Mineral Resource portfolio and, upon completion of the foregoing, compilation of Siviour scoping study

Renascor Resources (ASX: RNU) is pleased to announce an upgrade to the JORC Mineral Resource for its Siviour graphite deposit located in South Australia's Eyre Peninsula (see Figure 1).

Commenting on the revised resource estimate, Renascor Managing Director David Christensen stated:

"The resource upgrade confirms Siviour as Australia's largest graphite deposit, with potential to compete with emerging large-scale graphite developments in Africa. Upcoming drilling and mineral processing studies offer additional opportunities to establish Siviour's potential to become a globally competitive, Australian producer of high quality flake graphite".

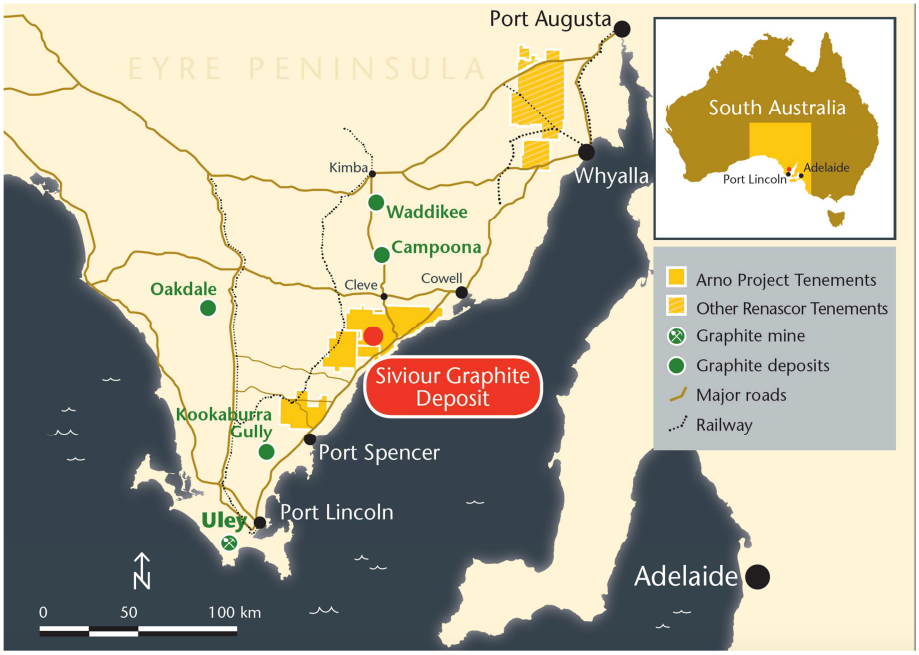

Figure 1 (right). Siviour Graphite Deposit, showing location and significant nearby graphite deposits

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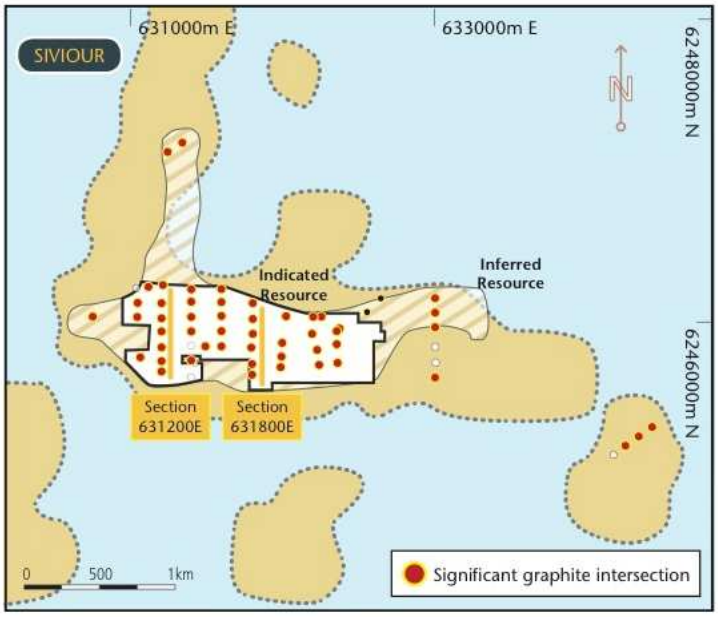
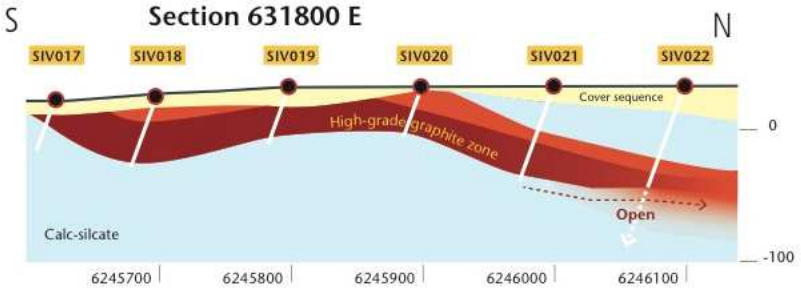
Category	Tonnes of mineralisation (millions)	TGC	Tonnes of contained graphite (millions)
Indicated	33.4	8.2%	2.7
Inferred	27.4	7.4%	2.0
Total	60.8	7.8%	4.7

Note: Cut-off grade of 3% total graphitic carbon

Table 1. Siviour Mineral Resource estimate as of 25 October 2016

The recent drilling and resource modelling has confirmed the horizontal orientation of the Siviour mineralised body, with most of the graphite mineralisation occurring beneath only 10m to 25m of surface cover. As shown in Figure 2 below, Section 631200E, situated on the western portion of the Indicated Resource, continues to show the thick, shallow graphite-mineralised zone that was previously observed over Section 631800E.





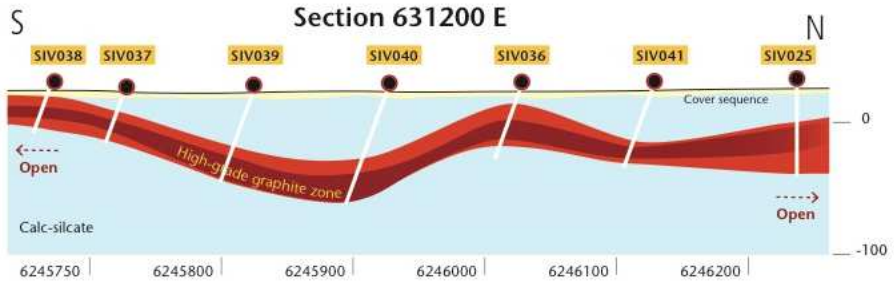


Figure 2. Siviour -- Plan view showing Indicated and Inferred Resources over electromagnetic conductive zones and cross-sections with TGC assay results (5%TGC cut-off in dark red and 3% TGC cut-off in light red) over north-south Sections 631200E and 631800E

Expansion potential

Siviour remains largely open, with near-surface opportunities to extend the deposit both along and across strike into areas that Renascor considers highly prospective for additional graphite mineralisation at similarly attractive potential strip ratios.

As shown in Figure 2 (previous page) and Figure 3 (below), these areas include the electromagnetic anomaly extending north from the western portion of the Indicated Resource, as well as open areas along strike of the northern and eastern margins of the Indicated Resource zones.

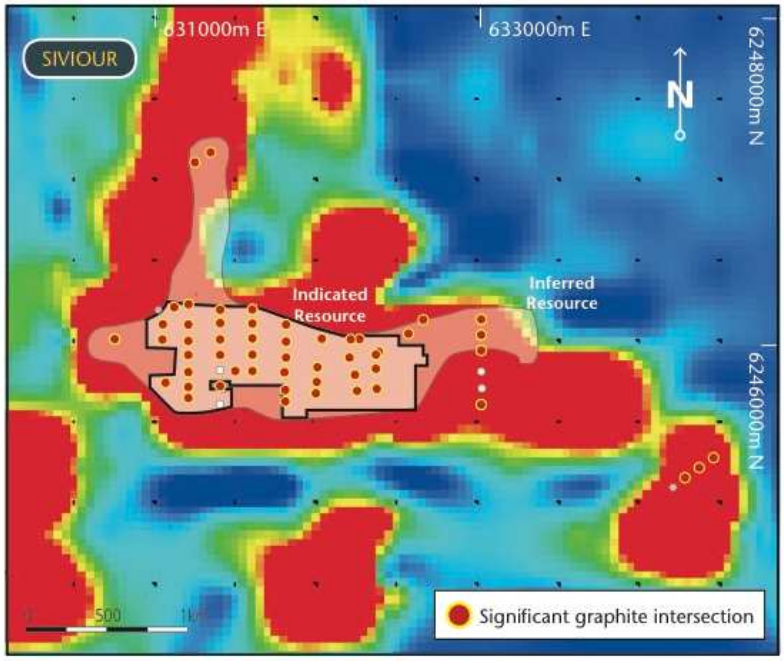


Figure 3. Electromagnetic image showing Indicated and Inferred Resources

Siviour in comparison to other graphite resources in Australia

As shown below in Figure 4, the Siviour deposit is the largest reported JORC resource in Australia.

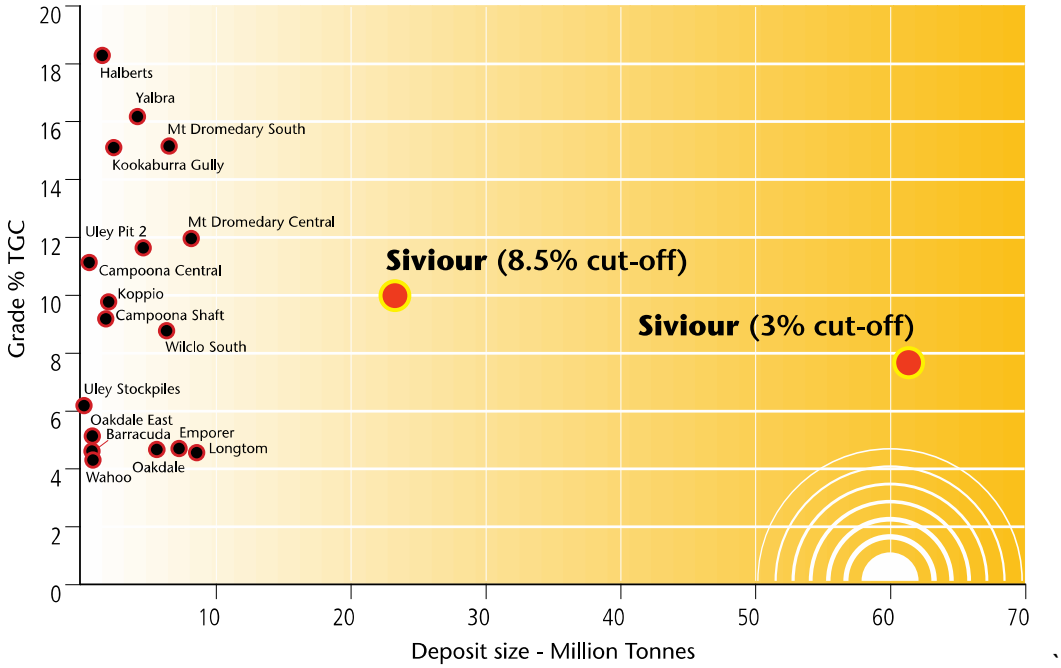


Figure 4. Scatter plot showing grade (%TGC) and tonnage of Siviour (at 3% and 8.5% cut-off grades) and reported resources for Australian graphite deposits

Mineral processing test work and graphite flake size

Preliminary metallurgical tests indicate ample scope to deliver a high-purity, coarse flake product from Siviour. As previously reported, petrographic analysis of high-grade drill samples from drill holes at Siviour have returned over 80% in the high-value super-jumbo (+500μm), jumbo (+300μm) and large (+180μm) categories (see RNU ASX release 11 March 2016).

While comprehensive mineral processing test work has not yet been completed on Siviour drill core, currently on-going test work being undertaken by ALS on diamond core hole SIV035, located within the Siviour Indicated Resource, has advanced sufficiently to confirm the conclusions of earlier work on core from diamond hole CRD090 (located within the adjacent Paxtons prospect); these preliminary tests confirm that conventional industry mineral processing techniques should enable recovery of Siviour graphite concentrates to marketable specifications in each of the super jumbo, jumbo, large, medium and fine categories. Results of mineral process test work will be released upon completion.

Next steps

Next step work programs are planned to include completion and expansion of ongoing mineral processing studies and further drilling to increase the Siviour Mineral Resource portfolio. Upon completion of the foregoing, Renascor expects to complete a scoping study defining potential parameters of production from Siviour. Renascor is funded for its planned upcoming work programs, with current cash of ~$2.7m.

Background information

The Siviour Graphite Deposit is part of the Arno Graphite Project in South Australia's Eyre Peninsula. Renascor has the right to acquire the project through an option agreement between Eyre Peninsula Minerals Pty Ltd (EPM) and Ausmin Development Pty Ltd (Ausmin). 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 at Renascor's upcoming Annual General Meeting) 42,068,684 ordinary shares and 15,000,000 options (exercisable at $0.05 per option). EPM's option to acquire the project is exercisable upon completing a bankable 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.

JORC Table 1 Summary

A summary of attached JORC Table 1 (see Appendix 2) is provided below with respect to the Mineral Resources pursuant to the requirements of ASX listing rule 5.8.1.

- Geology – interpretation was undertaken based on a combination of the observed geology and analyses of graphite mineralisation within Mesoproterozoic sediments of the Hutchison Group.
- Drilling method – the drilling method used is reverse circulation (RC) using both 100mm and 140mm face sampling hammers and five Triple Tube HQ3 diamond core holes.
- Resource classification – classified on the basis of confidence in geological and grade continuity using the drilling density, geological model, modelled grade continuity and conditional bias measures (slope of the regression and kriging efficiency) as criteria. The results from metallurgical testwork have been considered for Mineral Resource classification. Metallurgical testwork data at Siviour confirms data obtained from the adjacent Paxtons prospect. As a general rule, drill spacing of 200m by 100m or less resulted in an Indicated classification and areas with broader spacing are classified as Inferred.
- Sample analysis method – all samples were sent to Bureau Veritas laboratory in Adelaide for preparation and for Total Graphitic Carbon (TGC) analyses. A portion of the sample was dissolved in weak acid to liberate carbonate carbon. The residue was then dried at 420°C driving off organic carbon and then analysed by its sulphur-carbon analyser to give TGC. Duplicate analysis and analysis of Certified Reference Material (standards) was completed and no issues identified with sampling reliability.
- Estimation methodology – resources estimation was undertaken using ordinary kriging. The search ellipse was oriented within the plane of mineralisation.
- Cut-off parameters – the Mineral Resource is reported above a 3% TGC cut-off grade.
- Sampling – one-metre drill chip samples were collected throughout the drill program in sequentially numbered bags. Core samples from diamond drill holes were collected based on geology, varying in thickness from 0.2m to 1.2m intervals.

- Sub-sampling - analysis was undertaken at Bureau Veritas laboratory with the sample split to less than 3kg through linear splitter. Pulverising was completed using LM5, 90% passing 75µm in preparation for analysis.
- Mining modifying parameters - planned extraction is by open pit mining and mining factors such as dilution and ore loss have not been applied.
- Metallurgical methods - no metallurgical assumptions have been built into the resource models. Data from mineralogy and preliminary metallurgical testwork has been considered for Mineral Resource classification. Mineralogical examination of samples indicates that the majority (~85%) of the graphite at Siviour is interstitial and is expected to be relatively easily liberated during processing to create a graphite concentrate. Preliminary metallurgical tests on samples from diamond drillhole SIV035 confirm the ability to produce concentrates with conventional metallurgy techniques that result in a marketable graphite product.

Competent Person's Statement – Mineral Resource

The information in this report which relates to Mineral Resources is based upon information compiled by Mrs Christine Standing who is a Member of the Australasian Institute of Mining and a Member of the Australian Institute of Geoscientists. Mrs Standing is an employee of Optiro Pty Ltd and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mrs Standing consents to the inclusion in the report of a summary based upon her information in the form and context in which it appears.

Competent Person's Statement – Exploration Results

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. 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.*

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Appendix 1

Siviour Mineral Resources Estimate

The Siviour Mineral Resource model was prepared by Optiro Pty Ltd (Optiro), an independent and internationally recognised mining consultancy group.

The summary table below displays the Indicated and Inferred Mineral Resources for Siviour. A nominal cut-off grade of 3% TGC has been established for Siviour based on the potential mining methods and costs of open-cut mining operations that could be undertaken for mineralisation of this type.

Category	Tonnes of mineralisation (millions)	TGC	Tonnes of contained graphite (millions)
Indicated	33.4	8.2%	2.7
Inferred	27.4	7.4%	2.0
Total	60.8	7.8%	4.7

Note: Cut-off grade of 3% total graphitic carbon

Table 1. Siviour Mineral Resource estimate as of 25 October 2016

Siviour resource breakdown by cut-off grades

Table 2 and Figure 5 below show the Siviour total Mineral Resource at varying cut-off grades and the corresponding grade tonnage curve.

Cut-off grade (TGC)	Tonnes of mineralisation (millions)	TGC	Tonnes of contained graphite (millions)
3%	60.8	7.8%	4.7
4%	58.1	8.0%	4.6
5%	54.7	8.2%	4.5
6%	48.3	8.6%	4.2
7%	39.5	9.0%	3.6
8%	28.5	9.6%	2.7
8.5%	22.2	10.0%	2.2
9%	16.7	10.4%	1.7
10%	8.6	11.4%	1.0

Table 2. Siviour Mineral Resource by cut-off grade

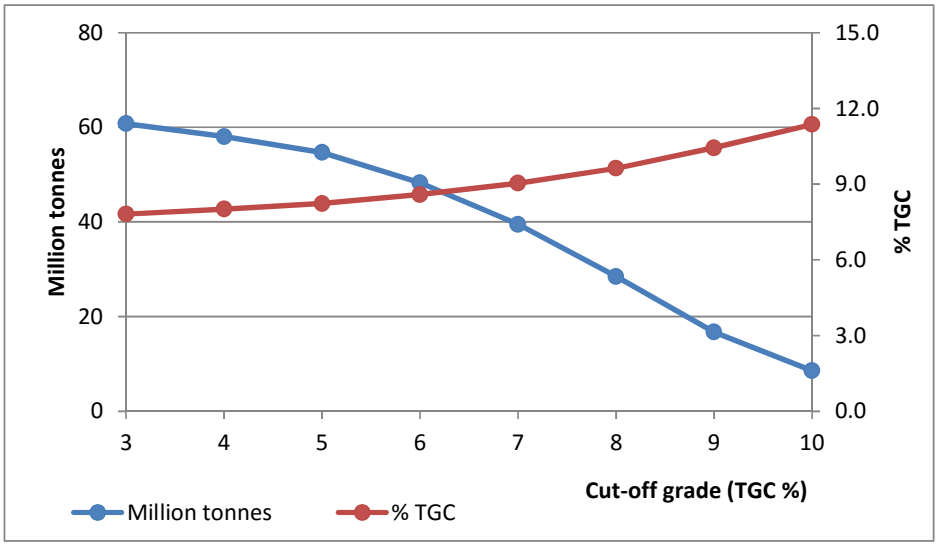

Figure 5. Siviour resource grade and tonnage curve

The Siviour Mineral Resources are based on 61 reverse circulation holes for a total of 4,392m and five diamond holes totalling 299.5m.

Appendix 2

JORC Table 1

The table below summaries the assessment and reporting criteria used for the Siviour Mineral Resource estimate and reflects the guidelines in Table 1 of *The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code, 2012).

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	**1. Sampling Methodology – Reverse Circulation** • RC drill samples were collected at one-metre intervals from a 1 in 8 (12.5%) riffle splitter attached to the drill rig. In some instances the samples were collected by spear technique. • Approximately 3kg of sample was bagged in a numbered calico bag for assay. All graphitic intervals were submitted for analyses. Due to the visual non-mineralised nature of the hanging wall and footwall material this was not collected for graphitic assay. • Duplicate analysis was completed and no issues identified with sampling reliability. **2. Sampling Methodology – Diamond Drilling** • Drill samples in this program were collected based on geology, varying in thickness from 0.2m to 1.2m intervals. • Core samples were quarter split Triple Tube HQ3 core and sent for laboratory geochemical analysis at Bureau Veritas, South Australia. • Duplicate samples in this program were collected after each 25 samples and standards were inserted into the sample stream at the end of every hole. • Sampling was guided by Renascor Resources Limited's protocols and QA/QC procedures.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC drilling was undertaken by a contract drilling company (Coughlan Drilling) with a Metzke RCD251S rig, using a 5 1/2 inch, (140mm) face sampling hammer bit. • Diamond drilling was undertaken by a drilling contractor (Coughlan Drilling) with a McCulloch DR800 drill rig, using triple tube with a HQ3 drill bit (61mm core diameter). Core was orientated down hole using a Reflex digital orientation system.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• One-metre drill chip samples, weighing approximately 3kg were collected throughout the drill programme in sequentially numbered bags. Samples were generally collected from the 12.5% rifle splitter attached to the drill rig however in some instances samples were collected by spear technique. • Every interval drilled is represented in an industry standard chip tray that provides a check for sample continuity down hole. • Diamond core recovery was routinely recorded and within the reported mineralised zones from the four DD holes core recovery averaged 96%.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a*	• Primary data was captured into spreadsheet format by the supervising geologist, and

Criteria	JORC Code explanation	Commentary
	level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	subsequently loaded into the Renascor Resources Limited's database. • No adjustments have been made to any assay data. • The Specific Gravity data was collected using Archimedes Principle water displacement device of core samples on metre intervals down the hole. • Core was orientated using the Reflex orientation tool, marked into 1m intervals, core recovery and geotechnical data – Rock Quality Designation were recorded. • Core was photographed, both dry and wet.
Sub-sampling techniques and sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**1. RC Drill Chips** • All samples were marked with unique sequential numbering as a check against sample loss or omission. • At the Bureau Veritas laboratory sample preparation involved the original sample being dried at 105° for up to 24 hours on submission to laboratory. • Sample is split to less than 3kg through linear splitter and excess retained. • Pulverising was completed using LM5, 90% passing 75µm in preparation for analysis using the Bureau Veritas network. **2. DD Core** • HQ3 diameter core is cut in half to preserve the orientation mark. • Graphite intervals are sampled using ¼ HQ3 diameter core. • Every twenty five samples a duplicate sample is collected using ¼ HQ3 diameter core and submitted for check analysis. • All the samples are marked with unique sequential numbering as a check against sample loss or omission. • Samples were crushed and pulverised using LM5, 90% passing 75µm in preparation for analysis using the Bureau Veritas network.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• All samples were sent to Bureau Veritas laboratory in Adelaide for preparation and for Total Graphitic Carbon (TGC) analyses and the DD core for additional multi element analysis using a mixed acid digest. • Sampling was guided by Renascor Resources Limited's protocols and QA/QC procedures. • Duplicate analysis was completed and no issues identified with sampling reliability. • A portion of the sample is dissolved in weak acid to liberate carbonate carbon. • 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). • Bureau Veritas Minerals has adopted the ISO 9001 Quality Management Systems. All Bureau Veritas laboratories work to documented procedures in accordance with this standard.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage*	• QA/QC protocols were adopted for the drill programs. • Duplicate analysis was completed and no issues identified with sampling representatively. • There were three DD holes that twinned

Criteria	JORC Code explanation	Commentary
	(physical and electronic) protocols. • *Discuss any adjustment to assay data.*	earlier RC holes. • Field duplicates, standards and blanks were collectively inserted at a rate of 4%. Field duplicates results are good and there is excellent correlation of assayed sample results against industry standards. • No adjustments have been applied to the results.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All drill holes were pegged using a hand-held GPS. Upon completion, all RC holes and three of the four DD drill hole collar locations were picked up using a Trimble DGPS. • The collar coordinates were entered into the drill hole database. • The degree of accuracy of drill hole collar location and RL is estimated to be within 0.1m for DGPS and 5m error level for the hand-held GPS. • The grid system for the project was Geocentric Datum of Australia (GDA) 94, Zone 53.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling was initial exploration only, with holes at approximately 100m spacing on four 200m separated sections. • Geological interpretation and mineralisation continuity analysis indicates that data spacing is sufficient for definition of a Mineral Resource. • 99% of the RC samples were taken over a 1m interval. Samples analysed for interval of less than 1m were composited to 1m intervals. • DD core sampling was based on geological boundaries with a general maximum limit of 1m thickness and a minimum of 0.2m thickness for assay samples.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Interpretation of the relationship between the drilling orientation and the orientation of key mineralised structures could not be undertaken with RC drilling • Diamond drilling has been carried out within the mineral resource area and supports the orientation interpretation of key mineralised structures.
Sample security	• *The measures taken to ensure sample security.*	• Unique sample number was retained during the whole process. • Samples were delivered to Bureau Veritas Minerals as they were collected.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• All data collected was subject to internal review.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to*	• All drilling was entirely within Exploration Licence EL5618 (formerly EL4430) granted on 29 January 2015 for a two-year term expiring in 2017. EL5618 is 100% owned by Ausmin Development Pty Ltd and in good standing with no known impediments. • The drilling was carried out on agricultural freehold land.

Criteria	JORC Code explanation	Commentary
	operate in the area.	
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 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 program, 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	• *Deposit type, geological setting and style of mineralisation.*	• Graphite mineralisation is strata-bound in a shallow north dipping sequence of metasediment within Mesoproterozoic sediments of the Hutchison Group.

Drillhole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:*
	  • easting and northing of the drillhole collar
	  • elevation or RL (elevation above sea level in metres) of the drillhole collar
	  • dip and azimuth of the hole
	  • down hole length and interception depth
	  • hole length.
		• Exploration results are not being reported for the Mineral Resources area.
		• Holes were generally drilled on 200m spaced sections with 100m drillhole spacing along sections.
		• Holes were orientated at 173^{o} mag – grid south with a dip angle of at minus 70^{o} in the western and central portions of the resource area.
		• Holes drilled in the eastern area (8 holes) were vertical.
		• The degree of accuracy of drillhole collar location and RL is estimated to be within 0.1m for DGPS and 5m error level for the hand-held GPS.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Exploration results are not being reported for the Mineral Resources area. • Metal equivalent values have not been used. • No top cuts have been applied to the results applied in this announcement. • A nominal 3% Total Graphitic Carbon lower cut-off has been applied in the determination of significant intercepts. • Where core loss greater than 0.1m occurs, a zero %TGC grade is applied.
Relationship between mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect.*	• Bedding and foliation data from orientated core indicates that graphite mineralisation was intersected approximately orthogonally to drill hole orientation and is therefore considered to be close to true width. • Exploration results are not being reported for the Mineral Resources area.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the Mineral Resource report main body of text. • Exploration results are not being reported for the Mineral Resources area.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Exploration results are not being reported for the Mineral Resources area.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical*	• Exploration results are not being reported for the Mineral Resources area. • Metallurgical samples were collected from ¼ HQ drill core from graphite rich intervals from

Criteria	JORC Code explanation	Commentary
	survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	drillhole 16SIVRCDD035
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Diamond drilling for additional samples of graphitic mineralisation to allow detail metallurgical studies and to further establish mineral recovery and graphite product quality characteristics. • Follow-up drill RC and diamond core drill testing to further confirm extensions of graphite mineralisation

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Primary data was captured into spreadsheet format by the supervising geologist, and subsequently loaded into the Renascor Resources Limited's database. • Additional data validation included checking for out of range assay data and overlapping or missing intervals.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	• A site visit to the Siviour deposit has not been undertaken by the independent consultant (Competent Person for the Mineral Resource estimate).
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Confidence in the geological interpretation of the deposit is moderate. The spatial extent and geometry of the graphitic horizon is supported by geophysical interpretation (electromagnetic). The geological confidence has been considered for classification of the resource. • Mineralisation hosted within a sequence of micro-gneiss, metasediments and schists. • The mineralisation is generally tabular, oriented east-west and forms an undulating surface that dips shallowly to the southwest, in the southern area, and more steeply to the north in the northern area. In the west the strike of the mineralisation has been interpreted, from geophysical data, to swing sharply towards the north and in the east is partially dislocated by a fault zone although, again from geophysical data, is anticipated to extend further to the east to Siviour East and Paxtons. • Geological interpretation was completed on a sectional basis, from which geological surfaces were interpolated for the top and base of the mineralisation. These surfaces were used to constrain the grade estimation. • There are no alternative detailed interpretations of geology. • The main mineralisation domains were defined using grade constraints in conjunction with geophysical data. A nominal cut-off grade of 3% TGC was used to define boundaries between mineralised and weakly-mineralised or un-mineralised domains.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The main zone of mineralisation extends over 2.4km east-west and 1.6km north-south. The horizontal width ranges from 550m at Siviour Prospect to 125m south of Buckies. • The mineralised horizon has an average thickness of 20m and the depth to the top of the

Criteria	JORC Code explanation	Commentary
		mineralised horizon ranges from 3m to 110m with an average depth of 40m. • The deposit remains open to the east and north.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.*	• Drillhole sample data was flagged from interpretations of the top and base of the mineralised horizon. • Sample data was composited to a 1m downhole length. • Data has a low coefficient of variation and a top-cut grade was not applied. • The Mineral Resource was estimated in March 2016. Classification and validation of the current model against this is consistent with the infill and extensional drilling. • TGC mineralisation continuity was interpreted from variogram analyses to have a horizontal range of 390m (northwest) by 185m (southwest). • Drillhole spacing at Siviour Prospect (where Indicated Resources have been defined) is at a spacing of 200m along strike and on-section spacing is generally 100m. • Inferred mineralisation has been interpreted from an EM anomaly and a line of drilling at Buckies, 850m along strike to the north. • The maximum extrapolation distance is 50m along strike and 70m across strike. • Grade estimation was into parent blocks of 25mE by 50mN on 2m benches. Block size was selected based on kriging neighbourhood analysis. • Estimation was carried out using ordinary kriging at the parent block scale. • The search ellipses were oriented within the plane of the mineralisation. • Three estimation passes were used; the first search was based upon the variogram ranges in the three principal directions; the second search was two times the initial search and the third search was five times the initial search, with reduced sample numbers required for estimation. • Almost 92% of the block grades were estimated in the first pass. • The estimated TGC block model grades were visually validated against the input drillhole data, comparisons were carried out against the drillhole data and by northing, easting and elevation slices.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnes have been estimated on a dry basis. • Moisture content has not been tested.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource is reported above a 3% TGC cut-off grade to reflect current commodity prices and open pit mining methods.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous.*	• Planned extraction is by open pit mining. • Mining factors such as dilution and ore loss have not been applied.

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Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous.*	• No metallurgical assumptions have been built into the resource models. • The results from metallurgical testwork have been considered for Mineral Resource classification. • Mineralogical examination of samples from Siviour indicates that the majority (~85%) of the graphite is interstitial and is expected to be relatively easily liberated during processing to create a graphite concentrate. • During September 2016, ALS Metallurgical performed preliminary metallurgical tests on samples from diamond drillhole 16SIVDD035. These tests mimic the test sequence originally undertaken on core from diamond drillhole CRD090 at Paxtons and the results confirm the ability to produce concentrates with conventional metallurgy techniques that result in a marketable graphite product. Additional testwork on a representative composite sample of the graphite mineralisation at Siviour is planned by Renascor.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation.*	• No assumptions have been made regarding waste and process residue. • Environmental studies will be undertaken if the project progresses to a pre-feasibility level.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk density was measured for 202 core samples from diamond holes 16SIVDD032 to 16SIVDD035. Two outliers were excluded (of 1.54t/m^3 and 4.43t/m^3). The density data has a range of 1.71 to 2.86t/m^3. • Analysis of this data indicated that there is no relationship with TGC grade or depth. • A lithological model was developed to capture material with higher density and material with lower density and bulk densities of 2.4t/m^3 and 2.7t/m^3, respectively, were assigned to the fresh material within these two geological domains. • A density of 2.1t/m^3 was assigned to oxide and transitional material
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources have been classified on the basis of confidence in geological and grade continuity using the drilling density, geological model, modelled grade continuity and conditional bias measures (slope of the regression and kriging efficiency) as criteria. • The results from metallurgical testwork have been considered for Mineral Resource classification. Metallurgical testwork data at Siviour confirms data obtained from the adjacent Paxtons prospect. • In Optiro's opinion there are reasonable prospects for eventual economic extraction. • Measured Mineral Resources - none defined. • Indicated Mineral Resources have been defined in areas where drill spacing is 200m by 100m or less and where grade variance is moderate. • Inferred Mineral Resources have been defined in areas where extension of mineralisation is supported by limited drilling and interpretation of geophysical data. • The classification considers all available data and quality of the estimate and reflects the Competent Person's view of the deposit.

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Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The resource estimate has been peer reviewed by Optiro staff.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation.*	• The assigned classification of Indicated and Inferred reflects the Competent Person's assessment of the accuracy and confidence levels in the Mineral Resource estimate. • The confidence levels reflect production volumes on an annual basis.