

Quarterly Report

FOR THE PERIOD ENDING 31 DECEMBER 2016

Significant Events

- Scoping study commences to evaluate viability of mining from Siviour Graphite Deposit in South Australia's Eyre Peninsula; graphite industry specialist BatteryLimits appointed to manage study
- Siviour Resource expanded and high-grade zone identified
 - Updated Mineral Resource estimate for Siviour nearly quadruples to 60.8 million tonnes @ 7.8% Total Graphitic Carbon (TGC) for 4.7 million tonnes of contained graphite, including higher-grade mineralisation of 22.2 million tonnes @ 10.0% TGC for 2.2 million tonnes of contained graphite
 - Follow-up diamond drill program confirms and extends near flat-lying, shallow +10% TGC zone along the southern boundary of the Siviour Indicated Resource
- Mineral processing tests on Siviour core produce high purity 99% TGC flake concentrates from simple flotation without chemical or thermal purification
- Comprehensive mineral processing test program commences on Siviour core samples obtained from higher-grade, +10% TGC zone
- Renascor is funded for its planned next stage work programs, with current cash of ~\$2.4m
- Upcoming programs will focus on compilation of Siviour Scoping Study and will include drilling (currently underway) to expand high-grade zone, completion of mineral processing tests and mining and logistic studies incorporating higher-grade graphite zone

ARNO GRAPHITE PROJECT

During the recently completed quarter, Renascor's activities were focused on the Arno Graphite Project and, in particular, the Siviour Graphite Deposit in South Australia's Eyre Peninsula. See Figure 1. Activities undertaken during the quarter included: commencing a Scoping Study to evaluate the viability of mining from Siviour; expanding the Siviour resource and identifying a higher-grade +10% TGC zone; and conducting mineral processing test work on ore considered reasonably representative of what would be mined in Siviour's first ten years of mine life, subject to satisfactory completion of mining studies and obtaining requisite developmental financing.

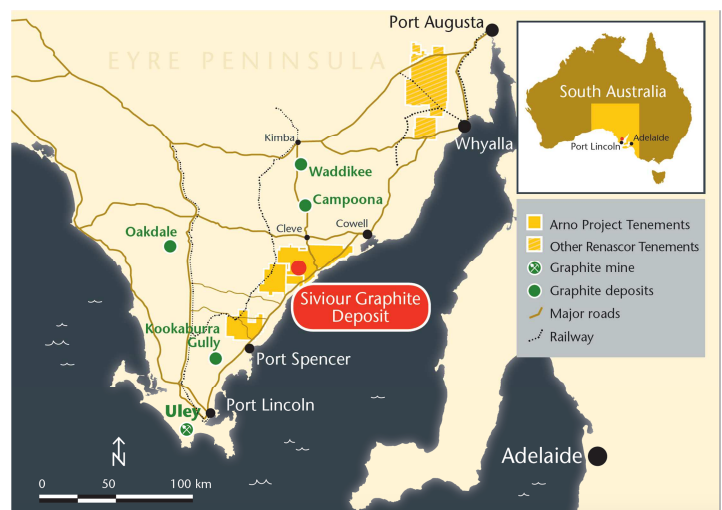


Figure 1. Siviour Graphite Deposit, showing location and significant nearby graphite deposits



Siviour Scoping Study

Following completion of the upgraded Siviour Resource estimate in October 2016 (see **Siviour Resource Upgrade** below), Renascor commenced a Scoping Study to examine all facets of geology, mining and processing from Siviour.

Graphite industry specialist BatteryLimits Pty Ltd has been appointed to manage the Scoping Study. BatteryLimits is an Australian mining and engineering consultancy group with recent experience managing mining studies evaluating graphite development projects in Australia and East Africa. Renascor has also engaged internationally recognized specialist consultants in the fields of resource estimation, mining engineering, metallurgy, logistics and environmental management as members of the study team.

The Scoping Study is evaluating the technical and economic viability of mining from the Siviour Graphite Deposit. Production options are being considered to take advantage of the higher-grade ore zone identified in the southern portion of the Siviour Indicated Resource, with rates of production intended to optimise operational and capital costs, subject to available markets for products and expected finance requirements.

The Scoping Study will include mining parameters to be defined after the completion of the current drill program (see **Eastward Extensions to High-Grade Graphite Zone** below) and product parameters to be defined by current mineral processing testing (see **Siviour Mineral Processing Tests**). Results from the current drill program and mineral processing tests are expected later this quarter, with completion of the Scoping Study anticipated shortly thereafter.

Siviour Resource Upgrade

In October, Renascor completed a revised Mineral Resource estimate for Siviour. The revised estimate nearly quadrupled the Siviour Mineral Resource estimate to 60.8 million tonnes @ 7.8% TGC for 4.7 million tonnes of contained graphite, including higher-grade mineralisation of 22.2 million tonnes @ 10.0% TGC for 2.2 million tonnes of contained graphite.

Category	Tonnes of mineralisation (millions)	TGC	Tonnes of contained graphite (millions)
Indicated	33.4	8.2%	2.7
Inferred	27.4	7.3%	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

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



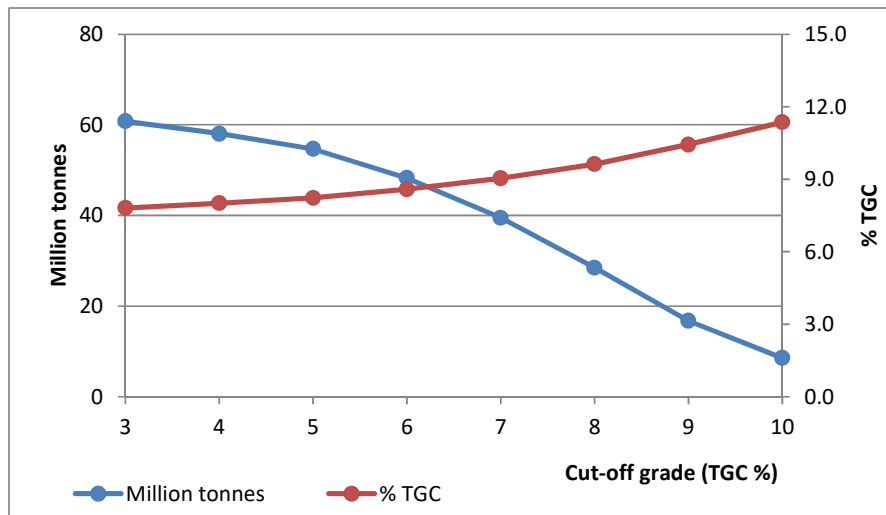


Figure 2. Siviour resource grade and tonnage curve

Extensions to High-Grade Graphite Zone at Siviour

In December 2016, Renascor completed an eleven hole drill program that confirmed and extended a near flat-lying, shallow +10% TGC zone along the southern boundary of the Siviour Indicated Resource.

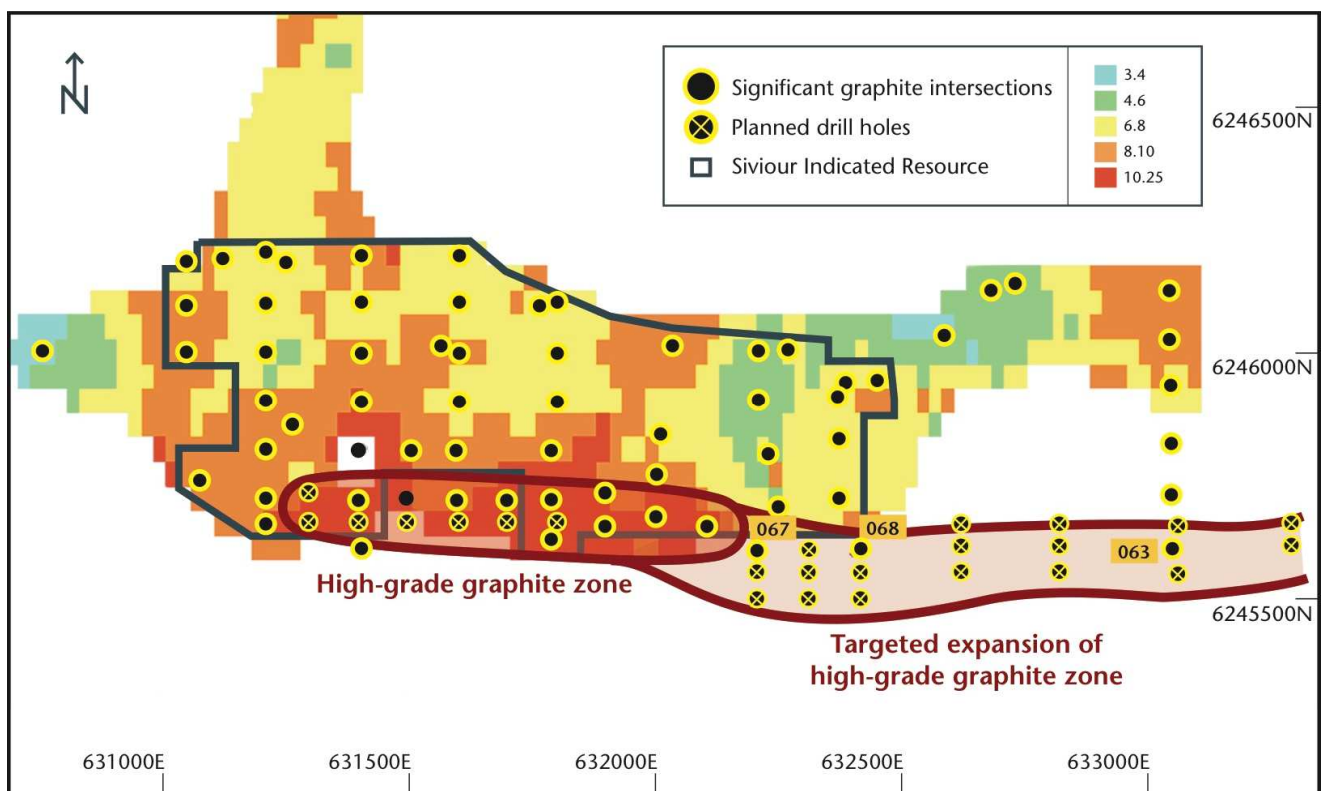


Figure 3. Average TGC% from block model over mineralised horizon of Siviour, showing drill holes within block model and targeted expansion zone and planned drill holes



The December 2016 drill program was made up of eleven diamond core holes totalling approximately 500 metres drilled primarily across the southern portion of the Siviour Indicated Resource. Renascor focused on the southern boundary of the Siviour Indicated Resource due to the high concentration of near-surface higher-grade, +10% TGC material indicated from previous drilling in this area. See Figure 3.

Ten of the eleven holes drilled in the program intersected high-grade graphite at shallow depths, with multiple intersections recording significant intervals of greater than 10% TGC.

Complete drill details for all assays from December 2016 drill program are provided below in Table 3.

Hole	Prospect	Collar (MGAE)	Collar (MGAN)	From (metres)	To (metres)	Interval (metres)	TGC%*
16SIVDD067	Siviour	632195.4	6245601.2	13	45	32	9.6
				21	43	22	12.6
16SIVDD068	Siviour	632395.5	6245597.4	17	21	4	7.0
				23	37	14	8.4
16SIVDD069	Siviour	632101.7	6245659.4	13	16	3	9.7
				18	36	18	12.3
16SIVDD070	Siviour	631898.8	6245625.0	9	17	8	10.9
				19	24	5	5.7
16SIVDD071	Siviour	631898.8	6245625.9	8	22	14	11.8
16SIVDD072	Siviour	631700.5	6245700.1	12	22	10	15.0
16SIVDD073	Siviour	631598.5	6245699.9	9	18	9	11.1
16SIVDD074	Siviour	631500.7	6245700.5	No significant intersections			
16SIVDD075	Siviour	631398.7	6245698.7	15	22	8	7.3
16SIVDD076	Siviour	631400.9	6245787.2	49	53	4	8.6
16SIVDD077	Siviour	631894.9	6245695.0	19	35	16	12.0
				36	38	2	5.7

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

Table 3. December 2016 drill results

See Renascor ASX release dated 19 January 2017 for complete drill hole parameters.

Shallow, High-Grade Graphite Zone

The results from the December 2016 drill program, together with previous drilling, confirm the existence of a near flat-lying, shallow +10% TGC zone along the southern boundary of the Siviour Indicated Resource. Renascor's modeling suggests that this area contains a large portion of the higher-grade (8.5% cut-off) graphite estimate of 22.2 million tonnes @ 10.0% TGC for 2.2 million tonnes of contained graphite, as reported in Renascor's most recent mineral resource statement. See Renascor ASX release dated 26 October 2016.



As illustrated in east-west composite section 6245600N (shown below in Figure 4), this higher-grade zone appears continuous over a strike length of over 1km along the southern portion of the current Indicated Resource area, with the potential to extend at least an additional 1km along-strike to the east.

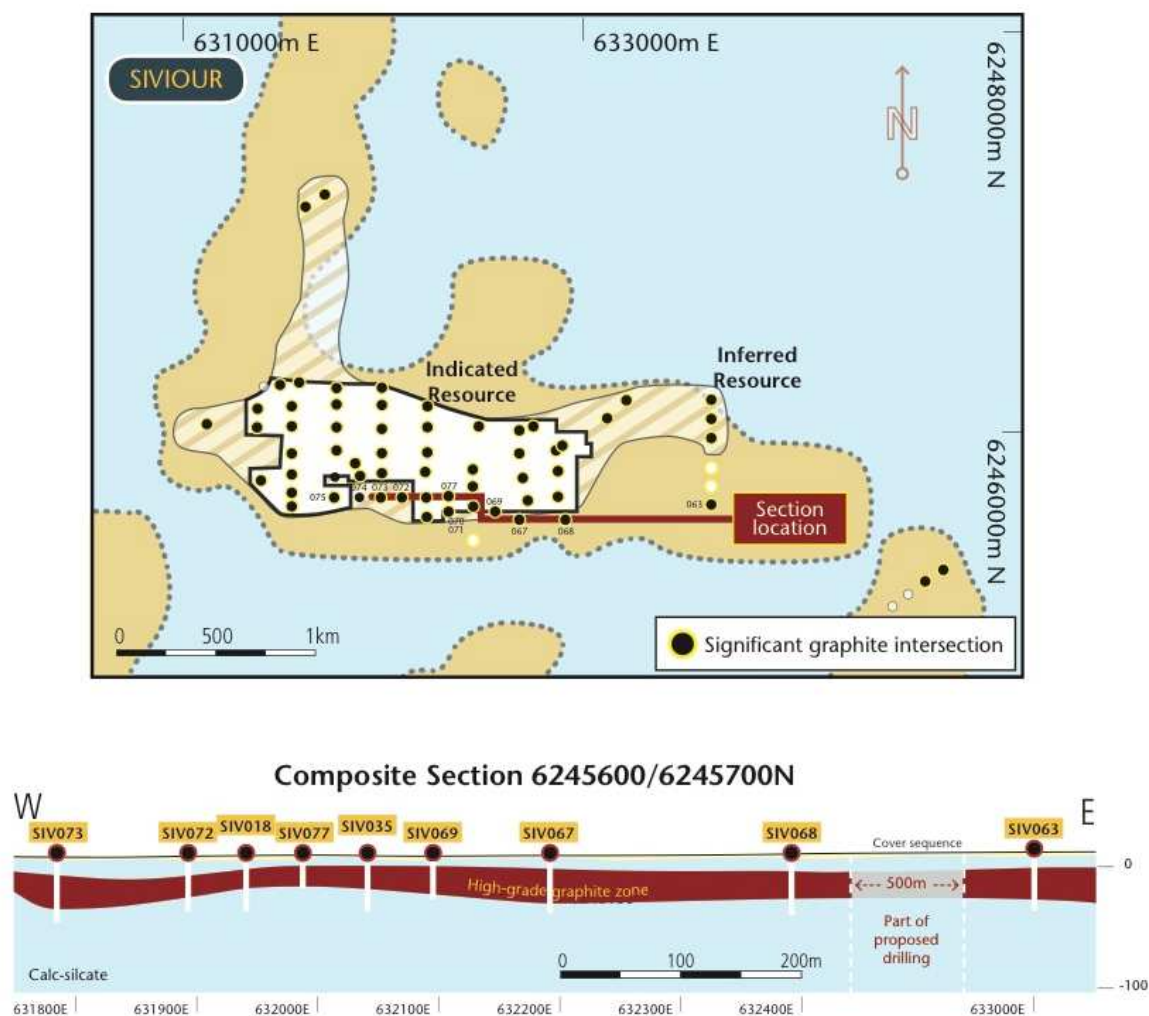


Figure 4. Siviour plan view (top), showing drill holes and resource boundaries over electromagnetic conductive zones and composite east-west section 6245600N/6245700N (bottom), extending across the southern portion of Indicated Resource to SIV063



Eastward Extensions to High-Grade Graphite Zone

As shown in Figures 3 and 4, the December 2016 drill results suggest that the higher-grade zone defined within the Indicated Resource may prove to be larger than previously indicated. Holes SIV067 and SIV068, which are both located outside of the Indicated Resource, returned significant intervals of shallow, +10% TGC. Ground electromagnetic data indicate that the higher-grade zone may extend for at least a further 1km to the east of the current Indicated Resource to SIV063, which intersected 23 metres @ 9.2% TGC (from 16m).

In light of the potential of this expanded higher-grade zone to support a large-scale, commercially competitive mining operation, earlier this month, Renascor commenced follow-up drilling of up to 2,000 reverse circulation metres, targeting extensions to the east, as well as closer-spaced drilling within the higher-grade zone in the southern portion of the current Indicated Resource.

Drilling is expected to continue through the second week of February, with assay results expected approximately two to four weeks thereafter.

High Purity 99% TGC Concentrates

During the recently completed quarter, Renascor announced significant progress in mineral processing tests, with the production of high purity 99% graphite flake concentrates.

Metallurgical tests completed by ALS Metallurgy in Adelaide have achieved concentrates of 99% TGC from simple flotation without chemical or thermal purification. The test work, performed on core obtained from diamond hole SIV035, achieved high purity results with high recoveries of 91%.

The results suggest the potential to produce a high purity product through a conventional, low cost milling and flotation process. Flake graphite concentrates produced at very high purity levels command premium pricing and are increasingly in demand for several growing market segments, including lithium-ion batteries for electric vehicles and stationary storage generated from renewable energy.

The test work also simultaneously produced jumbo (+300 microns) graphite concentrates at 94% TGC, confirming the further suitability of Siviour to produce concentrates in higher value coarse flake sizes.

Siviour Mineral Processing Tests

Renascor considers that the higher-grade graphite zone, including both the area within the southern portion of the Indicated Resource and the area extending east to SIV063 (see Figures 3 and 4), is likely to offer the potential to access a significant portion of Siviour's higher-grade graphite inventory, while taking advantage of the zone's favourable strip-ratio characteristics and low-cost, free dig mining.

It is apparent that a large-scale, commercially competitive mining operation may be practicable based on this higher-grade graphite zone.

The current metallurgical test work parameters have accordingly been redefined to consider and account for the commercial advantages of this possibility.

Core samples collected from the December drill program have been integrated into Renascor's mineral processing test program, with initial results expected later this quarter.



OTHER PROJECTS

Additional exploration and evaluation activities undertaken during the quarter included activities at Renascor's Munglinup Project near Ravensthorpe, Western Australia. Renascor continued its review of prospective lithium and graphite targets. Targets at Munglinup include areas mapped and interpreted as Archean greenstone prospective for lithium-cesium-tantalum (LCT) pegmatites of the type associated with the nearby Mt Cattlin lithium mine. The project area also includes large conductivity anomalies along strike from the Halberts graphite mine. Next step programs under consideration include a program of multi-element geochemistry that will include coverage of the interpreted greenstone target zones, as well as reverse circulation drilling over graphite targets.

CORPORATE EVENTS

Capital Raising

During the recently completed quarter, Renascor received subscriptions and entered into firm commitment agreements for a placement of 13,333,333 ordinary shares at \$0.03 per share to raise a total of \$400,000.

The placement was managed by Bizzell Capital Partners Pty Ltd (BCP), the lead manager and underwriter of the Company's recent option expiry raising. BCP had the right to conduct an additional placement for the Company pursuant to the option expiry underwriting agreement and notified that it would exercise its right to conduct the additional placement on 14 October 2016.

BCP, an entity associated with Renascor director, Mr Stephen Bizzell, also entered into a firm commitment agreement for BCP to subscribe for 2.6 million shares (\$78,000) in the placement, subject to shareholder approval, which was obtained at Renascor's Annual General Meeting in November 2016 (see ***Annual General Meeting*** below). The 2,600,000 shares were allotted to BCP and its nominee on 5 December 2016. The balance of the placement, consisting of 10,733,333 shares (\$322,000), was allotted on 21 October 2016 to sophisticated or professional investor clients of BCP who are not related parties of Renascor. See Renascor ASX release dated 21 October 2016.

As of 31 December 2016, Renascor had approximately \$2.4m cash on hand. Please refer to Renascor's Quarterly Cashflow Report for the period ending 31 December 2016 for further information.

Annual General Meeting

On 25 November 2016, Renascor convened its Annual General Meeting, approving all resolutions under consideration (See Renascor ASX release dated 25 November 2016).

Acquisition of Eyre Peninsula Minerals

On 5 December 2016, Renascor announced that it has completed the acquisition of a 100% ownership interest in Eyre Peninsula Minerals Pty Ltd (EPM).

Renascor previously owned 49% of the outstanding share capital of EPM, and, as first announced on 1 September 2016, Renascor exercised its option to acquire the remaining 51% of EPM subject to obtaining shareholder approval at Renascor's annual general meeting on 25 November 2016. Having obtained such approval at the annual general meeting (see ***Annual General Meeting*** above), Renascor acquired the remaining 51% of EPM on 3 December 2016 in exchange for 42,068,884 ordinary shares in Renascor and 15,000,000 unlisted options at \$0.05 per option and expiring 5 December 2019.



Appointment of Dick Keevers as Chairman

On 21 December 2016, Renascor announced the appointment of Richard (Dick) E Keevers as Non-Executive Chairman with effect from 1 January 2017.

Mr. Keevers, who previously served as a Non-Executive Director, is an experienced and highly regarded industry leader and senior executive with over 40 years experience in the resource sector, having previously held senior executive positions with Broken Hill South Limited and Newmont Mining Limited.

Mr Keevers' experience includes advancing multiple producing mines from discovery phase through development, including the Telfer gold and copper mine, the Phosphate Hill phosphate mine and the Baal Gammon copper mine. Mr Keevers also was a substantial shareholder of and served as an executive director for Pembroke Josephson Wright Limited, an Australian share brokerage firm. Mr Keevers has served on boards of several ASX-listed resource companies, and he is currently a non-executive director of Santana Minerals Limited.

Prior to joining the Renascor board in July 2016, Mr Keevers served as chairman of EPM. Renascor completed the acquisition of 100% of EPM in December 2016 (see **Acquisition of Eyre Peninsula Minerals** above).

As Chairman of Renascor, he will play a key role in leading Renascor through the development of its Siviour graphite project, as it advances towards its goal of becoming a globally competitive, large-scale producer of high quality graphite for export from Australia.

Renascor's outgoing Chairman Stephen Bizzell will remain on the Board as a Non-Executive Director.

COMPETENT PERSON STATEMENT

The results reported herein, insofar as they relate to exploration results, are based on information compiled 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 his information in the form and context in which it appears.

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 Munglinup, Western Australia.

For further information, please contact:

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Table 1: Summary of tenements for quarter ended 31 December 2016 (ASX Listing Rule 5.3.3)

Location	Project Name	Tenement No.	Tenement Name	Registered Owner ¹	% Interest	Status as at 31 Dec 2016
Tenements held during quarter ended 31 December 2016:						
South Australia	Eastern Eyre	EL 5822	Iron Baron (prev EL4721)	Renascor	100	Current
South Australia	Eastern Eyre	EL 5012	Cultana	Renascor	100	Current
South Australia	Eastern Eyre	EL 5236	Old Wartaka	Renascor	100	Current
South Australia	Gawler Craton	EL 5859	Gairdner (prev EL4675)	Renascor	100	Current
South Australia	Gawler Craton	EL 4836	Lake Harris	Renascor	100	Current
South Australia	Warrior	EL 5733	Warrior (prev EL4570)	Renascor	100	Current
South Australia	Warrior	EL 4707	Carnding (prev EL4707)	Renascor	100	Current
South Australia	Farina	EL 4822	Willouran	Renascor	100	Current
South Australia	Farina	EL 5586	Callana Area	Renascor	100	Current
South Australia	Olary	EL 5385	Cutana (prev. EL 4394)	Astra	100	Current
South Australia	Olary	EL 5384	Outalpa (prev. EL 4399)	Astra	100	Current
South Australia	Olary	EL 5228	Wompinie	Renascor	100	Current
South Australia	Frome Basin	EL 5322	Lake Callabonna	Renascor	100	Current
South Australia	Arno Graphite	EL 5204	Malbrom - Areas A, B, C & D	Ausmin ³	0 ²	Current
South Australia	Arno Graphite	EL 5495	Lipson Cove	Ausmin ³	0 ²	Current
South Australia	Arno Graphite	EL 5618	Verran	Ausmin ³	0 ²	Current
South Australia	Arno Graphite	EL 5715	Malbrom West	Ausmin ³	0 ²	Current
Wesern Australia	Munglinup Graphite	E74/517	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/518	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/523	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/531	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/538	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/544	Munglinup	Sol Jar	100	Current
Wesern Australia	Munglinup Graphite	E74/545	Munglinup	Sol Jar	100	Current
Northern Territory	Ngalia Basin	ELA27517	NirripiNth	Kurilpa	100	Application
Northern Territory	Ngalia Basin	ELA27518	NirripiWest	Kurilpa	100	Application

Tenements disposed, surrendered or lapsed during quarter ended 31 December 2016:

N/A

Note 1

Renascor: Renascor Resources Limited
 Kurilpa: Kurilpa Uranium Pty Ltd, a wholly owned subsidiary of Renascor Resources Limited
 Astra: Astra Resources Pty Ltd, a wholly owned subsidiary of Renascor Resources Limited
 Sol Jar: Sol Jar Property Pty Ltd, a wholly owned subsidiary of Renascor Resources Limited
 Ausmin: Ausmin Development Pty Ltd

Note 2

Agreement - option to acquire 100%

Note 3

Agreement - option to acquire Ausmin Development Pty Ltd

