

Drilling confirms 1km extension of shallow, high-grade graphite zone at Siviour

ASX: RNU

ASX RELEASE

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- Renascor has completed a 34 hole, 1,800m reverse circulation drill program on the Siviour Deposit within the Arno Graphite Project in South Australia
- Twelve holes drilled along-strike of the near flat-lying, shallow +10% total graphitic carbon (TGC) zone within the southern portion of the Siviour Indicated Resource intersected significant thicknesses of visible graphite from near surface
- Visual interpretation of the drilling, together with previous drill results, suggest the southern margin higher-grade graphite zone extends through the newly drilled zone for at least an additional 1km to the east of the Siviour Indicated Resource
- Seven additional holes drilled to the northeast of the current Indicated Resource intersected thick intervals of visible graphite from varying depths
- Drill samples have been submitted for assay, with results expected within two to three weeks; a revised Mineral Resource estimate is expected in March
- Renascor is concurrently progressing its mineral processing test program and its Scoping Study, with a focus on the higher-grade graphite zone; initial metallurgical results are expected in March, with Scoping Study to be finalised thereafter

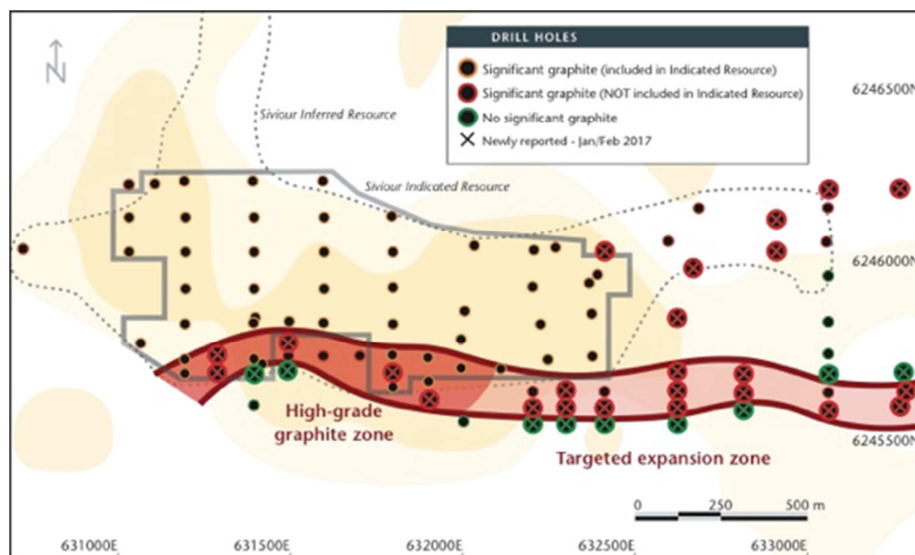
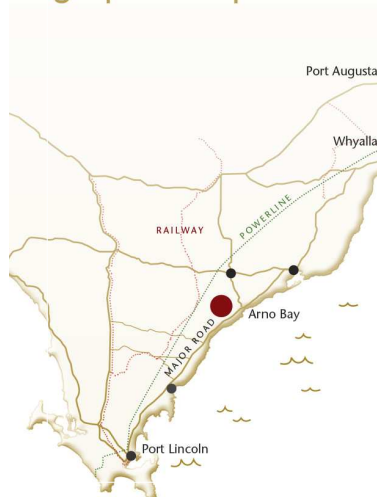


Figure 1. Siviour Mineral Resource, showing drill holes and resource boundaries over electromagnetic conductive zones



Siviour
Australia's largest
graphite deposit



Renascor Resources (ASX: RNU) is pleased to announce the completion of a recent drill program on its Siviour Deposit within the Arno Graphite Project in South Australia.

Renascor completed 34 reverse circulation holes totaling approximately 1,800m (see Appendix 1 for drill hole parameters). Drilling was conducted primarily in areas along-strike from a shallow +10% total graphitic carbon (TGC) zone within the southern portion of the Siviour Indicated Resource. See Figure 1.

Renascor's modeling suggests that this southern zone is near-surface and 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 RNU ASX release dated 26 October 2016.

In light of the potentially favourable mining characteristics of the higher-grade zone, the recent drilling was conducted to confirm extensions suggested by limited previous drilling.

Eastward extensions to high-grade graphite zone

The recent drill program included 19 holes to the immediate east of the higher-grade zone.

Twelve of these eastern holes intersected significant thicknesses of visible graphite from near-surface. See Figure 1. These results, together with three previously drilled holes that intersected significant near-surface graphite in this eastern zone (see RNU ASX release dated 19 January 2017), suggest the higher-grade graphite zone extends as a near-surface, flat-lying mineralised body for at least an additional 1km.

This extension zone remains open to the east, with ground electromagnetic data showing a further 1km strike extension to the conductivity anomaly. See Figure 2.

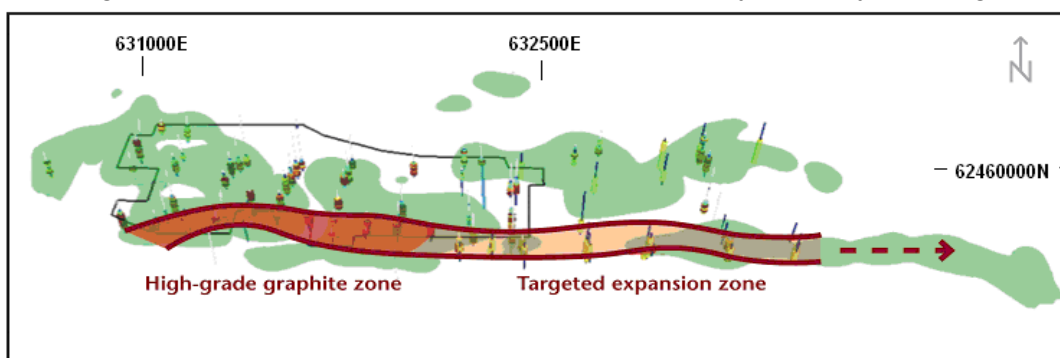


Figure 2. Expanded plan view of Siviour, showing drill holes and Indicated Resource boundary over electromagnetic conductive zones

An additional five holes drilled along the southern portion of the eastern extension zone intersected limited graphite, suggesting the potential definition of a southern margin to this eastern extension zone. Two further holes drilled near the northeastern margin of the extension zone failed to intersect the graphitic horizon, but may have been terminated prematurely. See Figure 1.

Northeastern zone

Renascor drilled seven additional holes in an area within and along-strike from the northeastern portion of the Inferred Resource. See Figure 1. Previous limited drilling in this area included several thick intersections of graphite.

Based on visual observation, all seven of the holes drilled in this area intersected similarly thick intervals of visible graphite from varying depths.

Indicated Resource zone

The program included eight further holes drilled near the southern margin of the high-grade graphite zone within the current Indicated Resource. See Figure 1. Five of these holes intersected significant graphite. One of these five holes failed during collaring and was successfully re-drilled. A further two holes failed to intersect significant graphite mineralisation, suggesting a southern margin to the higher-grade graphite zone.

Mineral process test program and Siviour Scoping Study

Concurrent with the recent drilling, Renascor has continued to advance metallurgical test work and the Siviour Scoping Study, focusing on the higher-grade graphite zone defined within the Indicated Resource, as well as potential extensions to the east.

The metallurgical program and Scoping Study are proceeding on schedule. Renascor expects that initial metallurgical results will be available next month, with the Scoping Study to be finalised thereafter.

Next steps

Drill samples from the recent drilling have been submitted for assay, with results expected within two to three weeks.

Renascor expects to revise the current Mineral Resource estimate to incorporate the results of the recent drill program, as well as the drill program completed in December 2016 (see RNU ASX release dated 19 January 2017), next month.

Background information

The Siviour Graphite Deposit, located in South Australia's Eyre Peninsula (see Figure 3), is currently Australia's largest reported graphite deposit, with a Mineral Resource estimate of 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% TGC

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

Siviour is part of Renascor's Arno Graphite. 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 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



Figure 3. Siviour Graphite Deposit, showing location and significant nearby graphite deposits

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

Renascor Drill Hole Parameters

HOLE	TENEMENT	TYPE	MGAE	MGAN	RL	TOTAL DEPTH (meters)
17SIVRC078	EL 5618 Verran	RC	632399	6245549	21	36
17SIVRC079	EL 5618 Verran	RC	632401	6245516	21	36
17SIVRC080	EL 5618 Verran	RC	632304	6245621	22	48
17SIVRC081	EL 5618 Verran	RC	631802	6245665	22	42
17SIVRC082	EL 5618 Verran	RC	631500	6245652	23	54
17SIVRC083	EL 5618 Verran	RC	631501	6245739	23	11
17SIVRC084	EL 5618 Verran	RC	631300	6245699	23	54
17SIVRC085	EL 5618 Verran	RC	631300	6245660	23	36
17SIVRC086	EL 5618 Verran	RC	631402	6245661	23	34
17SIVRC087	EL 5618 Verran	RC	632200	6245546	23	36
17SIVRC088	EL 5618 Verran	RC	632202	6245509	23	24
17SIVRC089	EL 5618 Verran	RC	632292	6245548	23	36
17SIVRC090	EL 5618 Verran	RC	632300	6245509	23	18
17SIVRC091	EL 5618 Verran	RC	633053	6246173	26	90
17SIVRC092	EL 5618 Verran	RC	632893	6246000	27	78
17SIVRC093	EL 5618 Verran	RC	632647	6245952	34	78
17SIVRC094	EL 5618 Verran	RC	632606	6245646	28	90
17SIVRC095	EL 5618 Verran	RC	632606	6245600	27	76
17SIVRC096	EL 5618 Verran	RC	632606	6245547	25	36
17SIVRC097	EL 5618 Verran	RC	632799	6245651	33	94
17SIVRC098	EL 5618 Verran	RC	632798	6245600	32	64
17SIVRC099	EL 5618 Verran	RC	632800	6245549	30	30
17SIVRC100	EL 5618 Verran	RC	633040	6245547	30	40
17SIVRC101	EL 5618 Verran	RC	633039	6245648	27	54
17SIVRC102	EL 5618 Verran	RC	632893	6246086	26	78
17SIVRC103	EL 5618 Verran	RC	633256	6245648	21	48
17SIVRC104	EL 5618 Verran	RC	633260	6245599	21	60
17SIVRC105	EL 5618 Verran	RC	631497	6245732	23	36
17SIVRC106	EL 5618 Verran	RC	631900	6245579	23	24
17SIVRC107	EL 5618 Verran	RC	633247	6245561	22	52
17SIVRC108	EL 5618 Verran	RC	632603	6245798	33	108
17SIVRC109	EL 5618 Verran	RC	632607	6245509	25	24
17SIVRC110	EL 5618 Verran	RC	632400	6245999	36	66
17SIVRC111	EL 5618 Verran	RC	633246	6246177	28	102