

ASX Release

June 24, 2020

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ASX CODE

RNU

Developing
Australia's Largest
Graphite Deposit

Siviour Integrated Graphite Concentrate and Spherical Graphite Project

Financing Update

Highlights

- Renascor has engaged a European investment bank to assist in the proposed debt financing for the vertically integrated Siviour Graphite Concentrate and Purified Spherical Graphite developments.
- Letter of Support previously received for the provision of finance from Export Finance Australia (EFA), the official export credit agency of the Australian Government (see Renascor ASX announcement dated 3 March 2020).
- Renascor also continues to have the support of the Dutch Government export credit agency, having previously received a Letter of Interest for ECA cover from Atradius Dutch State Business (Atradius) the official ECA of the Government of the Netherlands, for up to approximately 60% of the Siviour Graphite Concentrate Project capital expenditure (see Renascor ASX announcement dated 10 April 2019).

Renascor Resources Limited (ASX: RNU) (**Renascor** or the **Company**) is pleased to announce that it has engaged ABG Sundal Collier, a leading Nordic investment bank to manage the proposed debt financing for the integrated Siviour Graphite Concentrate and Purified Spherical Graphite Project.

The engagement represents the outcome of discussions to date with ABG Sundal Collier in relation to the proposed vertically integrated development of a flake graphite mine and concentrator, plus downstream production facility to produce Purified Spherical Graphite for use in lithium-ion battery anodes (**Integrated Spherical Graphite Project**). Renascor continues to pursue its core debt funding strategy involving export credit agency (ECA) support, having received in-principle finance support from both the Australian and Dutch ECAs, following receipt of a Letter of Support from Export Finance Australia (EFA) (Renascor ASX announcement dated 3 March 2020) and a Letter of Interest from Atradius Dutch State Business, the official ECA of the Government of the Netherlands (Renascor ASX announcement dated 10 April 2019). Any debt financing arranged by ABG Sundal Collier will be designed to work in tandem with Renascor's Export Credit Agency (ECA) funding strategy.

ABG Sundal Collier has completed more than 80 high yield issues since 2017, and its Debt Capital Markets team is one of the most highly rated among northern European investment banks.

In parallel, Renascor continues to pursue its offtake strategy, its objective being to conclude one or more bankable offtake agreements with creditworthy counterparties for its Purified Spherical Graphite.

To this end, the Company's discussions with potential offtake partners and anode manufacturers in Northeast Asia and Europe have revealed strong interest in Renascor's

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plans to develop a vertically integrated graphite concentrate and Purified Spherical Graphite Advanced Manufacturing operation within Australia.

These potential offtake partners are presently dependent on Chinese processing capacity to meet their raw material requirements, with 100% of natural Purified Spherical Graphite produced in China.

A vertically integrated operation at Siviour would provide an alternative, secure supply of battery-grade Purified Spherical Graphite.

Commenting on Renascor's engagement with ABG Sundal Collier, Renascor Managing Director David Christensen stated:

"We are pleased to have attracted the support of ABG Sundal Collier, with their broad international investor base.

We strongly believe that this interest is intrinsically connected to Renascor's ongoing discussions with potential offtake partners in Europe and Northeast Asia, which have revealed strong interest in Renascor's plans to offer a reliable ex-China supply of Purified Spherical Graphite in an integrated mine and Advanced Manufacturing operation within Australia.

Siviour continues to enjoy in-principle support from both Export Finance Australia and Atradius Dutch State Business, the Australian and Dutch government export credit agencies respectively. EFA and Atradius provide Renascor with much greater access to the debt markets and enable us to accelerate our financing plan for the combined graphite concentrate and spherical graphite operations.

I would like to thank our financial adviser BurnVoor Corporate Finance for their ongoing assistance to Renascor."

Next Steps

Notwithstanding current travel restrictions, which limit site visits and other due diligence activities, Renascor expects to continue discussions with potential offtake partners with a goal of securing binding offtake and finance commitments for the Siviour Project.

Concurrently, Renascor expects to continue the development the Integrated Spherical Graphite Project, with upcoming work programs to include:

- Advanced mineral processing tests, including optimisation of Renascor's purification circuit for producing Purified Spherical Graphite,
- Preparation of additional customer samples of Siviour Purified Spherical Graphite, and
- The completion of an advanced study on the Integrated Spherical Graphite Project incorporating the results of the Siviour graphite concentrate Definitive Feasibility Study completed in November 2019 (Renascor ASX announcement dated 11 November 2019).

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Bibliography

1. Renascor ASX announcement dated 3 March 2020, *"In Principle Project Finance Support from Australian ECA"*.
2. Renascor ASX announcement dated 11 November 2020, *"Siviour Definitive Feasibility Study"*.
3. Renascor ASX announcement dated 10 April 2019, *"In Principle Project Finance Support from Dutch ECA"*.

Renascor confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Renascor confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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. It should be noted that a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.

This ASX announcement has been approved by Renascor's Board of Directors and authorised for release by Renascor's Managing Director David Christensen.

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