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ASX Release

2 February 2022

Australian Government Conditionally Approves A$185 million Loan Facility to Fund the Development of the Siviour Graphite Project

Highlights:

- Renascor is pleased to announce that the Australian Government, through Export Finance Australia (**EFA**), has conditionally approved an **A$185 million loan facility** to support the development of the **Siviour Graphite Project in South Australia.**
- This loan is approved under the **Australian Government's $2 billion Critical Minerals Facility**, which was established in September 2021 to assist the development of Australian critical minerals projects and to secure the vital supplies of resources needed to drive the new energy economy and support the resources jobs of the future.
- The **Siviour Graphite Project has previously been granted Major Project status** by the Australian Government, in recognition of its potential to contribute to Australia's Critical Mineral Strategy and Resource Technology and Critical Mineral Processing National Manufacturing Priority Roadmap[1].
- With the support of the Australian Government's loan facility, **Renascor aims to become a world leader in the sustainable production of 100% Australian-made advanced graphite product** for use in the lithium-ion batteries **fuelling the electric vehicle revolution**.

Renascor Resources Limited (ASX: RNU) (**Renascor**) is pleased to announce that the Australian Government, through Export Finance Australia (**EFA**), has conditionally approved a loan facility of A$185 million (the **Loan Facility**) to fund the development of the Siviour Graphite Project in South Australia (the **Siviour Project**).

Commenting on the Loan Facility, Renascor's Managing Director David Christensen stated:

"We are extremely pleased to have received conditional approval from the Australian Government for this project-enabling loan facility, and to receive such approval under the Australian Government's $2 billion Critical Minerals Facility.

The Siviour Graphite Project represents an important opportunity for Australia, and South Australia in particular, to develop a world class, globally competitive downstream processing capability in a critical mineral that is fundamental to the development of the electric vehicle revolution. The support from the Australian Government and EFA is a significant and tangible endorsement of this opportunity and Renascor's ambition to become a world-leading supplier of Purified Spherical Graphite.

We look forward to working closely with EFA to satisfy the conditions of approval and to conclude all required facility documentation."

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The conditional loan approval was announced in a joint statement by Minister for Trade, Tourism and Investment, the Hon Dan Tehan MP and Minister for Resources and Water, the Hon Keith Pitt. A copy of the media release is attached and also available at: https://www.trademinister.gov.au/minister/dan-tehan/media-release/growing-australias-critical-minerals-sector-0.

The Loan Facility

The Loan Facility is to be provided under the Commonwealth of Australia's $2 billion Critical Minerals Facility and is to be administered by EFA. The provision of the Loan Facility follows in-principle finance support from EFA announced on 3 March 2020[2].

The approval of the Loan Facility is subject to a number of conditions which are customary for project financings of this nature, or otherwise required under the Critical Minerals Facility, including completion of all due diligence to the satisfaction of EFA. Satisfaction of all conditions of approval, and completion of full form documentation, will coincide with a planned Final Investment Decision in 2022.

The Loan Facility was arranged by Renascor's financial advisers, BurnVoir Corporate Finance.

About the Australian Government's Critical Minerals Facility

The Australian Government established the $2 billion Critical Minerals Facility in September 2021. It operates as a facility for Australian critical minerals projects. When announcing the Facility, the Australian Government noted Australia was a leader in sustainable, ethical mining practices and the Facility would help secure the vital supplies of resources needed to drive the new energy economy and support the resources jobs of the future.

The Critical Minerals Facility is an important pillar of the Australian Government's overarching Critical Minerals Strategy. The Critical Minerals Facility will assist in ensuring that:

(a) Australia is providing the critical minerals that are essential to the supply chains of the new energy economy; and

(b) Australia becomes a world leader in the mining and downstream processing of in-demand resources, supporting jobs and communities, particularly in regional Australia.

The $2 billion Critical Minerals Facility is managed by Export Finance Australia. It operates on the National Interest Account for 10 years or until finance equivalent to $2 billion has been provided.

About Export Finance Australia

Export Finance Australia (EFA) is Australia's export credit agency. EFA provides financial solutions to support Australian exporters, including loans, guarantees, bonds and insurance, and supports infrastructure development in the Pacific region and beyond. EFA also manages the Australian Government's A$2 billion Critical Minerals Facility, described above.

About Renascor and the Siviour Project

Renascor is committed to powering the clean energy transition through the development, in Australia, of a vertically integrated graphite mine and manufacturing operation to produce sustainable and ethically-sourced battery anode material for the lithium-ion battery market.

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The Project will combine:

- the Siviour Graphite Deposit in South Australia, the largest reported graphite Reserve outside of Africa[3]; and
- a state-of-the-art processing facility in South Australia to manufacture Purified Spherical Graphite through Renascor's eco-friendly purification process.

Total capital expenditure for the Project has been estimated to be A$204 million[4].

The Siviour Project has previously been granted a Major Project status by the Federal Government in recognition of its potential to contribute to Australia's Critical Mineral Strategy and Resource Technology and Critical Mineral Processing National Manufacturing Priority Roadmap.

The Siviour Graphite Project's competitive advantage is underpinned by:

- being the largest Graphite Reserve outside of Africa[5] and second largest Proven Reserve in the World;
- a vertically integrated operation allowing the production of PSG wholly within South Australia, a Tier-1 jurisdiction with low sovereign risk with established infrastructure;
- favourable geology allowing manufacturing of PSG at costs that are competitive with current Chinese production and advantaged over developments outside of China; and
- a proven, eco-friendly purification process endorsed by leading global anode companies.

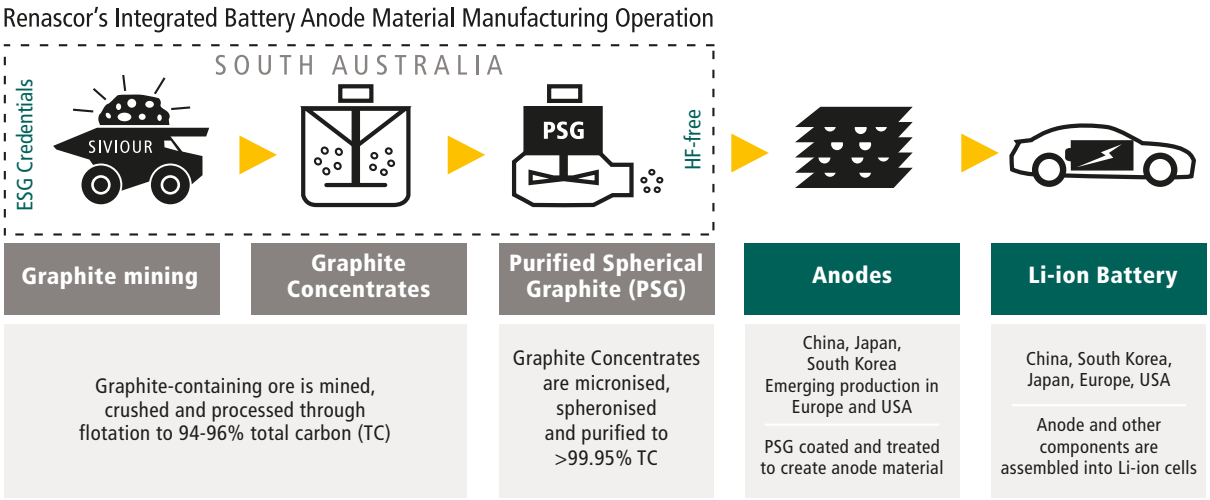

Figure 1: Renascor's vertically integrated Mine and Concentrator and Downstream PSG production facility within the Electric Vehicle supply chain

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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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.

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[1] See Renascor ASX release dated 15 September 2021.
[2] See Renascor ASX release dated 3 March 2020.
[3] See Renascor ASX release dated 21 July 2020.
[4] See Renascor ASX release dated 1 July 2020.
[5] See Renascor ASX release dated 21 July 2020.

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Attachment – Copy of Media Release

Minister for Trade, Tourism and Investment
The Hon Dan Tehan MP
https://www.trademinister.gov.au/minister/dan-tehan/media-release/growing-australias-critical-minerals-sector-0

Growing Australia's critical minerals sector

- **Joint media release with:**
- The Hon Keith Pitt MP, Minister for Resources and Water

02 February 2022

The Morrison Government is growing Australia's critical minerals industry and creating jobs in regional Australia by approving two loans to Australian companies to produce highly purified graphite in Western Australia and South Australia.

The first loans under the Government's recently established Critical Minerals Facility, worth a total of $239 million, have been provided to EcoGraf Limited and Renascor Resources.

Minister for Trade, Tourism and Investment Dan Tehan said the projects will promote Australia as a trusted supplier of critical minerals to the world.

"The Government's support for these projects through the $2 billion Critical Minerals Facility is a clear demonstration of our faith in the potential of Australia's critical minerals sector," Minister Tehan said.

"At a time of booming global demand for smartphones, electric vehicles and other technologies this commitment from the Australian Government positions Australia strongly into the future in the critical minerals sector."

Minister for Resources and Water Keith Pitt said the loans will pay long term dividends to the national economy.

"The potential of the critical minerals sector is enormous and these loans will support two significant projects that will expand Australia's footprint and reputation in this rapidly growing industry," Minister Pitt said.

"It will build on a resources sector that already provides over 365,000 direct jobs for Australians and is forecast to contribute a record $379 billion in exports this financial year."

The loans under the Critical Minerals Facility will be administered by Export Finance Australia.

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