31 DECEMBER 2023

FINANCIAL REPORT

ABN 90 135 531 341

Directors	Richard Keevers (Non-Executive Chairman) David Christensen (Managing Director) Geoffrey McConachy (Non-Executive Director) Stephen Bizzell (Non-Executive Director)
Company secretaries	Pierre van der Merwe Jon Colquhoun
Registered office & principal place of business	Level 5, 149 Flinders Street ADELAIDE SA 5000 Phone: +61 8 8363 6989
Share register	Link Market Services Limited Level 21, 10 Eagle Street Brisbane QLD 4000 Phone: +61 2 8280 7454 Fax: +61 2 9287 0303
Auditor	BDO Audit Pty Ltd
Stock exchange listing	Renascor Resources Limited shares are listed on the Australian Securities Exchange (ASX code: RNU)
Website	www.renascor.com.au
Business objectives	Renascor Resources is an Australian-based company focused on the development of economically viable mineral deposits within its extensive tenement portfolio in key mineral provinces of South Australia. Its flagship project is the Siviour Graphite and Battery Anode Material Project in South Australia. The principal activity of the Group during the financial year was mineral exploration, development, and evaluation.
Corporate Governance Statement	The board of directors of the Company ("Board") is responsible for the corporate governance of the Company. The board guides and monitors the business affairs of the Company on behalf of its shareholders by whom they are elected and to whom they are accountable. The Company believes that good corporate governance enhances investor confidence and adds value to stakeholders. The Board continually monitors and reviews its policies, procedures, and charters with a view to ensure its compliance with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations, 4th Edition" to the extent considered appropriate for the size of the Company and its scale of its operations. The Company's Corporate Governance Statement is available on the Company's website: www.renascor.com.au/corporate-governance

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Renascor Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Review of operations

Corporate and financial

For the half-year ended 31 December 2023, the profit for the Group after providing for income tax amounted to $957,804 (2022: loss of $396,991). This included an impairment write down of capitalised exploration and evaluation expenditure of $nil (2022: $4,500).

At 31 December 2023 the company had cash and cash equivalents, including term deposits held, of $124,916,578 (30 June 2023: $129,270,091).

Operations

Renascor's activities during the period ended 31 December 2023 were primarily directed at developing the Siviour Project. The planned graphite mine and processing operation is in the advanced stages of development.

Significant activities undertaken on the Siviour Project during the half-year included:

- Drilling confirmed a major extension to the Siviour Graphite Deposit, with assays demonstrating the continuity of widespread, high-grade graphite over an area extending over 3 kilometres immediately north of the Siviour Mineral Resource.
- A non-binding Strategic Cooperation Memorandum of Understanding (MOU) was entered into with Mitsubishi Chemical Corporation (Mitsubishi Chemical). The MOU provides for the potential purchase by Mitsubishi Chemical of Graphite Concentrates, Purified Spherical Graphite (PSG) and other graphite products. The MOU further provides a framework for Mitsubishi Chemical to consider a commercial partnership with Renascor and to help facilitate the development of the Battery Anode Material (BAM) Project.
- The Company completed its Optimised BAM study which confirmed that Renascor's vertically integrated graphite mine and downstream PSG is low-cost and high-value supplier of graphite for lithium-ion battery anodes.
- Renascor entered into a licensing agreement with leading German independent battery mineral consultancy group Dorfner ANZAPLAN to apply a hydrofluoric acid free purification process to produce battery grade PSG. The new purification process offers reduced operation risk, by reducing the number of leaching stages, while also enhancing environmental efficiency by reducing water consumption.
- In November 2023 the Company entered into a land purchase agreement to acquire the property that hosts the Siviour Graphite Deposit in South Australia. The acquisition of the freehold land hosting both the Siviour Graphite Deposit and the wider mineral lease facilitates additional on-ground preparatory works and the planned transition from development into construction.
- Renascor revised the projected product mix for the Siviour mine and processing plant increasing the production of size fractions greater than 150 microns (+100 mesh) by approximately 60% from a projected 17% to 27% of total production. The production of

increased amounts of coarse flake graphite is intended to enable Renascor to sell additional coarse flake graphite into high value industrial markets during the first phase of production. Preliminary estimates suggest that this change will have no material impact on projected capital costs and reduced operating costs.

- The Company entered into a connection agreement with SA Power Networks to upgrade the existing electrical distribution network for the proposed Siviour mine and processing plant. The connection agreement provides for the upgrade of SA Power Network's existing substation located approximately 25km from the proposed Siviour mine and processing plant, with the construction of a new 33kV voltage regulator and transformer, as well as upgrades to portions of the existing overhead powerline network.

Renascor's current work programs include a focus on accelerating detailed design, procurement and infrastructure works to minimise the length of the construction period for the planned mining and processing operation. Current and upcoming work programs include:

- **Detailed engineering and design.** Renascor continues to advance more detailed engineering and design activities with a view to optimising and minimising the time-period for the planned construction phase. Key work programs include front-end engineering design for the mineral processing plant, with the design for phase one adjusted to account for recent optimisations to flow sheet parameters. Additional on-going activities include advancing design work on the tailings storage facility, desalination plant and construction accommodation facility.
- **On-site activities.** Renascor recently completed the purchase of the freehold land hosting the Siviour Graphite Deposit and the wider mineral lease, permitting Renascor to undertake additional on-site preparatory works. Upcoming work programs include additional geotechnical assessments within the mineral lease to support construction of the mineral processing plant and tailings facility. Pending regulatory approval, further drilling is planned to support further mine pit extensions.
- **Offtake.** Renascor is currently in negotiations with lithium-ion battery supply chain participants, including its existing and other potential offtake partners, regarding binding offtake terms and potential equity investments to help meet the BAM Project's capital requirements. In addition, in view of the increased production of coarser flake graphite from phase one of its planned production, Renascor is advancing discussions regarding potential offtake terms for coarser flake graphite.

In addition to its activities at the Siviour Project, Renascor has maintained a strong exploration portfolio, identifying and maintaining a strong pipeline of targets for development of copper, gold, rare earth, cobalt and other mineral assets.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year

In January 2024 the Group settled the purchase of and acquired the freehold rights to the land underlying ML 6495, the site of the Siviour Graphite Deposit.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors

David Christensen
Director

14 March 2024

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DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF RENASCOR RESOURCES LIMITED

As lead auditor for the review of Renascor Resources Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Renascor Resources Limited and the entities it controlled during the period.

Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 14 March 2024

General information

The financial statements cover Renascor Resources Limited as a Group consisting of Renascor Resources Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Renascor Resources Limited's functional and presentation currency.

Renascor Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5, 149 Flinders Street
ADELAIDE SA 5000
Phone: + 61 8 8363 6989
Website: www.renascor.com.au

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2024.

	Note	Consolidated 31 Dec 2023 $	Consolidated 31 Dec 2022 $
Revenue			
Other income	4	2,440,624	775,291
Total revenue		2,440,624	775,291
Expenses			
Administration and consulting		(515,629)	(479,409)
Depreciation and amortisation expense	8	(49,298)	(3,567)
Employee benefits expense	5	(749,576)	(391,385)
Exploration expenditure expensed		(494)	(18,010)
Impairment of exploration expenditure	9	-	(4,500)
Other expenses	6	(167,823)	(275,411)
Total expenses		(1,482,820)	(1,172,282)
Profit/ (loss) before income tax expense		957,804	(396,991)
Income tax expense		-	-
Profit/ (loss) after income tax expense for the half-year attributable to the owners of Renascor Resources Limited		957,804	(396,991)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Renascor Resources Limited		957, 804	(396,991)
		Cents	Cents
Basic earnings per share		0.04	(0.02)
Diluted earnings per share		0.04	(0.02)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

	Note	Consolidated 31 Dec 2023 $	Consolidated 30 Jun 2023 $
Assets			
Current assets			
Cash and cash equivalents	7	94,916,578	89,270,091
Other receivables		841,630	2,091,236
Financial assets	7	30,000,000	40,000,000
Prepayments		231,336	128,710
Total current assets		125,989,544	131,490,037
Non-current assets			
Receivables		189,819	45,000
Property, plant, and equipment	8	1,781,283	38,395
Exploration and evaluation	9	1,529,473	1,496,007
Development asset	10	39,563,525	35,898,362
Total non-current assets		43,064,100	37,477,764
Total assets		169,053,644	168,967,801
Liabilities			
Current liabilities			
Trade and other payables		982,826	2,483,385
Lease liabilities	11	114,018	-
Provisions		326,239	273,934
Total current liabilities		1,423,083	2,757,319
Non-current liabilities			
Lease liabilities	11	121,666	-
Provisions		23,448	10,150
Total non-current liabilities		145,114	10,150
Total liabilities		1,568,197	2,767,469
Net Assets		167,485,447	166,200,332
Equity			
Issue capital	13	183,825,034	183,825,034
Reserves	14	743,222	415,911
Accumulated losses		(17,082,809)	(18,040,613)
Total equity		167,485,447	166,200,332

The above statement of financial position should be read in conjunction with the accompanying notes

RENASCOR RESOURCES

Consolidated	Contributed equity $	Share-based payments reserve $	Share option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2022	114,601,254	-	139,340	(18,465,329)	96,275,265
Profit/ (Loss) after income tax expense for the half-year	-	-	-	(396,991)	(396,991)
Other comprehensive income for the half year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	(396,991)	(396,991)
Transaction with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	69,265,903	-	(139,340)	-	69,126,563
Share-based payments granted (note 14)	-	47,272	-	-	47,272
Balance at 31 December 2022	183,867,157	47,272	-	(18,862,320)	165,052,109

Consolidated	Contributed equity $	Share-based payments reserve $	Share option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2023	183,825,034	415,911	-	(18,040,613)	166,200,332
Profit/(Loss) after income tax expense for the half-year	-	-	-	957,804	957,804
Other comprehensive income for the half year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	957,804	957,804
Transaction with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	-	-	-	-	-
Share-based payments granted (note 14)	-	327,311	-	-	327,311
Balance at 31 December 2023	183,825,034	743,222	-	(17,082,809)	167,485,447

The above statement of changes in equity should be read in conjunction with the accompanying notes

RENASCOR RESOURCES

	Note	Consolidated 31 Dec 2023 $	Consolidated 31 Dec 2022 $
Cashflows from operating activities			
Payments to suppliers and employees		(1,535,165)	(721,958)
Receipts / (payments) from Goods & Services Tax		(191,829)	50,555
Interest received		3,127,439	210,136
Research & Development tax concession		-	98,181
Net cash used in operating activities		1,400,445	(363,086)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,028,359)	(8,553)
Proceeds from sale of property, plant and equipment		540	-
Payments for exploration and evaluation		(18,764)	(26,954)
Payments for development assets		(4,612,556)	(5,966,549)
Proceeds from security bond refund		15,000	-
Payments for security bond		(109,819)	-
Net cash used in investing activities		(5,753,958)	(6,002,056)
Cash flows from financing activities			
Proceeds from issue of shares		-	70,000,000
Proceeds from options exercised		-	2,322,380
Capital raising costs		-	(3,203,729)
Net cash from financing activities		-	69,118,651
Net increase/(decrease) in cash and cash equivalents		(4,353,513)	62,753,509
Cash and cash equivalents at the beginning of the financial half-year		129,270,091	74,035,061
Cash and cash equivalents at the end of the financial half-year	7	124,916,578	136,788,570

The above statement of cashflows should be read in conjunction with the accompanying notes.

Note 1. Significant accounting policies

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard *AASB 134 'Interim Financial Reporting'* and the *Corporations Act 2001,* as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard *IAS 34 'Interim Financial Reporting'*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Refer to Note 14 - Reserves which details share-based payment transactions.

Note 3. Operating segments

The Group has identified its operating segments based on the internal reports that reviewed and used by the Managing Director (Chief Operating Decision Maker 'CODM') and the board of directors in assessing performance determining the allocation of resources. The Group is managed primarily on a geographic basis, that is, the location of the respective areas of interest (tenements) in Australia.

Operating segments are determined on the basis of financial information reported to the board which is at the consolidated level. The Group does not have any products or services it derives revenue from.

Accordingly, management currently identifies the Group as having only one reportable segment, being the exploration for graphite, copper, gold, uranium and other minerals in Australia and the development of the Siviour Graphite Project. There have been no changes in the operating segments during the year. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

Note 4. Other income

	Consolidated	
	31 Dec 2023 $	31 Dec 2022 $
Interest income	2,440,084	775,291
Other income	540	-
	2,440,624	775,291

Note 5. Employee benefits expense

	Consolidated	
	31 Dec 2023 $	31 Dec 2022 $
Employee benefits expense	287,867	279,668
Employee share-based payment expense	327,311	47,272
Defined contribution superannuation expense	134,398	64,445
	749,576	391,385

Employee share-based payment expense comprises of Performance Rights granted to employees. Further information pertaining to the Performance Rights can be found in note 14. Not included in the totals above is the employee benefits expenditure that has been capitalised as part of Development assets (note 10). The total amount of employee benefits expenditure capitalised in the half year ended 31 December 2023 is $1,374,027 (2022: $697,386). The total amount remunerated to employees during the half year is $1,940,674 (2022: $1,096,938).

Note 6. Other expenses

	Consolidated	
	31 Dec 2023 $	31 Dec 2022 $
Business development & marketing	40,500	41,851
Investor and public relations	20,599	172,936
Travel	56,888	28,649
Legal fees	6,519	845
Other expenses	43,317	31,130
	167,823	275,411

Note 7. Cash and cash equivalents

	Consolidated	
	31 Dec 2023 $	30 Jun 2023 $
Cash and cash equivalents - Short term cash balances	94,916,578	89,270,091
Financial assets - Term deposits	30,000,000	40,000,000
Total cash and cash equivalents per statement of cashflows	124,916,578	129,270,091

Note 8. Property Plant and Equipment

	Consolidated 31 Dec 2023 $	Consolidated 30 Jun 2023 $
Cost	1,841,332	49,483
Accumulated depreciation	(60,049)	(11,088)
Total Property, Plant and Equipment	1,781,283	38,395

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below by asset class:

Consolidated	Land	Plant & equipment	Right of use assets (Buildings)	Total $
Balance at 1 July 2023	-	38,395	-	38,395
Additions	1,020,845	4,891	275,963	1,301,699
Transfer from development assets	492,131	-	-	492,131
Disposals	-	(1,644)	-	(1,644)
Depreciation	-	(8,415)	(40,883)	(49,298)
Balance at 31 December 2023	1,512,976	33,227	235,080	1,781,283

During the period Renascor entered into a land purchase agreement to acquire the freehold rights to the land underlying ML 6495, the site of the Siviour Graphite Deposit which settled subsequent to the end of the period on 11 January 2024. In addition, the acquisition costs for the proposed desalination plant location have been transferred from development assets during the period. A right of use asset was recognised in relation to the new corporate office lease.

Right of use assets

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). A corresponding demobilisation / restoration provision is recognised in relation to these costs recognised within the right of use asset.

Right of use assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. For building assets, the estimated useful life is 10 years.

Periodic adjustments are made for any remeasurement of the lease liabilities, refer to note 11, and for impairment losses, assessed in accordance with the Group's impairment policies.

Note 9. Exploration and evaluation

	Consolidated 31 Dec 2023 $	Consolidated 30 Jun 2023 $
Exploration and evaluation	1,529,473	1,496,007

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration and evaluation assets $	Total $
Balance at 1 July 2023	1,496,007	1,496,007
Expenditure during the half-year	33,466	33,466
Impairment of assets	-	-
Balance at 31 December 2023	1,529,473	1,529,473

Note 10. Development asset

	Consolidated 31 Dec 2023 $	Consolidated 30 Jun 2023 $
Siviour Project - at cost	39,563,525	35,898,362

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Siviour Project $	Total $
Balance at 1 July 2023	35,898,362	35,898,362
Expenditure during the half-year	4,157,294	4,157,294
Transfer to property, plant and equipment	(492,131)	(492,131)
Balance at 31 December 2023	39,563,525	39,563,525

Note 11. Lease liabilities

A lease is defined as a contract, or part of a contract, that conveys that the Group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the identified asset throughout the period of use. The Group separates the lease and non-lease components of the contract and accounts for these separately. The Group recognises lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets. During the current period, the Group entered into a lease contract for the corporate office for a term of two years.

Lease liabilities

Lease Liabilities recognised in the statement of financial position can be analysed as follows:

	31 Dec 2023 $	30 Jun 2023 $
Lease liabilities - Current	114,018	-
Lease liabilities - Non-current	121,666	-

At the commencement date, the Group measures the lease liabilities at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or an estimate of the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the lease liabilities will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liabilities are remeasured, the corresponding adjustment is reflected in the right-of-use asset, or in the Statement of Profit and Loss if the right-of-use asset is already reduced to zero.

Refer to note 8 for detail on right of use assets recognised in relation to the lease.

Impact on the income statement

The following amounts have been recognised in the statement of profit or loss:

	Consolidated	
	31 Dec 2023 $	30 Jun 2023 $
Depreciation of right of use assets	40,883	-
Interest expense	8,531	-
Total recognised in the income statement	49,414	-

Short term leases and leases of low value assets

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit or Loss as they are incurred.

Key judgement, estimates and assumptions: Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. The incremental borrowing rate, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and considered certain contract and entity specific judgements estimates (such as the lease term and credit rating). The incremental borrowing rate range used by the Group was 10%.

Note 12. Capital commitments

As at 31 December 2023 the Group has outstanding contractual capital commitments in relation to the Siviour Project of $9.8 million (30 June 2023: $nil).

Note 13. Issued capital

	Consolidation			
	31 Dec 2023 Shares	30 Jun 2023 Shares	31 Dec 2023 $	30 Jun 2023 $
Ordinary shares – fully paid	2,539,407,498	2,539,407,498	183,825,034	183,825,034

There was no change in issued capital during the current half year period.

Note 14. Reserves

	Consolidated 31 Dec 2023 $	Consolidated 30 Jun 2023 $
Share based payments reserve	743,222	415,911

Options and performance rights reserves

The reserves are used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services. There are no options on issue.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

	Number of performance rights	$
Balance at 1 July 2023	1,852,515	415,911
Granted to Key Management Personnel and employees as remuneration	3,595,062	327,311
Balance at 31 December 2023[1]	5,447,577	743,222

1 As at 31 December there were 427,429 performance rights granted which were not yet issued.

There were 1,500,000 performance rights granted to the Managing Director and 352,515 performance rights granted to employees as remuneration during the year ended 30 June 2023. Of these instruments 352,515 performance rights were issued to employees during the current half year period. In October 2023 half of the performance rights granted to the Managing Director were issued. At the November 2023 AGM it was resolved by the shareholders of the Company that in lieu of the remaining 750,000 Performance Rights granted in the year ended 30 June 2023, a replacement parcel of 2,141,692 performance rights under the conditions set out in the table below have been issued in December 2023. In addition, there were 2,203,370 new performance rights granted to employees of the Company, of which 427,429 were issued subsequent to 31 December 2023.

The amount expensed during the period includes performance rights granted in previous financial periods as well as new instruments granted in the current period with the expense recognised evenly over the vesting period and where applicable current assessment of likelihood of achieving vesting conditions attached to these performance rights.

Directors

The table below sets out the original conditions attached to the 1,500,000 performance rights granted to employees during the year ended 30 June 2023, of which 750,000 were issued on 19 October 2023.

Performance Rights Granted	Grant Date	Fair value per right at grant date	Vesting criteria	Last vesting date	Expiry upon vesting
150,000**	30 Nov 22	$0.970	Satisfactory completion of a Definitive Feasibility Study (DFS) in relation to the Siviour Project	Vested	19 Oct 28
375,000**	30 Nov 22	$0.946	Successful completion of foundation binding off-take agreement(s) for at least 60% of planned phase one production of primary PSG	19 Oct 26*	19 Oct 28
375,000**	30 Nov 22	$0.899	Completion of Final Investment Decision (FID) in relation to the start-up of the first phase of the Siviour Project	19 Oct 26*	19 Oct 28
450,000**	30 Nov 22	$0.850	Completion of the construction and commissioning of all plant in relation to the start-up of the first phase of the Siviour Project	19 Oct 26*	19 Oct 28
150,000**	30 Nov 22	$0.820	First commercial shipment of product	19 Oct 26*	19 Oct 28

* Milestone Dates for all Tranches of performance rights issued in the current year is 3 years from the Date of Issue, with the capacity to be extended to 4 years from Date of Issue at the discretion of the Board.

** Each Performance Right granted to the Managing Director is eligible to convert into ordinary shares in the Company (subject to giving notice of intention to exercise within the Exercise Period, and subject to the Cap), calculated in accordance with the below formula, upon vesting.

S = P / VWAP

Where:

'**S**' is the number of shares eligible to be issued on conversion of Performance Rights;

'**P**' is the number of Performance Rights in respect of a particular Tranche; and

'**VWAP**' is the volume weighted average price of Shares on ASX calculated for the quarter ended 30 September of the financial year in which the relevant Performance Condition is met.

The total number of Vested Performance Rights in respect of which Mr Christensen may give notice of intention to exercise in any given financial year until the expiry of the Exercise

Period (and which may therefore convert into Ordinary Shares) be capped at 250,000 per year (Cap), with any unutilised Cap from prior years able to be carried forward until the expiry of the Exercise Period, being 6 years from the Date of Issue. The unutilised Cap from Year 1 has been carried forward to the current period.

Under the conditions approved at the 2022 and 2023 AGM by shareholders, the 750,000 performance rights issued are across the five tranches of performance conditions above. Once a performance condition is achieved the full allocation of performance rights applicable to that performance condition vest until the 750,000 limit is reached.

During the half year ended 31 December 2022 an expense of $47,272 was recognised in relation to these performance rights, being the relevant expense over the expected vesting period.

Per the 2023 AGM resolution, the remaining 750,000 performance rights not issued were replaced with performance rights to the value of $321,000 based on VWAP for the five trading days prior to issue. The following table outlines conditions attached to these replacement performance rights issued on 24 November 2023.

Performance Rights Granted	Grant Date	Fair value per right at grant date	Vesting criteria	Milestone date	Expiry upon vesting
856,677	21 Nov 23	$0.357***	Relative Total Shareholder Return (Relative TSR) Milestone*	30 Jun 26	24 Nov 27
1,285,015	21 Nov 23	$0.261***	Absolute Total Shareholder Return (Absolute TSR) Milestone**	30 Jun 26	24 Nov 27

* The Relative TSR performance hurdle is determined in accordance with the table below:

TSR of Core relative to TSRs of constituents of the nominated peer group shown below	Proportion of performance right that vest
is at or below the 50th percentile (the median) TSR of the companies in the comparator group	Nil
exceeds the 50th percentile TSR of the comparator group, up to the 75th percentile (upper quartile)	sliding scale between 50% and 100%
exceeds the 75th percentile TSR of the comparator group	100%

This represents 40% of the total Performance rights issued.

** The absolute TSR performance hurdle is determined in accordance with the table below:

TSR of Core relative to TSRs of constituents of the nominated peer group shown below	Proportion of performance right that vest
less than 10% Compound Annual Growth Rate (CAGR) for TSR over the performance period (i.e. based on a 30-day VWAP to 30 June 2023, of $0.193, the 10% CAGR TSR threshold will be $0.257)	Nil
10% to 20% CAGR for TSR over the performance period (i.e. based on a 30-day VWAP to 30 June 2023, of $0.193, the 20% CAGR TSR hurdle will be $0.334)	sliding scale between 0% and 100%
greater than 20% CAGR for TSR over the performance period	100%

This represents 60% of the total Performance rights issued.

*** Fair value of the designated replacement performance rights is the fair value of the modified 750,000 performance rights granted at the 2022 AGM and subsequently replaced in the current period plus any surplus of the fair value of the TSR instruments issued. Fair value attributable to each tranche for the replaced 750,000 performance rights was split based on the proportion of the total fair value of the TSR replacement instruments.

The face value of 2023 Performance Rights granted to the Managing Director is $321,000, equal to 60% of his Fixed Remuneration for FY24, based on market data relative to appropriate peer groups for the role.

The nominated peer group of companies is shown in the table below:

Ardea Resources Ltd
Arafura Rare Earths Ltd
Altech Batteries Ltd
Alliance Nickel Ltd
Black Rock Mining Ltd
Blackstone Minerals Ltd
Centaurus Metals Ltd
Cobalt Blue Holdings Ltd
Element 25 Ltd
Euro Manganese Inc
Galileo Mining Ltd
Hastings Technology Metals Ltd
Jervois Global Ltd
Jindalee Resources Ltd
Lunnon Metals Ltd
Legend Mining Ltd
Lithium Energy Ltd
Magnis Energy Technologies Ltd
Neometals Ltd
Novonix Ltd
Poseidon Nickel Ltd
Quantum Graphite Ltd
Queensland Pacific Metals Ltd
Sayona Mining Ltd
Sovereign Metals Ltd
Syrah Resources Ltd
Talga Group Ltd
VHM Ltd
Walkabout Resources Ltd

The TSR calculation formula will be as follows:

$$\text{TSR} = \frac{\text{30 trading day VWAP to 30 June 2026} + \text{Dividends paid in performance period} - \text{30 trading day VWAP to 30 June 2023}}{\text{30 trading day VWAP to 30 June 2023}}$$

Employees

The table below sets out conditions attached to the 352,515 performance rights granted to employees during the year ended 30 June 2023, but issued on 14 July 2023.

Performance Rights Granted	Grant Date	Fair value per right at grant date	Vesting criteria	Last vesting date	Expiry upon vesting
33,358	11 Jan 23	$0.266	1 years' service from grant date	12 Jan 24	12 Jan 26
33,359	11 Jan 23	$0.266	2 years' service from grant date	12 Jan 25	12 Jan 26
33,359	11 Jan 23	$0.266	3 years' service from grant date	12 Jan 26	12 Jan 26
38,846	28 Feb 23	$0.245	1 years' service from grant date	1 Mar 24	1 Mar 26
38,846	28 Feb 23	$0.245	2 years' service from grant date	1 Mar 25	1 Mar 26
38,846	28 Feb 23	$0.245	3 years' service from grant date	1 Mar 26	1 Mar 26
45,300	1 May 23	$0.212	1 years' service from grant date	1 May 24	1 May 26
45,300	1 May 23	$0.212	2 years' service from grant date	1 May 25	1 May 26
45,301	1 May 23	$0.212	3 years' service from grant date	1 May 26	1 May 26

The table below sets out conditions attached to performance rights granted to employees during the half year ended 31 December 2023.

Performance Rights Granted****	Grant Date	Fair value per right at grant date	Vesting criteria	Last vesting date	Expiry upon vesting
75,390	27 Oct 23*	$0.160	1 years' service from grant date	28 Oct 24	28 Oct 26
75,390	27 Oct 23*	$0.160	2 years' service from grant date	28 Oct 25	28 Oct 26
75,390	27 Oct 23*	$0.160	3 years' service from grant date	28 Oct 26	28 Oct 26
67,086	2 Nov 23*	$0.150	1 years' service from grant date	3 Nov 24	3 Nov 26
67,086	2 Nov 23*	$0.150	2 years' service from grant date	3 Nov 25	3 Nov 26
67,087	2 Nov 23*	$0.150	3 years' service from grant date	3 Nov 26	3 Nov 26
60,008	19 Dec 23	$0.115	1 years' service from grant date	23 Nov 24	23 Nov 26
60,008	1 May 23	$0.115	2 years' service from grant date	23 Nov 25	23 Nov 26
60,008	1 May 23	$0.115	3 years' service from grant date	23 Nov 26	23 Nov 26
464,367	24 Nov 23	$0.120	Relative Total Shareholder Return (Relative TSR) Milestone**	30 Jun 26	24 Nov 27

696,550	24 Nov 23	$0.086	Absolute Total Shareholder Return (Absolute TSR) Milestone**	30 Jun 26	24 Nov 27
87,000***	24 Nov 23	$0.995	Satisfactory completion of a Definitive Feasibility Study (DFS) in relation to the Siviour Project	Vested	24 Nov 28
217,500***	24 Nov 23	$0.962	Successful completion of foundation binding off-take agreement(s) for at least 60% of planned phase one production of primary PSG	24 Nov 26	24 Nov 28
217,500***	24 Nov 23	$0.550	Completion of Final Investment Decision (FID) in relation to the start-up of the first phase of the Siviour Project	24 Nov 26	24 Nov 28
261,000***	24 Nov 23	$nil	Completion of the construction and commissioning of all plant in relation to the start-up of the first phase of the Siviour Project	24 Nov 26	24 Nov 28
87,000***	24 Nov 23	$nil	First commercial shipment of product	24 Nov 26	24 Nov 28

* Performance rights have been granted but were not issued until February 2024.

** Conditions attached to these performance rights are consistent with the vesting criteria as disclosed above for the Managing Director.

*** Milestone Dates for all Tranches of performance rights issued in the current year is 3 years from the Date of Issue, with the capacity to be extended to 4 years from Date of Issue at the discretion of the Board.

The 435,000 performance rights issued are across the five tranches of performance conditions noted above. Once a performance condition is achieved the full allocation of performance rights applicable to that performance condition vest until the 435,000 limit is reached.

Each Performance Right granted to the employee is eligible to convert into ordinary shares in the Company (subject to giving notice of intention to exercise within the Exercise Period, and subject to the Cap), calculated in accordance with the below formula, upon vesting.

S = P / VWAP

Where:

'**S**' is the number of shares eligible to be issued on conversion of Performance Rights;

'**P**' is the number of Performance Rights in respect of a particular Tranche; and

'**VWAP**' is the volume weighted average price of Shares on ASX calculated for the quarter ended 30 September of the financial year in which the relevant Performance Condition is met.

It is intended that the total number of Vested Performance Rights in respect of which the employee may give notice of intention to exercise in any given financial year until the expiry of the Exercise Period (and which may therefore convert into Ordinary Shares) be capped at 145,000 per year (Cap), with any unutilised Cap from prior years able to be carried forward until the expiry of the Exercise Period, being 6 years from the Date of Issue. The unutilised Cap from Year 1 has been carried forward to the current period.

**** Performance rights issued to employees noted above are convertible 1:1 for ordinary shares subject the achievement of the relevant service condition unless noted above

The table below outlines the summary of inputs used in the fair value calculation for the performance rights granted under the performance share plan during the current period:

Valuation inputs at grant date for performance rights	2023	
	Directors	Employees
Exercise price	Nil	Nil
Performance right life	2.6 years	0.1 - 3.0 years
Underlying share price at grant date	$0.150	$0.115 - $0.160
Expected share price volatility (weighted average) *	89.6%	89.6%
Risk free interest rate **	4.1 - 4.3%	4.2-4.3%
Fair value at grant date (weighted average)	$0.299	$0.281
Contractual life (weighted average)	4.0 years	3.9 years

* Where applicable, the expected volatility has been based on the evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected performance right life.

** Where applicable, this is based on high quality government bonds sourced from the Reserve Bank of Australia which reflect the period commensurate with the performance right life.

*** Performance rights where only service conditions are attached are not impacted by the Expected share price volatility and risk-free rate and as such have not been included within those sections of the table above

Accounting judgements & estimates - Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Where conditions attached to performance rights are more onerous than specified period of service, the fair value is determined by using the Monte Carlo model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 15. Events after the reporting period

In January 2024 the Group settled the purchase of and acquired the freehold rights to the land underlying ML 6495, the site of the Siviour Graphite Deposit.

No other matters or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the state of affairs of the Group in the subsequent period.

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

David Christensen
Director

14 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF RENASCOR RESOURCES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Renascor Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and

ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001.*

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO

BDO Audit Pty Ltd

Paul Gosnold

Paul Gosnold
Director

Adelaide, 14 March 2024