

ASX Release

February 11, 2021

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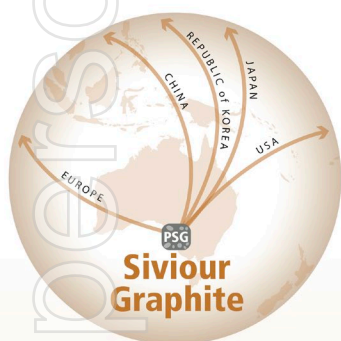
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Offtake for Over Two-Thirds of Siviour's Stage 1 Production of Purified Spherical Graphite Has Rapidly Achieved First Stage Product Qualification

Renascor achieves first stage product qualification under its offtake MOU with Zeto, confirming Siviour's strong market acceptance and enabling progression to binding agreements.

Highlights

- In January 2021, Renascor signed a non-binding Memorandum of Understanding (**MOU**) with anode company Jiangxi Zhengtuo New Energy Technology Co. Ltd. (**Zeto**) for the purchase of up to 10,000tpa of Purified Spherical Graphite (**PSG**) over a ten year term.
- Renascor is pleased to report that it has now achieved first stage product qualification of Siviour PSG with Zeto, with the results enabling the two parties to progress engagement towards binding PSG offtake.
- A total of 20,000tpa of Siviour PSG has now achieved first stage qualification with two world-class offtakers, following initial qualification by Minguang New Material in January 2021¹.
- Zeto is a top ten anode producer globally, with current anode production capacity of 30,000tpa and an additional 20,000tpa under construction and planned to be in operation by 2022. Zeto is major supplier of natural flake graphite anodes and is active in developing anode technologies, including silicon-carbon anode material.
- Zeto supplies anodes to some of the world's largest battery makers, such as Hong Kong listed BYD Co. Ltd, the world's second largest manufacturer and retailer of electric vehicles, with a current market capitalisation of around US\$100 billion.
- Renascor is extremely pleased with its progress in relation to Stage 1 PSG offtake and is concurrently discussing additional potential PSG offtake agreements and undertaking PSG qualification and validation with other anode and battery companies, with a view to securing binding commitments for its planned 28,000tpa Stage 1 PSG operation.

¹ Source: Renascor ASX announcement dated 27 January 2021.

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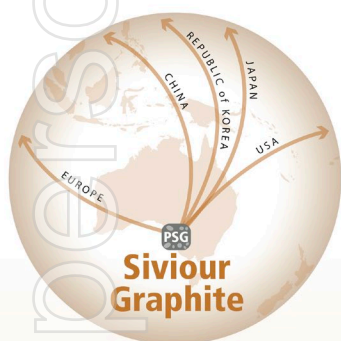
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Renascor Resources Limited (ASX: RNU) (**Renascor**) is pleased to announce that it has achieved first stage qualification of Sivour PSG after recent product quality testing by Zeto.

A non-binding MOU with Zeto provides for the supply over ten years of up to 10,000tpa of PSG, which represents approximately one-third of the projected initial PSG production capacity of Renascor's planned Battery Anode Material operation in South Australia.

The successful product validation results enable Renascor and Zeto to enter into negotiations regarding binding PSG offtake and complete product qualification testing.

Renascor Managing Director David Christensen stated:

"The first stage qualification of Renascor's purified spherical graphite with our offtake MOU partner Zeto is a further significant milestone in the pathway to achieving binding offtake and project financing for our integrated Sivour Battery Anode Material Project in South Australia.

This achievement now allows us to work with Zeto to progress a binding PSG offtake agreement in line with our MOU framework.

We are delighted to be moving ahead with a global top ten anode producer such as Zeto whose clients include the likes of BYD Co. Ltd, the world's second largest manufacturer and retailer of electric vehicles."

In addition to its MOU with Zeto, in September 2020 Renascor entered into a non-binding PSG offtake MOU with Minguang New Material. In January 2021, Minguang New Material confirmed that the Sivour PSG had successfully achieved first stage qualification by Minguang New Material, enabling the two parties to progress negotiations on binding offtake.

In total, over two-thirds of Sivour's Stage 1 PSG production (up to 20,000tpa) has achieved first stage product qualification with Renascor's offtake MOU partners.

Progress on additional PSG offtake

Renascor is concurrently advancing offtake negotiations for the balance of its planned Stage 1 PSG production capacity, including with anode manufacturers and lithium-ion battery companies headquartered in Northeast Asia and Europe.

While COVID-19 has caused some delays by preventing site visits and in-person meetings, Renascor is extremely pleased with its progress in relation to Stage 1 PSG offtake, with current activities largely focused on undertaking PSG validation tests, responding to due diligence enquiries and negotiating potential offtake terms.

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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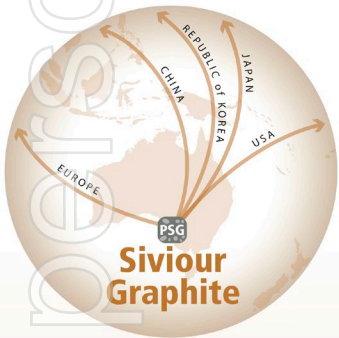
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Lithium-ion Battery Anode Market

As a result of growth in the electric vehicle and lithium-ion battery markets, the demand for lithium-ion battery anodes is also experiencing significant expansion. This has resulted in increased demand for PSG by anode manufacturers, with annual growth rates of up to 29% predicted through to 2030, leading to an increase in the market from approximately 200,000 tonnes in 2019 to 2.4 million tonnes by 2029² (Figure 1).

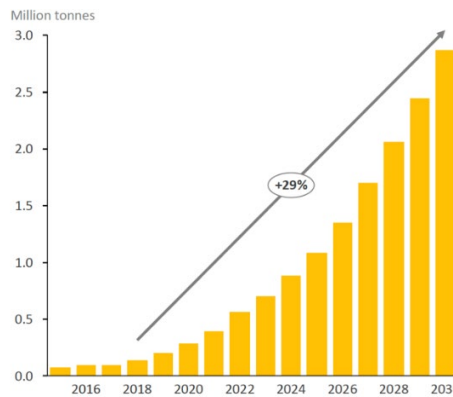


Figure 1. PSG demand forecast (Source: Benchmark Mineral Intelligence)

The production of lithium-ion battery anodes is largely concentrated in China, which accounts for approximately 85% (600,000tpa) of current lithium-ion battery anode capacity. The remaining 15% of lithium-ion battery anode capacity is centered in South Korea and Japan, with emerging anode production sources being developed in Europe and North America. China is also the highest growth market for lithium-ion battery anodes, with over 90% (560,000tpa) of new capacity currently under construction³. See Figure 2.

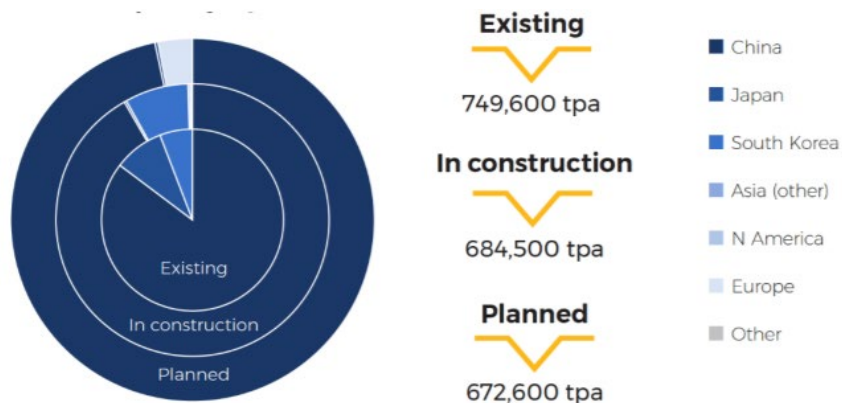


Figure 2. Global anode capacity (Source: Benchmark Mineral Intelligence)

² Source: Benchmark Mineral Intelligence (2019).

³ Source: Benchmark Mineral Intelligence, "Anode Market Assessment", January 2021.

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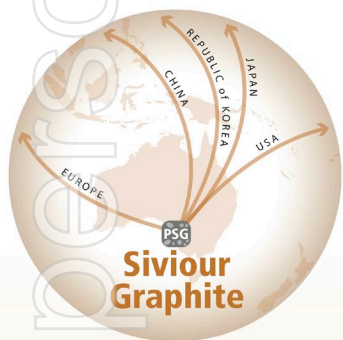
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2. Renascor ASX announcement dated 29 September 2020, "MOU with One of China's Largest Battery Material Supplier Groups"
3. Renascor ASX announcement dated 12 January 2021, "Renascor Achieves First Stage Product Qualification with Offtake Partner Minguang New Material"
4. Renascor ASX announcement dated 27 January 2021, "Renascor Enters into Further Offtake MOU with Leading Battery Anode Manufacturer"

Disclaimer

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.