

16 April 2021

Siviour Battery Anode Material Project Financing Update

Renascor investigating green financing options

Highlights:

- Renascor Resources (ASX:RNU) ("**Renascor**") is investigating green financing options for the Siviour Battery Anode Material Project (the "**Project**") in South Australia.
- Projects with high standards of Environmental, Social and Governance ("**ESG**") are experiencing increasingly high levels of interest from equity and debt capital markets, with a heightened awareness of global environmental issues driving the increased demand for green financing products.
- The Siviour Project exhibits strong ESG credentials that have helped attract in principle financial support from Australia's Clean Energy Finance Corporation ("**CEFC**"), an Australian Government backed clean energy technology financier¹.
- Renascor plans to develop the world's first integrated, in-country mine and Purified Spherical Graphite ("**PSG**") operation outside of China. With executed offtake MOUs and increasing inbound offtake demand, Renascor plans for a substantial increase in PSG production capacity beyond the currently planned 28,000tpa².
- Renascor is on track to produce a material critical to the electric vehicle supply chain, at a low cost, within a Tier 1 ESG jurisdiction, using an ESG friendly spherical purification process.
- Renascor has engaged leading Nordic investment bank ABG Sundal Collier and financial advisers BurnVoor Corporate Finance to arrange financing solutions.

Renascor Resources Limited (ASX: RNU) ("**Renascor**") is pleased to announce that it is investigating green financing options for the Siviour Battery Anode Material Project (the "**Project**") in South Australia.

Renascor Managing Director David Christensen stated:

"The ESG credentials of our Project are clear. Renascor is on track to produce a material critical to the electric vehicle supply chain, at a low cost, within a Tier 1 ESG jurisdiction, using an ESG friendly spherical purification process."

"We anticipate our investigation of financing options will result in further validation of the Project's ESG and economic robustness, complementing previously announced support received from the Australian Government's Clean Energy Finance Corporation and Export Finance Australia."

Projects with high standards of Environmental, Social and Governance (“ESG”) are experiencing increasingly high levels of interest from equity and debt capital markets, with a heightened awareness of global environmental issues driving the increased demand for green financing products.

Companies that demonstrate compliance with internationally recognised ESG frameworks, standards and principles can receive ESG credentials to support related financing products for marketing to investors and potentially negotiation of concessional terms.

Renascor has engaged leading Nordic investment bank ABG Sundal Collier³ (“ABG”) and financial advisers BurnVoor Corporate Finance⁴ to arrange financing solutions. ABG is a leading Nordic investment bank with global reach, with offices in Oslo, London, Frankfurt, Copenhagen, Stockholm, New York and Singapore. BurnVoor Corporate Finance is a leading independent Australian investment and advisory house.

Green Credentials of the Siviour Project

Renascor is on track to construct the first integrated, in-country mine and PSG operation outside of China. Graphite is a ‘Critical Mineral’ as defined by Australian Trade and Investment Commission with the high-value PSG a key raw material for battery anode manufacture for the Lithium-ion batteries demanded by the growing Electric Vehicle (“EV”) market.

Currently, 100% of PSG produced from natural flake graphite is produced in China. In contrast, Renascor’s operations will be wholly conducted in South Australia, a Tier-1 ESG jurisdiction with low sovereign risk and a robust and transparent regulatory framework. The Project vertically integrates the production of graphite concentrate and downstream processing into PSG in a low-cost and eco-friendly manner, while providing a direct route to market.

By vertically integrating the mine and downstream processing operation in South Australia, Renascor optimises the use of local resources to lessen costly and inefficient transport of raw materials for intermediate processing and ensures strong ESG oversight of the entire supply chain.

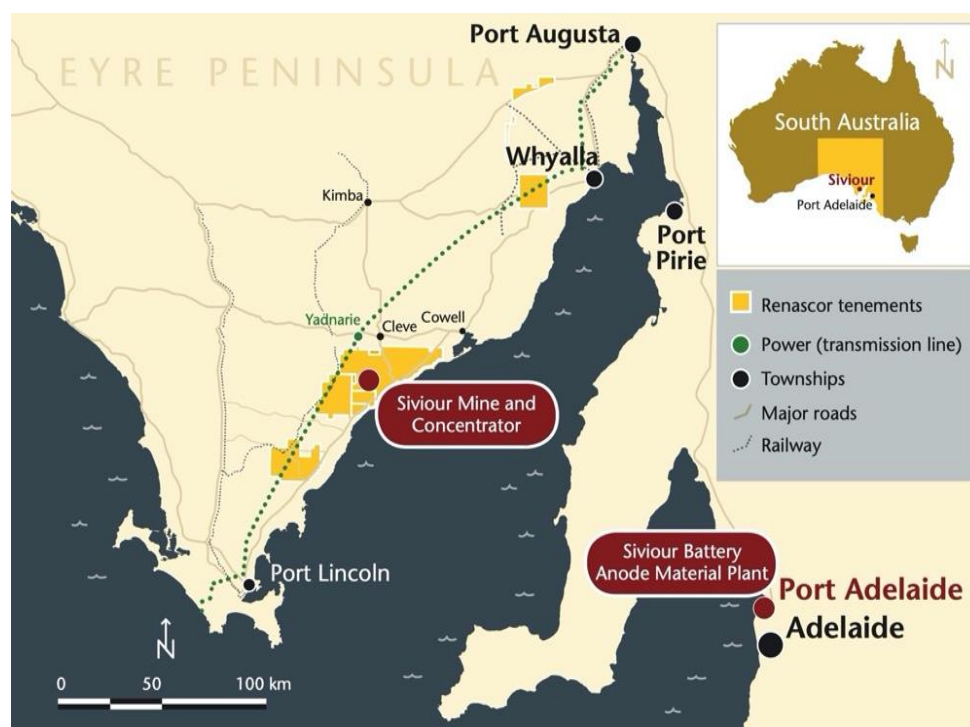


Figure 1. Siviour Battery Anode Material Project location



Currently, 100% of PSG in China is purified via the use of environmentally harmful Hydrofluoric acid (“HF”). In contrast, Renascor’s purification process offers an eco-friendly alternative.

Over the last five years, Renascor had developed an HF-free purification process. Recent purification testwork by German industrial processing specialists Dorfner Anzaplan have verified that Renascor’s eco-friendly, HF-free caustic roasting and leaching purification process has exceeded typical PSG purity specifications with a result of 99.98% carbon⁵.

Renascor’s Integrated Battery Anode Material Manufacturing Operation

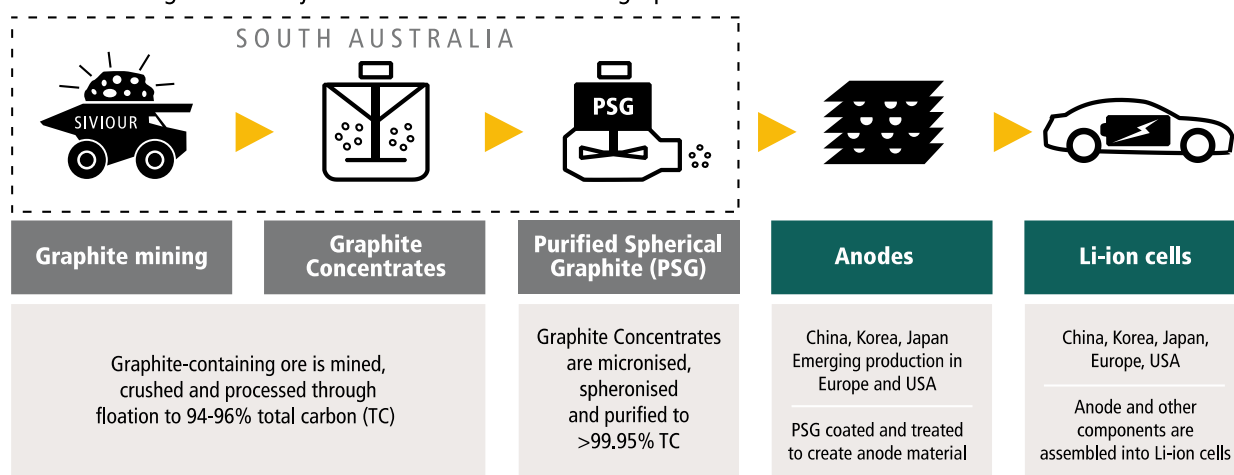


Figure 2: Renascor’s vertically integrated Mine and Concentrator and Downstream PSG production facility within the Electric Vehicle supply chain

Australian Government Financing Support

Green financing developments provide validation of the Project’s ESG, commercial and economic robustness.

Renascor has received confirmation from the Clean Energy Finance Corporation (“CEFC”), an Australian Government backed clean energy technology financier, that it will progress to more detailed discussions in relation to the potential provision of financing for the Project⁶. This represents the first milestone in Renascor’s engagement with the CEFC. The next step involves further due diligence by the CEFC.

The CEFC is an Australian Government organisation with a range of functions including to invest, directly or indirectly, in opportunities that facilitate the development of clean energy technologies (including renewable energy, energy efficiency and low emissions technologies) in Australia. CEFC’s financial support in the battery metals space in Australia is well known, and its support for the Sivour Project will provide added impetus to Renascor’s successful engagement with international anode manufacturers and Lithium-ion battery companies, with respect to offtake agreements for Purified Spherical Graphite.

Renascor has also received a Letter of Support for the provision of finance from EFA⁷. The Project is estimated to provide export revenue for South Australia of US\$167 million per annum (in real terms)⁸ through the sale of critical minerals, both key areas of focus for EFA.

The support from CEFC and EFA does not constitute a commitment to provide finance and there is no certainty that an agreement will be reached between the parties. Renascor will assist CEFC and EFA through their required due diligence investigations.

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.

¹ See Renascor ASX release dated 4 March 2021.

² See Renascor ASX release dated 1 April 2021.

³ See Renascor ASX release dated 24 July 2020.

⁴ See Renascor ASX release dated 4 March 2019.

⁵ See Renascor ASX release dated 22 February 2021.

⁶ See Renascor ASX release dated 4 March 2021.

⁷ See Renascor ASX release dated 3 March 2020.

⁸ See Renascor ASX release dated 2 July 2020.

