

19 April 2021

\$1.08 Billion Energy and Emissions Reduction Deal Signed by Commonwealth and South Australian Governments

The bilateral Government agreement includes \$400 million for "investment priority areas", including carbon capture and storage, electric vehicles, hydrogen and other emissions reduction projects in South Australia.

Highlights:

- Renascor Resources (ASX: RNU) ("**Renascor**") welcomes the Commonwealth and South Australian Governments' commitment to the \$1.08 billion State Energy and Emissions Reduction Deal announced on 18 April 2021 (the "**Bilateral Agreement**")¹.
- The Bilateral Agreement includes \$400 million in funding for investment in priority areas such as carbon capture and storage, electric vehicles, hydrogen and other emissions reduction projects in South Australia.
- The commitment of the joint Governments towards security of energy supply in South Australia, including the targeted investment in priority areas, provides Renascor with additional confidence in our strategy of integrating our world-class Siviour graphite mine and concentrator with a downstream purified spherical graphite ("**PSG**") manufacturing facility in South Australia.
- The Siviour Battery Anode Material Project (the "**Siviour Project**") fits well within many of the Bilateral Agreement's key policy objectives supporting the next wave of technologies in the new energy economy.
- The Siviour Project, which is targeted to be the first integrated in-country mine and battery anode material operation outside of China, exhibits strong clean energy credentials that have helped attract in principle financial support from Australia's Clean Energy Finance Corporation ("**CEFC**"), an Australian Government backed clean energy technology financier².
- The Siviour Project will be among the world's lowest cost producers of an important value-added graphite product (PSG), a critical mineral that is fundamental to the growth of the electric vehicle and renewable energy / battery storage industries³. Further, the Siviour Project will create skilled jobs in critical minerals downstream processing in South Australia, in a rapidly-growing global clean industry.

Renascor Resources Limited (ASX: RNU) ("**Renascor**") welcomes the Commonwealth and South Australian Governments' commitment to the \$1.08 billion State Energy and Emissions Reduction Deal announced on 18 April 2021 (the "**Bilateral Agreement**").

The Bilateral Agreement includes \$400 million in funding for investment in priority areas such as carbon capture and storage, electric vehicles, hydrogen and other emissions reduction projects in South Australia.

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Renascor's Siviour Project, located in South Australia, comprises the Siviour Graphite Mine and Concentrator and the downstream 28,000tpa (Stage 1) PSG production facility. As a response to increasing inbound enquires from major anode manufacturers, Renascor is considering an expansion to its Stage 1 PSG production capacity, as well as an expanded Stage 2 PSG capacity⁴.

The Siviour Project is underpinned by Renascor's 100%-owned Siviour graphite deposit in South Australia, the largest reported Ore Reserve of Graphite outside of Africa, and the second largest Proven Reserve in the world⁵.

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It will be among the world's lowest cost producers of an important value-added graphite product (PSG), a critical mineral that is fundamental to the growth of the electric vehicle and renewable energy / battery storage industries⁷.

Further, the Siviour Project will create skilled jobs in critical minerals downstream processing in South Australia, in a rapidly-growing global clean industry.

Renascor Managing Director David Christensen stated:

"Yesterday's joint announcement by the Commonwealth and South Australian Governments bodes well for Renascor's Siviour Battery Anode Material Project. The commitment of the Governments towards security of energy supply in South Australia, and the targeted investment in priority areas, provides Renascor additional confidence in our strategy of integrating our world-class Siviour graphite mine and concentrator with a downstream PSG manufacturing facility.

Our ability to locate our operations entirely within South Australia will provide security of supply and lead to the creation of higher value manufacturing jobs and the capture of downstream value through the production of PSG for sale directly into the electric vehicle raw material supply chain.

We believe that the Siviour integrated project fits well within many of the Government's key policy and industry objectives. The Siviour Project is a first for Australia. Indeed, it will be the first integrated in-country mine and battery anode material operation outside of China. The Siviour Project will be among the world's lowest cost producers of an important value-added graphite product (PSG), a critical mineral that is fundamental to the growth of the electric vehicle and renewable energy / battery storage industries.

And importantly, the Siviour Project will create skilled jobs in critical minerals downstream processing in South Australia, in a rapidly-growing global clean industry."

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 <https://www.pm.gov.au/media/energy-and-emissions-reduction-agreement-south-australia>

² See Renascor ASX release dated 4 March 2021.

³ See Renascor ASX release dated 1 July 2020.

⁴ See Renascor ASX release dated 1 April 2021.

⁵ See Renascor ASX release dated 21 July 2020.

⁶ See Renascor ASX release dated 4 March 2021.

⁷ See Renascor ASX release dated 1 July 2020.

