RENASCOR RESOURCES LIMITED

ABN 90 135 531 341

ANNUAL FINANCIAL REPORT

For the year ended 30 June 2017

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Renascor Resources Limited (referred to hereafter as the Parent Entity or the Company) and the entities it controlled at the end of, or during, the year ended 30 June 2017.

Directors
The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

David Christensen, *Managing Director*
David Christensen is an experienced mining executive, with recent successful experience managing and developing mining operations. Prior to founding the Company, David served as Chief Executive Officer of Adelaide-based companies, Heathgate Resources Pty Ltd and Quasar Resource Pty Ltd, where he oversaw the operation of the Beverley uranium mine and the development of the Four Mile uranium deposit. David's experience also includes serving as President of Nuclear Fuels Corporation, a trading and marketing company, where he was responsible for developing sales strategy, executing trades and swaps and negotiating all off-take contracts. David commenced his career as an attorney in California and London offices of international law firm Latham & Watkins, where he advised on corporate finance and mergers and acquisitions. David was educated at Cornell University (BA, Economics and Classical Civilizations), the University of California, Los Angeles (JD) and the Universitá di Bologna (Fulbright Fellow).

Special responsibilities
Managing Director

Richard Keevers, *Non-Executive Chairman (Appointed as a Non-Executive Director on 22 July 2016)*

Mr. Keevers has over 40 years of experience in the resource sector, having previously held senior executive positions with Broken Hill South Limited and Newmont Mining Corporation. Mr Keevers' experience includes advancing multiple producing mines from discovery phase through development, including the Telfer gold and copper mine, the Phosphate Hill phosphate mine and the Baal Gammon copper mine. Mr Keevers also was a substantial shareholder of and served as an executive director for Pembroke Josephson Wright Limited, an Australian share brokerage firm. Mr Keevers has served on boards of several ASX-listed resource companies, and he is currently a non-executive director of Santana Minerals Limited. Mr Keevers also serves as chairman of unlisted Eyre Peninsula Minerals Proprietary Limited

Mr Keevers is a graduate of the University of New England, NSW (BSc, Geology), and is a fellow of Australasian Institute of Mining and Metallurgy.

Special responsibilities
Chairman of the board

Stephen Bizzell, *Non-Executive Director*
Stephen is Chairman of boutique corporate advisory and funds management group Bizzell Capital Partners. He is highly experienced in the fields of corporate restructuring, debt and equity financing, mergers and acquisitions and has over 20 years corporate finance and public company management experience in the resources sector in Australia and Canada. Stephen was previously an Executive Director of Arrow Energy from 1999 to until its acquisition in 2010 by Royal Dutch Shell and PetroChina for $3.5 billion. Stephen was instrumental in Arrow's corporate and commercial success and its growth from a junior explorer to a large integrated energy company. Stephen spent his early career in the corporate finance division of Ernst & Young and the tax division of Coopers & Lybrand and qualified as a Chartered Accountant. He is also a former director of Queensland Treasury Corporation. During the past three years Stephen has also served as a Director of the following ASX listed companies: Laneway Resources Ltd (since 1996), Hot Rock Ltd (2009 to 2014), Diversa Ltd (2010 to 2016), Stanmore Coal Ltd (since 2009), Titan Energy Services Ltd (2011 to 2015), Armour Energy Ltd (since 2012) and UIL Energy Ltd (since 2014).

Special responsibilities
Member of the Audit and Risk Management Committee

Andrew Martin, *Non-Executive Director*
Andrew Martin is Head of Infrastructure and Utilities, ANZ at Deutsche Bank. Andrew has worked in a banking or advisory capacity for over 15 years, generally within the infrastructure, utilities and natural resources sectors advising on transactions within these sectors. Andrew has a Bachelor of Economics (Hons) from the University of Sydney and is a founder of ASX listed Stanmore Coal Limited (having been a Director from 2009 to 2014) and unlisted St Lucia Resources International Pty Limited.

Special responsibilities
Chairman of the Audit and Risk Management Committee

Directors (continued)

Geoffrey McConachy, *Executive Director*
Geoffrey McConachy is an accomplished geologist with over thirty years of Australian and international experience in the mining industry assessing a wide range of commodities. Prior to joining the Company, Geoffrey worked for Heathgate Resources Pty Ltd and Quasar Resources Pty Ltd, where his roles included Managing Director, Exploration. While at Heathgate and Quasar, Geoffrey led the exploration and development team in the discovery, definition and evaluation of four uranium deposits including the Four Mile deposit, for which he was co-honoured with the Prospector of the Year award from the Australian Association of Mining & Exploration Companies. His experience includes instrumental roles in the discovery of the Fosterville gold deposit in Victoria and the Potosi base metal deposit in New South Wales. Geoffrey is a fellow of the Australasian Institute of Mining and Metallurgy and a former Director of the Uranium Information Centre.

Special responsibilities
Member of the Audit and Risk Management Committee

Chris Anderson, *Non-Executive Director*
Chris Anderson is an experienced geophysicist with over 40 years in mineral exploration in Australia and abroad. His recent experience includes an instrumental role in the 2005 discovery of the Carrapateena copper-gold mine in South Australia. His earlier experience includes acting as Placer Pacific's Exploration Manager for Eastern Australia, where he was instrumental in the discovery of the Kalkaroo copper-gold-molybdenum deposit in South Australia. Mr Anderson's significant international experience includes geophysical interpretation in Zambia for Equinox Resources Ltd., and in Tanzania for North Mara Gold Mines, where he contributed to the discovery of the one million ounce Gokona gold deposit. From 2005 to 2010 Chris served as executive director of ASX listed Stellar Resources Ltd., with exploration interests in South Australia, New South Wales, Victoria and Tasmania.

Chris is a graduate of Adelaide University (BSc, Geology and Geophysics) (Hons), and is a fellow of Australasian Institute of Mining and Metallurgy.

Special responsibilities
Nil

Chief Financial Officer and Company Secretary

Angelo Gaudio, *Chief Financial Officer and Company Secretary*
Angelo Gaudio has significant experience in senior financial positions within the resource sector. Prior to joining the Company in 2011, he served as Vice President, Finance and Administration with Heathgate Resources Pty Ltd, for which he managed accounting, financial affairs and procurement since the inception of the Beverley uranium mine in 1999. Angelo is a qualified accountant with over thirty-five years of finance, management and accounting experience. His expertise includes corporate finance, risk management and financial reporting, as well as corporate development and Native Title relations. Angelo is a Fellow of the Institute of Public Accountants and a Certificated member of the Governance Institute of Australia.

Directors' Shareholdings
The following table sets out each director's holdings and their relevant interest in shares, options and performance rights in the Company as at the date of this report.

Director	Fully Paid Ordinary Shares	Share Options	Performance Rights
David Christensen	15,285,334	-	-
Geoffrey McConachy	8,501,334	-	-
Andrew Martin	24,626,655	-	-
Stephen Bizzell	20,919,002	-	-
Chris Anderson	13,570,113	-	-
Richard Keevers	42,167,525	7,834,399	-

Meetings of directors

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2017, and the numbers of meetings attended by each director were:

	Full meetings of directors		Audit Committee meetings	
	A Attended	B Held	A Attended	B Held
Stephen Bizzell	6	6	2	2
David Christensen	6	6	N/A	N/A
Geoffrey McConachy	6	6	2	2
Andrew Martin	6	6	2	2
Chris Anderson	6	6	N/A	N/A
Richard Keevers (Appointed 22 July 2016)	6	6	N/A	N/A

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the committee during the year

Principal activities

Renascor Resources is an Australian-based company focused on the development of economically viable deposits containing graphite, copper, gold and other minerals. Renascor has an extensive tenement portfolio, holding interests in key mineral provinces of South Australia, Western Australia and the Northern Territory, including the Siviour graphite project near Arno Bay, South Australia. The principal activity of the Group during the financial year was mineral exploration and evaluation.

Dividends - Renascor Resources Limited

There were no dividends declared or paid during the financial year (2016: Nil).

Review and results of operations

(a) Corporate and Financial

- For the year ended 30 June 2017, the loss for the Group after providing for income tax was $1,085,492 (2016: $890,079). This included a write down of capitalised exploration and evaluation expenditure of $300,851 and relinquishment of ten tenements during the period.
- On 5 December 2016, Renascor completed the acquisition of a 100% ownership interest in Eyre Peninsula Minerals Pty Ltd (EPM). Renascor previously owned 49% of the outstanding share capital of EPM, and, as first announced on 1 September 2016, Renascor exercised its option to acquire the remaining 51% of EPM subject to obtaining shareholder approval at Renascor's annual general meeting on 25 November 2016. Having obtained such approval at the annual general meeting, Renascor acquired the remaining 51% of EPM on 5 December 2016 in exchange for 42,068,884 ordinary shares in Renascor and 15,000,000 unlisted options exercisable at $0.05 per option and expiring 5 December 2019.

  EPM's primary asset is an option to acquire Ausmin Development Pty Ltd (Ausmin), which owns the underlying rights to the exploration tenements that comprise the Arno Project.
- During the year ended 30 June 2017, Renascor's activities were focused on the Arno Project in South Australia's Eyre Peninsula, and in particular, the Siviour Graphite Project. Exploration and development activities undertaken during the year included expanding the size of the Siviour deposit, completing initial metallurgical testwork on Siviour core and completing the Siviour Scoping Study (released on the ASX on 23 May 2017).

(b) Operations

- Renascor's activities during the past financial year were directed at exploring for, acquiring and developing mineral assets.
- Significant activities undertaken during the year included:
  - The acquisition of a 100% interest in EPM, which has the right to acquire the Arno Project, including the Siviour Graphite Project,
  - The discovery of additional graphite mineralization at Siviour,
  - The upgrading of the Mineral Resource estimate for Siviour,
  - The completion of initial metallurgical testwork on Siviour core, and
  - The completion of the Siviour Scoping Study.
- In addition to its activities at the Arno Project, Renascor has maintained a strong exploration portfolio, identifying and maintaining a pipeline of targets for the development of graphite, lithium, nickel, uranium, gold, copper and other mineral assets. To limit non-essential expenditure, Renascor has also relinquished tenements considered less prospective.

Significant changes in the state of affairs
There have been no significant changes in the Group's state of affairs during the financial year other than have been disclosed elsewhere in this report.

Matters subsequent to the end of the financial year
On 20 September 2017, the Company announced that it has received firm commitments from professional and sophisticated investors for a placement to raise approximately $3 million (before costs) (Placement). Proceeds from the Placement will be applied to advance Renascor's world class Siviour Graphite Project toward production.

The placement will be completed via the issue of up to approximately 179.5 million fully paid ordinary shares in the Company at a price of $0.017 per share, in two tranches. All shares issued under the Placement will include one attaching option for every two new shares issued. The options, subject to shareholder approval, will have an exercise price of $0.03, will be exercisable any time prior to 31 October 2019, and are expected to be quoted on ASX, subject to satisfying ASX criteria.

Tranche #1 of the Placement was completed on 27 September 2017 resulting in Renascor receiving a total of $2,051,867 (before costs). This has provided Renascor with sufficient cash balances to fund operations for at least 12 months from the signing of these statements.

In the opinion of the directors, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years, or
- the results of those operations in future financial years, or
- the Group's state of affairs in future financial years.

Likely developments and expected results of operations
The Company will continue activities in the exploration, evaluation, development and acquisition of viable projects with the objective of establishing a significant production business.

Environmental regulation and performance
The directors have put in place strategies and procedures to ensure that the Group manages its compliance with environmental regulations. The directors are not aware of any breaches of any applicable environmental regulations.

Remuneration report – audited

This remuneration report sets out remuneration information for the Group's non-executive directors, executive directors and other key management personnel of the Group and the Company.

(a) Key management personnel

The following persons were key management personnel of the Company during the financial year:

Name	**Position**
Directors	
Stephen Bizzell	Non-Executive Director
David Christensen	Managing Director
Geoffrey McConachy	Executive Director
Andrew Martin	Non-Executive Director
Chris Anderson	Non-Executive Director
Richard Keevers (Appointed 22 July 2016)	Non-Executive Chairman
Other key management personnel	
Angelo Gaudio	CFO and Company Secretary

(b) Principles used to determine the nature and amount of remuneration

Role of the remuneration committee

The board carries out the functions of the Remuneration and Nominations Committees and is responsible for reviewing and negotiating the compensation arrangements of senior executives. It assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. The board is responsible for managing:

- non-executive director fees;
- executive remuneration (directors and other executives); and
- the over-arching executive remuneration framework and incentive plan policies.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Group.

Relationship between remuneration and Group performance

During the financial year, the Group has generated losses as its principal activity was exploration for graphite, copper, gold and other minerals within South Australia. As the Group is still in the exploration and evaluation stage, the link between remuneration, Group performance and shareholder wealth is sometimes tenuous. Share prices are subject to the influence of metals prices, market sentiment toward the sector and the global economy, and as such increases or decreases may occur quite independent of executive performance or remuneration.

The following table shows key performance indicators for the Group over the last five years since the Company has been listed on the ASX:

Key performance indicators	**2017**	**2016**	**2015**	**2014**	**2013**
(Loss) for the year attributable to owners ($)	($1,085,492)	($890,079)	($4,932,426)	($1,513,910)	($528,989)
Basic earnings per share (cents)	(0.2)	(0.4)	(3.5)	(1.3)	(0.5)
Share price (cents) at year end	1.6	2.0	2.0	3.7	3.5
Increase/(decrease) in share price (%)	(25.0%)	(0%)	(45.9%)	5.7%	(32.7%)
Total KMP incentives as a percentage of profit/(loss) for the year (%)	-	-	(0.2%)	(2.4%)	(4.6%)

Non-executive directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed periodically by the board. The Chair's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chair is not present at any discussions relating to determination of his own remuneration.

Non-executive directors do not receive performance-based pay.

Remuneration report – audited (continued)

(b) Principles used to determine the nature and amount of remuneration (continued)

Directors' fees
The current base fees were established with effect from 15 December 2010.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $350,000 per annum and was approved by a special resolution of the members of the Company on 5 August 2010.

At the AGM held on 27 November 2014, shareholders approved the Non-Executive Directors Share Plan (NEDSP) for non-executive directors to receive up to 50% of their compensation in shares in the Company. Commencing on 1 October 2014, non-executive directors have received payment for 50% of their director fees with the balance to be issued in shares pursuant to the NEDSP. During the year ended 30 June 2017, 50% of non-executive director fees were withheld by the Company pursuant to the NEDSP, but as at 30 June 2017, the NEDSP shares relating to the period 1 April 2016 to 30 June 2017 remain to be issued.

The following director fees have applied during the period:

	From 1 July 2016	From 1 July 2015
Base fees		
Chair	$60,000 p.a.	$60,000 p.a.
Other non-executive directors	$33,000-40,000 p.a.	$33,000-40,000 p.a.

Retirement allowances for non-executive directors
In line with guidance from the ASX Corporate Governance Council on non-executive directors' remuneration, no retirement allowances are provided for non-executive directors. Superannuation contributions required under the Australian superannuation guarantee legislation continue to be made as required and are deducted from the directors' overall fee entitlements.

Executive pay
The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market practice for delivery of reward. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests;

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price;
- delivering constant return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

The framework provides a mix of fixed and long-term incentives.

The board carries out the functions of the Remuneration and Nominations Committees and is responsible for reviewing and negotiating the compensation arrangements of senior executives. It assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The board manages remuneration and incentive policies and practices and remuneration packages and other terms of employment for executive directors, other senior executives and non-executive directors.

Remuneration report – audited (continued)

(b) Principles used to determine the nature and amount of remuneration (continued)

Executive pay (continued)
The executive pay and reward framework has the following components:

- base pay and benefits, including superannuation;
- short-term incentive through a cash bonus may be determined by the board; and
- long-term incentives through the issue of unlisted share options and performance rights.

The combination of these comprises an executive's total remuneration.

Base pay and benefits
Base pay and benefits are structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits, at the executive's discretion and subject to board approval.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards to ensure base pay is set to reflect the market for a comparable role. Base pay for executives is reviewed periodically to ensure the executive's pay is competitive with the market.

There is no guaranteed base pay increase included in any of the executives' contracts.

Benefits
Private health insurance benefits are provided to the Managing Director.

Superannuation
Retirement benefits are delivered via superannuation contributions required under the Australian superannuation guarantee legislation. Other retirement benefits may be provided directly by the Group if approved by shareholders.

Short-term incentives
The Company currently has no formal performance related remuneration policy which governs the payment of annual cash bonuses upon meeting pre-determined performance targets.

Long-term incentives
Long-term incentives may be provided to directors, executives and consultants through the granting of unlisted share options and or performance rights.

The granting of unlisted share options and performance rights is designed to provide long-term incentives for executives to deliver long-term shareholder returns. The granting of such options and performance rights is at the board's discretion and no individual has a contractual right to receive any guaranteed benefits. The options are issued for nil consideration and have variable vesting dates, exercise prices and maturity dates, i.e. last date to exercise the options.

The performance rights plan was approved by shareholders at the 2012 annual general meeting and is designed to focus executives on delivering long-term shareholder return. Under the plan, participants were granted rights to shares which only vest if certain performance conditions are met and the participants are still employed by the company at the end of the vesting period. Participation in the plan is at the absolute discretion of the disinterested board members.

Vesting of the performance rights have been subject to a corporate share performance (CSP) condition and a personal key performance indicator (KPI) condition.

The performance rights were issued for nil consideration and had variable vesting dates, subject to either CSP condition or KPI condition (and the maximum number of shares which may be issued where the relevant conditions are fully satisfied which are converted on a one for one basis).

(c) Details of remuneration

Amounts of remuneration
Details of the remuneration of the directors and the key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures)* are set out in the following tables.

The key management personnel of the Company includes the directors as per pages 2 and 3 above and Angelo Gaudio, CFO and Company Secretary who has authority and responsibility in respect of planning, directing and controlling activities of the Company and reports directly to the Managing Director.

Remuneration report – audited (continued)

(c) Details of remuneration (continued)

Key management personnel of the Company and the Group

2017	Short-term employee benefits		Long-term benefits	Post-employment benefits	Share-based payments	
Name	Cash salary and fees $	Non-monetary benefits $	Long service leave $	Super-annuation $	NEDSP shares [1] and performance rights $	Total $
Non-executive directors						
Richard Keevers [1] (Appointed 22 July 2016)	23,600	-	-	4,142	20,000 [1]	47,742
Stephen Bizzell [1]	25,000	-	-	-	25,000 [1]	50,000
Andrew Martin [1]	16,530	-	-	3,470	20,000 [1]	40,000
Chris Anderson [1]	16,500	-	-	-	16,500 [1]	33,000
Sub-total non-executive directors	**81,630**	**-**	**-**	**7,612**	**81,500 [1]**	**170,742**
Executive directors						
David Christensen	273,600 [3]	18,815	13,957	19,616	-	325,988
Geoffrey McConachy	239,200	-	13,376	19,616	-	272,192
Other key management personnel						
Angelo Gaudio [2]	100,000 [2]	-	-	-	-	100,000
Sub-total executive directors and other key management personnel	**612,800**	**18,815**	**27,333**	**39,332**	**-**	**698,180**
Total key management personnel compensation	**694,430**	**18,815**	**27,333**	**46,844**	**81,500 [1]**	**868,922**

2016	Short-term employee benefits		Long-term benefits	Post-employment benefits	Share-based payments	
Name	Cash salary and fees $	Non-monetary benefits $	Long service leave $	Super-annuation $	NEDSP shares and performance rights $	Total $
Non-executive directors						
Stephen Bizzell	30,000	-	-	-	30,000 [1]	60,000
Andrew Martin	16,530	-	-	3,470	20,000 [1]	40,000
Chris Anderson	16,500	-	-	-	16,500 [1]	33,000
Sub-total non-executive directors	**63,030**	**-**	**-**	**3,470**	**66,500 [1]**	**133,000**
Executive directors						
David Christensen	249,600	18,785	14,357	19,308	-	302,050
Geoffrey McConachy	239,200	-	13,759	19,308	-	272,267
Other key management personnel						
Angelo Gaudio [2]	222,952 [2]	-	0	14,118	-	237,070
Sub-total executive directors and other key management personnel	**711,752**	**18,785**	**28,116**	**52,734**	**-**	**811,387**
Total key management personnel compensation	**774,782**	**18,785**	**28,116**	**56,204**	**66,500 [1]**	**944,387**

[1] At the AGM held on 27 November 2014, shareholders approved the Non-Executive Directors Share Plan (NEDSP) for non-executive directors to receive up to 50% of their compensation in shares in the Company. Commencing on 1 October 2014 non-executive directors have received payment for 50% of their director fees. During the year ended 30 June 2017, 50% of non-executive director fees were withheld by the Company pursuant to the NEDSP and as at 30 June 2017 the NEDSP shares relating to the period 1 April 2016 to 30 June 2017 remain to be issued. Richard Keevers joined this scheme in October 2016, before this his full fee was paid as salary.

[2] On 15 April 2016, Mr Gaudio terminated his employment agreement with the Company. Cash salary and fees include the payment of entitlements at termination of $43,607. On 15 April 2016, the Company entered into an agreement with Angelo Gaudio and his company to provide services as Company Secretary and Chief Financial Officer. Services are to be provided at a rate of $8,333 per month plus GST plus expenses. The agreement may be terminated by either party on one months' notice.

[3] This amount includes $24,000 in entitlements paid during the year.

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Remuneration report – audited (continued)

(c) Details of remuneration (continued)

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI *	
	2017	2016	**2017**	2016	**2017**	2016
Non-executive directors of the Company						
Richard Keevers (Appointed 22 July 2016)	**100%**	100%	**-%**	-%	-%	-%
Stephen Bizzell	**100%**	100%	-%	-%	-%	-%
Andrew Martin	**100%**	100%	-%	-%	-%	-%
Chris Anderson	**100%**	100%	-%	-%	-%	-%
Executive directors of the Company						
David Christensen	**100.0%**	100%	**-%**	-%	-%	-%
Geoffrey McConachy	**100.0%**	100%	**-%**	-%	-%	-%
Other key management personnel of the Group						
Angelo Gaudio	**100.0%**	100%	**-%**	**-%**	**-%**	**-%**

* *Since the long-term incentives are provided exclusively by way of options and or performance rights, the percentages disclosed also reflect the value of remuneration consisting of options and performance rights, based on the value of options and performance rights expensed during the year.*

(d) Bonuses and short-term incentives

Key management personnel and executives were not paid cash bonuses or performance-related bonuses during the years ended 30 June 2017 and 2016.

(e) Service agreements

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the office of director.

Remuneration and other terms of employment for the managing director, exploration director, chief financial officer and the other key management personnel are also formalised in service agreements. Provisions of the agreements relating to remuneration are set out below.

David Christensen, *Managing Director,* has an agreement with the Company for an indefinite term, subject to six-month' notice or a termination payment of six months. As at year ended 30 June 2017, his per annum rate, exclusive of superannuation, was payable at a rate of $249,600 per annum. In addition, David is also entitled to private health insurance.

Geoffrey McConachy, *Exploration Director,* has an agreement with the Company for an indefinite term, subject to three-month' notice or a termination payment of three months. As at year ended 30 June 2017, his per annum rate, exclusive of superannuation, was payable at a rate of $239,200 per annum.

Angelo Gaudio, *Chief Financial Officer and Company Secretary,* the Company has an agreement with Angelo Gaudio and his company to provide services as Company Secretary and Chief Financial Officer. Services are provided at a rate of $8,333 per month plus GST plus expenses. The agreement may be terminated by either party on one months' notice.

Remuneration report – audited (continued)

(f) Equity instruments held by key management personnel

Options holdings

*Options are held directly, indirectly or beneficially by key management personnel*** *as at year ended 30 June 2017:*

2017 Name	Balance at the start of the year No.	Options acquired during the reporting year No#.	Exercised during the reporting year No.	Balance at the end of the year No.	Vested and exercisable at the end of the reporting period No.	Value of options exercised $
Directors of the Company						
David Christensen [1]	250,000	416,667	(666,667)	-	-	1,333
Geoffrey McConachy [1]	375,000	166,667	(541,667)	-	-	1,083
Andrew Martin [1]	625,000	166,667	(791,667)	-	-	1,583
Stephen Bizzell [1]	500,000	666,667	(1,166,667)	-	-	2,333
Chris Anderson [1]	1,000,000	500,000	(1,500,000)	-	-	3,000
Richard Keevers [2]	-	7,834,399	-	7,834,399	7,834,399	-
Other key management personnel of the Group						
Angelo Gaudio [1]	250,000	333,333	(583,333)	-	-	1,167

* *Key management personnel include close family members and entities over which the key management person or their close family members have direct or indirect control, joint control or significant influence.*
[1.] *Listed options held by key management personnel, exercise price per option was $0.03.*
[2.] *Unlisted options held by Richard Keevers were issued as part of the consideration for the acquisition of Eyre Peninsula Minerals Pty Ltd completed on 5 December 2016, as approved by shareholders at the Annual General Meeting held on 25 November 2016.*

Performance Rights holdings

Details of performance rights held directly, indirectly or beneficially by key management personnel as at year ended 30 June 2017:*

2017 Name	Balance at the start of the year No.	Approved to be granted during the reporting year as compens--ation No.	Exercised during the reporting year No.	Lapsed during the year No.	Balance at the end of the year No.	Vested at the end of the year No.	Vested and exercisable at the end of the reporting period No.	Value of performance rights exercised $
Directors of the Company								
David Christensen	252,000	-	(252,000)	-	-	-	-	4,032[1]
Geoffrey McConachy	243,000	-	(243,000)	-	-	-	-	3,888[1]
Andrew Martin	-	-	-	-	-	-	-	-
Stephen Bizzell	-	-	-	-	-	-	-	-
Chris Anderson	-	-	-	-	-	-	-	-
Other key management personnel of the Group								
Angelo Gaudio	105,001	-	(105,001)	-	-	-	-	1,680[1]
	600,001	-	(600,001)	-	-	-	-	9,600

[1] *Performance rights have a nil exercise price*
* *Key management personnel include close family members and entities over which the key management person or their close family members have direct or indirect control, joint control or significant influence.*

Remuneration report – audited (continued)

(g) Equity instruments held by key management personnel (continued)

Shareholdings

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by key management personnel* as at year ended 30 June 2017 are as follows.

2017 Name	Ordinary Shares Balance at the start of the year	Received during the year on the exercise of options	Received during the year on the exercise of Performance Rights	Other changes during the year	Ordinary Shares Balance at the end of the year
Directors of the Company					
Ordinary shares					
David Christensen	12,700,000	666,667	252,000	1,666,667 [3]	15,285,334
Geoffrey McConachy	7,050,000	541,667	243,000	666,667 [3]	8,501,334
Andrew Martin[1]	23,168,321	791,667	-	666,667 [3]	24,626,655
Stephen Bizzell	14,485,668	1,166,667	-	5,266,667 [3]	20,919,002
Chris Anderson	10,070,113	1,500,000	-	2,000,000 [3]	13,570,113
Richard Keevers[2]	-	-	-	42,167,525 [2]	42,167,525
Other key management personnel of the Group					
Ordinary shares					
Angelo Gaudio	6,715,000	583,333	105,001	1,333,333 [3]	8,736,667
	74,189,102	5,250,001	600,001	53,767,526	133,806,630

[1] *Mr Martin is a non-executive director and is a director of SLRI Pty Ltd and St Lucia Capital Fund Pty Ltd, which act as corporate trustees for trust funds which together are substantial (greater than 5%) shareholders in the Company. Mr Martin is a beneficiary of a trust ultimately holding a more than 20% interest in these trust funds.*

[2] *Shares held by Richard Keevers were issued as part of the consideration of the acquisition of Eyre Peninsula Minerals Pty Ltd.*

[3] *Shares acquired during the year through participation in fundraising activities and as approved by shareholders.*

** Key management personnel include close family members and entities over which the key management person or their close family members have direct or indirect control, joint control or significant influence.*

(h) Other transactions with key management personnel

Mr G W McConachy and Mr C. Anderson are directors of Euro Exploration Services Pty Ltd (Euro). Euro has provided the company with exploration and services, geochemical sampling services as well as the provision of geological personnel services during the year. The services provided are based on normal commercial terms and conditions. During the financial year the Company incurred expenses of $133,900 (2016: $54,134) from Euro which has been capitalised as Exploration Expenditure during the financial year. An amount of $1,846 (2016: $5,235) was owing to Euro at 30 June 2017.

Mr C. Anderson is a director of Pondray Pty Ltd trading as CG Anderson & Associates (CGAA). CGAA has provided geophysical services to the company. During the financial year the Company incurred expenses of $69,850 (2016: $72,600) from CGAA of which $69,850 (2016: $72,600) has been capitalised as Exploration Expenditure during the financial year. An amount of $4,235 (2016: $11,300) was owing to CGAA at 30 June 2017.

Mr S. Bizzell is a director of Bizzell Capital Partners Pty Ltd (BCP). BCP has provided corporate advisory and underwriting services to the company in relation to a capital raising. The services provided are based on normal commercial terms and conditions. During the financial year the Company incurred expenses of $170,687 (2016: $72,600) from BCP which was included as a cost of the capital raising during the financial year. An amount of $Nil (2016: $Nil) was owing to BCP for capital raising services at 30 June 2017.

Mr D. Christensen has an equity interest in Arion Legal. Arion Legal has provided legal services to the company. During the financial year the Company incurred expenses of $5,100 (2016: $6,770) from Arion Legal of which $5,100 was included as a legal expense during the financial year. An amount of $Nil (2016: $Nil) was owing to Arion Legal at 30 June 2017.

Mr R Keevers was a director and also had an equity interest in Eyre Peninsula Minerals Pty Ltd (EPM) prior to the acquisition of EPM by the Company. As part of the acquisition of EPM the Company had an agreement with EPM and EPM's shareholders to acquire up to 100% of EPM in exchange for exploration expenditure and shares and options in Renascor. Following approval given by its shareholders at the Annual General Meeting held on 25 November 2016, the Company completed the acquisition of EPM on the 5th December 2016. (See note 24, in the notes to the consolidated financial statements. for details). Mr Keevers received a total of 42,167,525 shares and 7,834,399 options exercisable at $0.05 expiring on 5 December 2019 in connection with acquisition securities issued to EPM shareholders.

End of remuneration report - audited

Shares under option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Date options granted	Expiry date	Exercise price of shares	**Number under option**
5 December 2016 (unlisted options)	5 December 2019	$0.05	15,000,000
			15,000,000

During the year ended 30 June 2017, 64,391,981 ordinary shares of Renascor Resources Limited were issued on the exercise of listed options, including 5,250,001 issued to key management personnel. A total of 600,001 shares were issued to key management personnel on the exercise of performance rights.

No further shares have been issued since year-end as a result of the exercise of performance rights or options. No amounts are unpaid on any of the shares.

Indemnification and insurance of directors, officers and auditor

The Company has established an insurance policy to indemnify all directors and officers against all liabilities to a third party that may arise from their position as directors or officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract insuring directors, secretaries and executive officers of the Company and its controlled entities against a liability incurred as director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of its controlled entities against a liability incurred as such an officer or auditor.

Non-audit services

During the financial year, the following fees for non-audit services were paid or payable to the auditor, BDO, or their related practices:

	Consolidated	
	30 June 2017 $	30 June 2016 $
Taxation services		
Amounts paid to a related practice of BDO Audit (SA) Pty Ltd for tax compliance and advisory services.	**4,526**	7,076
Other specialist services		
Amounts paid to a related practice of BDO Audit (SA) Pty Ltd for expert and valuation services in relation to the acquisition of Eyre Peninsula Minerals Pty Ltd.	**24,000**	-
Total remuneration for taxation and other specialist services	**24,000**	7,076
Total fees for non-audit services	**28,526**	7,076

The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm related to the auditor), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

On the advice of the audit committee, the directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the non-audit services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Corporate Governance

The board of directors of the Company ("Board") is responsible for the corporate governance of the Company. The Board guides and monitors the business and 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, 3rd 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/.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

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 on page 15.

This report is made in accordance with a resolution of directors.

David Christensen
Director

Adelaide
Date: 28 September 2017

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DECLARATION OF INDEPENDENCE
BY ANDREW TICKLE
TO THE DIRECTORS OF RENASCOR RESOURCES LIMITED

As lead auditor of Renascor Resources Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

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

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

Andrew tickle
Director

BDO Audit (SA) Pty Ltd

Adelaide, 28 September 2017

Financial statements

Renascor Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Notes	Consolidated **30 June 2017 $**	30 June 2016 $
Revenue	5 (a)	**40,898**	27,996
Other Income	5 (b)	**-**	12,000
Administration and consulting		**(269,020)**	(129,559)
Depreciation and amortisation expense	6	**(3,000)**	(4,158)
Employee benefits expense	6	**(341,146)**	(427,155)
Legal fees		**(15,706)**	(10,288)
Office accommodation	6	**(30,596)**	(30,596)
Impairment of exploration costs	6	**(374,343)**	(265,602)
Other expenses		**(92,579)**	(62,717)
Loss before income tax		**(1,085,492)**	(890,079)
Income tax expense	7	**-**	-
Loss for the year		**(1,085,492)**	(890,079)
Other comprehensive income			
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**(1,085,492)**	(890,079)
Loss is attributable to:			
Owners of Renascor Resources Limited		**(1,085,492)**	(890,079)
Total comprehensive income for the year is attributable to:			
Owners of Renascor Resources Limited		**(1,085,492)**	(890,079)
Non-controlling interest		**-**	-
		(1,085,492)	(890,079)

		Cents	Cents
Earnings per share for loss attributable to the ordinary owners of the Parent Entity:			
Basic earnings per share	27	**(0.2)**	(0.4)
Diluted earnings per share	27	**(0.2)**	(0.4)

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

Renascor Resources Limited
Consolidated statement of financial position
As at 30 June 2017

	Notes	Consolidated **30 June 2017 $**	30 June 2016 $
ASSETS			
Current assets			
Cash and cash equivalents	8	**1,230,213**	862,488
Other receivables	9	**39,076**	154,720
Other		**10,963**	15,887
Total current assets		**1,280,252**	1,033,095
Non-current assets			
Property, plant and equipment		**4,287**	7,287
Exploration and evaluation	10	**7,333,025**	5,977,606
Other		**20,000**	-
Total non-current assets		**7,357,312**	5,984,893
Total assets		**8,637,564**	7,017,988
LIABILITIES			
Current liabilities			
Trade and other payables	12	**284,225**	345,763
Provisions	13	**136,811**	132,007
Total current liabilities		**421,036**	477,770
Non-current liabilities			
Provisions	14	**98,082**	70,750
Total non-current liabilities		**98,082**	70,750
Total liabilities		**519,118**	548,520
Net assets		**8,118,446**	6,469,468
EQUITY			
Contributed equity	16	**18,628,616**	13,235,479
Reserves	17(a)	**(17,161)**	1,041,506
Accumulated losses	17(b)	**(10,493,009)**	(9,407,517)
Equity and reserves attributable the owners of Renascor Resources Limited		**8,118,446**	4,869,468
Non-controlling interests	23	**-**	1,600,000
Total equity		**8,118,446**	6,469,468

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

Renascor Resources Limited
Consolidated statement of changes in equity
For the year ended 30 June 2017

Consolidated	Notes	Contributed equity $	Share-based Payments Reserve $	Business Combination Reserve $	Accumulated losses $	Total $	Non-controlling interest $	Total equity $
Balance at 1 July 2015		**11,903,316**	**1,026,312**	**-**	**(8,517,438)**	**4,412,190**	**-**	**4,412,190**
Loss for the year		-	-	-	(890,079)	(890,079)	-	(890,079)
Total comprehensive income		-	-	-	(890,079)	(890,079)	-	(890,079)
Transactions with owners in their capacity as owners:								
Contributions of equity net of transaction costs	16(b)	1,332,163	-	-	-	1,332,163	-	1,332,163
Recognition of non-controlling interest of Eyre Peninsula Minerals Pty Ltd	24	-	-	-	-	-	1,600,000	1,600,000
Share-based payments	17(a)	-	15,194	-	-	15,194	-	15,194
		1,332,163	15,194	-	-	1,347,357	1,600,000	2,947,357
Balance at 30 June 2016		**13,235,479**	**1,041,506**	**-**	**(9,407,517)**	**4,869,468**	**1,600,000**	**6,469,468**
Balance at 1 July 2016		**13,235,479**	**1,041,506**	**-**	**(9,407,517)**	**4,869,468**	**1,600,000**	**6,469,468**
Loss for the year		-	-	-	(1,085,492)	(1,085,492)	-	(1,085,492)
Total comprehensive income		-	-	-	(1,085,492)	(1,085,492)	-	(1,085,492)
Transactions with owners in their capacity as owners:								
Contributions of equity, net of transaction costs	16(b)	2,734,470	**-**	-	**-**	2,734,470	-	2,734,470
Acquisition of non-controlling interest of Eyre Peninsula Minerals Pty Ltd	24	2,658,667	359,123	(1,417,790)	-	1,600,000	(1,600,000)	-
Amount recognised during the current period for Share-based payments	17(a)	-		-	-	-	-	-
		5,393,137	359,123	(1,417,790)	-	4,334,470	(1,600,000)	2,734,470
Balance at 30 June 2017		**18,628,616**	**1,400,629**	**(1,417, 790)**	**(10,493,009)**	**8,118,446**	**-**	**8,118,446**

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

Renascor Resources Limited
Consolidated statement of cash flows
For the year ended 30 June 2017

		Consolidated	
		30 June 2017 $	30 June 2016 $
Cash flows from operating activities			
Receipts from Goods & Services Tax paid		**162,722**	74,463
Payments to suppliers and employees (inclusive of goods and services tax)		**(925,116)**	(631,200)
Interest received		**41,027**	28,733
Other (Research & Development tax concession)		**147,985**	192,942
Other (Deposits received)		**-**	10,000
Net cash inflow (outflow) from operating activities	26	**(573,382)**	(325,062)
Cash flows from investing activities			
Cash held in subsidiary on acquisition		**-**	46,876
Payments for property, plant and equipment		**(1,849)**	-
Tenement security bond payment		**(20,000)**	-
Payments for exploration expenditure		**(1,771,513)**	(931,935)
Net cash inflow (outflow) from investing activities		**(1,793,362)**	(885,059)
Cash flows from financing activities			
Payment for share issue expenses		**(186,290)**	(138,429)
Proceeds from issues of shares		**2,920,760**	1,135,702
Net cash inflow (outflow) from financing activities		**2,734,470**	997,273
Net increase / (decrease) in cash and cash equivalents		**367,725**	(212,848)
Cash and cash equivalents at the beginning of the financial period		**862,488**	1,075,336
Cash and cash equivalents at end of year	8	**1,230,213**	862,488

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Renascor Resources Limited ("Company" or "Parent Entity") and its subsidiaries. Renascor Resources Limited is a for-profit entity for the purpose of preparing these financial statements.

The financial report was authorised for issue by the directors on 27 September 2017.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.* The presentation currency used in this financial report is Australian dollars.

(i) Compliance with IFRS
The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention
These financial statements have been prepared on a historical cost basis, as modified by the revaluation of available-for-sale investments and financial assets and liabilities (including derivative financial instruments) at fair value through profit and loss.

(iii) Going Concern
The Directors believe it is appropriate to prepare the consolidated financial report on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. As disclosed in the financial report, the group has incurred a loss after tax for the year of $1,085,492 (2016: $890,079) and net operating cash outflow of $573,382 (2016: $325,062). At 30 June 2017, the Group had net current assets of $859,216 (30 June 2016: $555,325).

Tranche #1 of a capital raising was completed on 27 September 2017 resulting in Renascor receiving a total of $2,051,867 (before costs). This has provided Renascor with sufficient cash balances to fund operations for at least 12 months from the signing of these statements and therefore supports the going concern basis of preparation.

(b) Principles of consolidation

(i) Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Renascor Resources Limited (‘company’) as at 30 June 2017 and the results of all subsidiaries for the year then ended. Renascor Resources Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

1 Summary of significant accounting policies (continued)

(c) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which it operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss, within finance costs. All other foreign exchange gains and losses are presented in profit or loss on a net basis within other income or other expenses.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest Revenue
Interest income is recognised on a time proportion basis using the effective interest method.

Government Grants
Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to exploration and evaluation expenditure are offset against exploration and evaluation assets.

(e) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Trade receivables

Trade and other receivables are recognised initially at cost less any impairment losses. Trade and other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

(g) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

1 Summary of significant accounting policies (continued)

(g) Income tax (continued)

Deferred tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not

recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired are recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Non-financial assets other than goodwill that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

1 Summary of significant accounting policies (continued)

(j) Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of an item of plant and equipment also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on plant and equipment (excluding land) is calculated on a straight line basis over the estimated useful life of the asset.

The expected useful lives in the current and comparative periods are as follows:

- Plant and equipment 3 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(i)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(k) Exploration and evaluation expenditure

Exploration and evaluation expenditure is carried forward in the financial statements, in respect of areas of interest for which the rights of tenure are current and where:

(i) such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(ii) exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and while active and significant operations in, or in relation to, the area are continuing.

Exploration expenditure incurred that does not satisfy the policy stated above is expensed in the period in which it is incurred. Exploration expenditure that has been capitalised which no longer satisfies the policy stated above is written off in the period in which any capitalised exploration expenditure no longer satisfies that policy.

The net carrying value of each area of interest is reviewed regularly and, to the extent to which this value exceeds its recoverable value, that excess is provided for or written off in the year in which this is determined.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless an unconditional right exists to defer payment 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Provisions

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The Group has obligations to restore and rehabilitate certain areas where drilling has occurred on exploration tenements. These obligations are currently being met as the drilling is completed and as such no provision has been recognised.

1 Summary of significant accounting policies (continued)

(n) Employee benefits

(i) Short-term employee obligations
Liabilities for wages and salaries, including non-monetary benefits expected to be settled wholly within 12 months after the end of each reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee obligations

The liability for annual leave and long service leave not expected to be settled wholly within 12 months of the reporting date, are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using corporate bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

(iii) Retirement benefit obligations
Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due.

(iv) Share-based payments
Share-based compensation benefits are provided to directors, executives and consultants through the granting of unlisted share options and performance rights. Detailed information is set out in note 28.

Options and performance rights are granted for no cash consideration. When these share options and performance rights are granted, the fair value of the options and performance rights issued are recognised as an employee benefits expense with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the number of share options and performance rights for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of share options and performance rights that meet the related service and non-market performance conditions at the vesting date.

The fair value of share options and performance rights are measured using an appropriate pricing model. Measurement inputs include the share price on measurement date, exercise price of the instrument, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option and performance rights. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Upon the exercise of options and performance rights, the balance of the share-based payments reserve relating to those options and performance rights is transferred to share capital.

(o) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

1 Summary of significant accounting policies (continued)

(p) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year (refer to note 27).

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director, who is the Group's chief operating decision maker. The Managing Director is responsible for allocating resources and assessing performance of the operating segments. Refer to note 4 for segment reporting information.

(r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(s) Parent Entity financial information

The financial information for the Parent Entity, Renascor Resources Limited, disclosed in note 29 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries
Investments in subsidiaries are accounted for at cost, less any impairment, in the financial statements of the Parent Entity.

(t) R&D Tax Incentives

R&D tax incentives are considered more akin to government grants because they are not conditional upon earning taxable income and the group accounts for any R&D Tax incentives received as government grants under AASB 120 Accounting for Government Grants and Disclosure of Government Assistance.

2 Financial risk management

The Group considers its capital to comprise its ordinary share capital and accumulated losses. The Group does not have a formally established treasury function. The board is responsible for managing the Group's finance facilities. The Group does not currently undertake hedging of any kind and is not directly exposed to currency risk.

The Group holds the following financial instruments:

	Consolidated	
	30 June 2017 $	30 June 2016 $
Financial assets		
Cash and cash equivalents	**1,230,213**	862,488
Other receivables	**39,076**	154,720
	1,269,289	1,017,208
Financial liabilities at amortised cost		
Trade and other payable	**284,225**	345,763
	284,225	345,763

(a) Market risk

(i) Cash flow and fair value interest rate risk
As at 30 June 2017 and 30 June 2016, the Group had no borrowings.

The table below summarises the Group's exposure to interest rate risk at the end of the reporting period:

	30 June 2017		30 June 2016	
Consolidated	**Weighted average interest rate %**	**Balance $**	Weighted average interest rate %	Balance $
Cash and cash equivalents	**2.2 %**	**1,230,213**	1.8 %	862,488
Other receivables	**- %**	**39,076**	- %	154,720
Trade and other payables	**- %**	**(284,225)**	- %	(345,763)
Net exposure to cash flow interest rate risk		**945,064**		671,445

An analysis by maturities is provided in (c) below.

The Group analyses its interest rate exposure on a dynamic basis.

(ii) Summarised sensitivity analysis
The table below summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk.

Consolidated		**Interest rate risk**			
		- 1.0%		**+ 1.0%**	
30 June 2017	**Carrying amount $**	**Profit $**	**Other equity $**	**Profit $**	**Other equity $**
Financial assets					
Cash and cash equivalents	1,230,213	(12,302)	-	12,302	-
Other receivables	39,076	-	-	-	-
Financial liabilities					
Trade and other payables	(284,225)	-	-	-	-
Total increase/ (decrease)	945,064	(12,302)	-	12,302	-

2 Financial risk management (continued)

(a) Market risk (continued)

(ii) Summarised sensitivity analysis (continued)

Consolidated		Interest rate risk			
		-1.0%		+1.0%	
30 June 2016	Carrying amount $	Profit $	Other equity $	Profit $	Other equity $
Financial assets					
Cash and cash equivalents	862,488	(8,625)	-	8,625	-
Other receivables	154,720	-	-	-	-
Financial liabilities					
Trade and other payables	(345,763)	-	-	-	-
Total increase/ (decrease)	671,445	(8,625)	-	8,625	-

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The majority of cash and cash equivalents is held with a single financial institution.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Consolidated	
	30 June 2017 $	30 June 2016 $
Cash and cash equivalents		
Minimum rating of A	**1,230,213**	862,488
Total cash and cash equivalents	**1,230,213**	862,488

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and close out market positions. At the end of each reporting period the Group held deposits at call of $1,230,213 (2016: $862,488) that are expected to readily generate cash inflows for managing liquidity risk. The Group has sufficient funds to finance its operations and exploration activities and to allow for reasonable contingencies.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2 Financial risk management (continued)

(c) Liquidity risk (continued)

Maturities of financial liabilities (Continued)

Group - At 30 June 2017	**Less than 6 months $**	**6 - 12 months $**	**Less than 1 year $**	**Between 1 and 5 years $**	**Over 5 years $**	**Total contract--ual cash flows $**	**Carrying Amount (assets)/ liabilities $**
Trade payables	**(284,225)**	**-**	**-**	**-**	**-**	**(284,225)**	**(284,225)**
Total	**(284,225)**	**-**	**-**	**-**	**-**	**(284,225)**	**(284,225)**

Group - At 30 June 2016	Less than 6 months $	6 - 12 months $	Less than 1 year $	Between 1 and 5 years $	Over 5 years $	Total contract--ual cash flows $	Carrying Amount (assets)/ liabilities $
Trade payables	(345,763)	-	-	-	-	(345,763)	(345,763)
Total	(345,763)	-	-	-	-	(345,763)	(345,763)

3 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Estimates and judgments are continually evaluated and are based on management's historical experience and knowledge of relevant facts and circumstances at that time.

The Group makes estimates and judgments concerning the future. The resulting accounting estimates and judgments may differ from the related actual results and may have a significant effect on the carrying amounts of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. Information on such estimates and judgments is contained in the accounting policies and/or notes to the financial statements.

(i) Exploration and evaluation expenditure

Expenditure incurred on exploration and evaluation activities have been carried forward in accordance with Note 1 (k) on the basis that exploration and evaluation activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing. Exploration expenditure incurred that does not satisfy the policy stated above is expensed in the period in which it is incurred. Exploration expenditure that has been capitalised which no longer satisfies the policy stated above is written off in the period in which the decision is made. Details of capitalised exploration and evaluation costs are presented in Note 10.

(ii) Going Concern

The Directors believe it is appropriate to prepare the consolidated financial report on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. As disclosed in the financial report, the group has incurred a loss after tax for the year of $1,085,492 (2016: $890,079) and net operating cash outflow of $573,382 (2016: $325,062). At 30 June 2017, the Group had net current assets of $859,216 (30 June 2016: $555,325).

Tranche #1 of a capital raising was completed on 27 September 2017 resulting in Renascor receiving a total of $2,051,867 (before costs). This has provided Renascor with sufficient cash balances to fund operations for at least 12 months from the signing of these statements and therefore supports the going concern basis of preparation.

4 Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director (chief operating decision maker) 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. 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.

5 Revenue and Other Income

	Consolidated	
	30 June 2017 $	30 June 2016 $
(a) Revenue		
Interest income	**40,898**	27,996
(b) Other Income		
Sundry Income	**-**	12,000
	-	12,000

6 Expenses

	Consolidated	
	30 June 2017 $	30 June 2016 $
Profit/(Loss) before income tax includes the following specific expenses:		
Depreciation		
Office furniture and equipment	**426**	771
Computer equipment	**2,574**	3,387
Total depreciation	**3,000**	4,158
Exploration costs		
Exploration expenditure incurred	**-**	-
Exploration expenditure written off	**374,343**	265,602
	374,343	265,602
Employee benefits expense	**293,641**	373,431
Employee share based payments expense	**-**	-
Defined contribution superannuation expense	**47,505**	53,724
	341,146	427,155
Minimum office lease payments	**30,596**	30,596

7 Income tax expense

	Consolidated	
	30 June 2017 $	30 June 2016 $
(a) Income tax expense:		
Current tax	**-**	-
Deferred tax	**-**	-
	-	-
Deferred income tax (revenue) expense included in income tax expense comprises:		
Decrease (increase) in deferred tax assets (note 11)	**339,008**	240,978
(Decrease) increase in deferred tax liabilities (note 15)	**(339,088)**	(240,978)
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(Loss) from continuing operations before income tax expense	**(1,085,492)**	(890,079)
Tax at the Australian tax rate of 27.5% (2016: 30%)	**(298,510)**	(267,024)
Tax effect of amounts which are not deductible (taxable) in calculating Taxable income:		
Non-taxable income:		
- Debt forgiveness	**-**	-
- Research and development tax concession	**(7,323)**	(36,407)
Non-deductible expenses:		
- Entertainment	**112**	53
- Share-based payments	**-**	-
- Other	**-**	-
Deferred tax asset not recognised	**305,721**	303,377
Under / over provision for income tax	**-**	-
	298,510	267,024
Income tax expense	**-**	-
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	**9,656,857**	8,780,729
Potential tax benefit @ 27.5% (2016:30%)	**2,655,636**	2,634,219
(d) Unrecognised temporary differences		
Temporary differences for which deferred tax assets have not been recognised:		
Temporary differences	**-**	-
Potential tax benefit @ 27.5% (2016:30%)	**-**	-

8 Current assets - Cash and cash equivalents

	Consolidated	
	30 June 2017 $	30 June 2016 $
Cash at bank and in hand	**1,230,213**	862,488

(a) Cash at bank and on hand

Cash at bank accounts are interest bearing attracting normal market interest rates.

As funds are held with AA/AA1 to A/A1 credit rated financial institutions (as per S&P/Moody's ratings) there is minimal counterparty credit risk of funds held.

(b) Fair value

The carrying amount for cash and cash equivalents equals the fair value.

9 Current assets - Other receivables

	Consolidated	
	30 June 2017 $	30 June 2016 $
GST refundable	**38,776**	33,064
Research & Development Tax Concession receivable	**-**	121,356
Sundry receivables	**300**	300
	39,076	154,720

(a) Fair value risk

Due to the short-term nature of current receivables, their carrying amount is assessed to approximate their fair value.

10 Non-current assets - Exploration and evaluation expenditure

Exploration and evaluation

	Consolidated	
	30 June 2017 $	30 June 2016 $
Opening balance	**5,977,605**	3,534,046
Acquisitions through business combinations*	**-**	2,238,605
Impairments	**(374,343)**	(265,603)
R&D tax refund offset against capitalised exploration and evaluation #	**(26,628)**	(121,356)
Tenement acquisition/(sale) component of exploration and evaluation	**-**	-
Expenditure incurred	**1,756,391**	591,913
Closing balance	**7,333,025**	5,977,605

 # Note: Refundable tax incentives (Research and development tax concession) are accounted for as government grants under AASB 120 Accounting for Government Grants and Disclosure of Government Assistance and offset against capitalised exploration and evaluation expenditure.

** Note: Acquisitions include:*

1) Eyre Peninsula Minerals Pty Ltd - through business combinations includes $232,160 on acquisition plus recognition of $1,767,352 fair value adjustment on consolidation.

2) Sol Jar Property Pty Ltd - asset acquisition includes $239,043 on acquisition.

Exploration and evaluation expenditure comprises of net direct costs and includes an appropriate portion of related salaries & wages expenditure associated with each area of interest. During the financial year the Group has allocated $432,100 of internal personnel costs (2016: $461,623) and management fees for joint venture tenements of $62,439 (2016: $45,931) which form part of the exploration expenditure for the year.

The recoverability of exploration and evaluation assets depends on successful developments and commercial exploitation of tenement areas.

11 Non-current assets - Deferred tax assets

	Consolidated	
	30 June 2017 $	30 June 2016 $
The balance comprises temporary differences attributable to:		
Deductible temporary differences		
- Accruals and other payables	**6,679**	8,027
- Employee benefits	**64,596**	60,827
- Expenses deductible over 5 years	**85,035**	66,553
- Investment in Subsidiary	**-**	179,970
Tax losses	**1,353,607**	855,532
Total deferred tax assets	**1,509,917**	1,170,909
Set-off of deferred tax liabilities pursuant to set-off provisions (note 15)	**(1,509,917)**	(1,170,909)
Net deferred tax assets	**-**	-
Movements:		
Opening balance at 1 July	**1,170,909**	929,932
Credited to profit or loss	**339,008**	240,978
Closing balance at 30 June	**1,509,917**	1,170,909

12 Current liabilities - Trade and other payables

	Consolidated	
	30 June 2017 $	30 June 2016 $
Trade payables	**109,237**	168,819
Sundry creditor and accrued expenses	**174,988**	176,944
Other payables	**-**	-
	284,225	345,763

13 Current liabilities – Provisions

	Consolidated	
	30 June 2017 $	30 June 2016 $
Employee benefits	**136,811**	132,007

Provision for employee benefits is made for annual leave owed as at 30 June 2017

14 Non-current liabilities – Provisions

	Consolidated	
	30 June 2017 $	30 June 2016 $
Employee benefits	**98,082**	70,750

Provision for employee benefits is made for long service leave as at 30 June 2017

15 Non-current liabilities - Deferred tax liabilities

	Consolidated	
	30 June 2017 $	30 June 2016 $
The balance comprises temporary differences attributable to:		
Assessable temporary differences		
- Exploration and evaluation expenditure	**1,509,917**	1,170,910
Total deferred tax liabilities	**1,509,917**	1,170,910
Set-off of deferred tax liabilities pursuant to set-off provisions (note 11)	**(1,509,917)**	(1.170,910)
Net deferred tax liabilities	**-**	-
Movements:		
Opening balance at 1 July	**1,170,909**	929,932
Charged to profit or loss	**(339,008)**	(240,978)
Closing balance at 30 June	**1,509,917**	1,170,909

16 Contributed equity

		30 June 2017 Shares	30 June 2016 Shares	**30 June 2017 $**	30 June 2016 $
(a) Share capital					
Ordinary shares	(b),(c)				
Fully paid		**482,793,861**	284,466,527	**18,628,616**	13,235,479

(b) Movements in ordinary share capital:

Date	Details	Number of Shares	Issue Price	$
1 July 2015	**Opening Balance**	**194,839,488**		**11,903,316**
9 July 2015	Retail component of accelerated non-renounceable entitlement offer – Ordinary shares issued.	20,950,612	$0.02	419,012
14 Oct 2015	Ordinary shares issued to non-executive directors pursuant to Non-Executive Directors Share Plan.	935,510	$0.018	16,752
26 Feb 2016	Consideration on acquisition of Sol Jar Property Pty Ltd – Ordinary shares issued.	18,000,000	$0.013	234,000
11 Apr 2016	Ordinary shares issued to non-executive directors pursuant to Non-Executive Directors Share Plan.	2,340,914	$0.021	49,748
13 May 2016	Placement to Sophisticated Investors - Ordinary shares issued.	47,400,003	$0.015	711,000
		89,627,039		**1,430,512**
	Less: Transaction costs arising on share issues, net of tax			(98,349)
30 June 2016	**Balance**	**284,466,527**		**13,235,479**
11 July 2016	Part consideration on acquisition of EPM – Ordinary shares issued.	38,666,667	$0.016	618,667
11 Jul 2016	Conditional placement to directors and professional & sophisticated investors.	39,266,668	$0.015	589,000
11 Jul 2016	Exercise of Performance Rights – Ordinary shares issued.	600,001	$Nil	-
25 Aug 2016	Exercise of Listed Options – Ordinary shares issued.	32,500	$0.03	975
6 Oct 2016	Exercise of Listed Options – Ordinary shares issued.	46,487,767	$0.03	1,394,633
10 Oct 2016	Underwriter’s shortfall re exercise of Listed Options – Ordinary shares issued.	17,871,714	$0.03	536,152
21 Oct 2016	Underwriter’s optional placement to sophisticated investors – Ordinary shares issued.	10,733,333	$0.03	322,000
5 Dec 2016	Underwriter’s optional placement to Bizzell Capital Partners – Ordinary shares issued.	2,600,000	$0.03	78,000
5 Dec 2016	Consideration on completion acquisition of EPM – Ordinary shares issued.	42,068,684	$0.0485	2,040,000
	Less: Transaction costs arising on share issues, net of tax			(186,290)
30 June 2017	**Balance**	**482,793,861**		**18,628,616**

16 Contributed equity (continued)

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.
On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Listed Options	**30 June 2017**	30 June 2016
Balance at 30 June 2016	**54,575,313**	-
Issued 9 July 2015 pursuant to a Placement.	-	12,500,000
Issued 9 July 2015 pursuant to Rights Issue.	-	26,225,310
Issued 26 Feb 2016 as part consideration for the acquisition of Sol Jar Property Pty Ltd.	-	4,000,000
Issued on 13 May 2016 pursuant to a Placement.	-	11,850,003
Issued on 11 July 2016 pursuant to a Placement.	9,816,668	
Underwritten exercise of Options	(64,391,981)	
Balance at 30 June 2017	-	54,575,313

(e) Unlisted Options and performance rights

Information relating to unlisted options and performance rights issued, exercised and lapsed during the financial year and options and performance rights outstanding at the end of the reporting period, is set out in note 28.

(f) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of its capital structure comprising equity and cash.

The Group reviews the capital structure on a semi-annual basis. As part of this review the Group considers the cost of capital and the risks associated with each class of capital. Due to the nature of the Group's activities, being that of exploration, the Directors believe that the most advantageous way to fund activities is through equity. The Group's exploration activities are monitored against budget and cash flow forecasts are prepared and maintained to ensure that adequate funds are available.

17 Reserves and accumulated losses

	Consolidated	
	30 June 2017 $	30 June 2016 $
(a) Reserves		
Business Combination	**(1,417,790)**	-
Share-based payments	**1,400,629**	1,041,506
Movements:		
Share-based payments		
Balance 1 July	**1,041,506**	1,026,312
Listed options issued	**-**	15,194
Unlisted options issued	**359,123**	-
Balance 30 June	**(1,400,629)**	1,041,506
Options granted arise from:		
Amount recognised during the period for Listed Options issued to the vendors as part of the consideration on the acquisition of Sol Jar Property Pty Ltd.	**-**	15,194
Amount recognised during the period for Unlisted Options issued to the vendors as part of the consideration on the acquisition of EPM (refer note 24)	**359,123**	-
	359,123	15,194
Business Combination		
Balance 1 July	**-**	-
Business Combination Reserve at acquisition of 100% of EPM (refer note 24)	**(1,417,790)**	-
Balance 30 June	**(1,417,790)**	-

17 Reserves and accumulated losses (continued)

	Consolidated	
	30 June 2017 $	30 June 2016 $

(b) Nature and purpose of reserves

(i) Share-based payments
The share-based payments reserve is used to recognise the fair value of equity instruments issued to directors, executives, consultants and others.
(ii) Business Combination
The Business Combination reserve is used to recognise the difference between the value of consideration paid to acquire the non-controlling interests and value of the non-controlling interest.

18 Dividends

The directors did not declare a dividend for the June 2017 period.

	Parent Entity	
	30 June 2017 $	30 June 2016 $
Franking credits available for subsequent financial years based on a tax rate of 27.50% (2016: 30%)	**-**	-

19 Key management personnel disclosures

(a) Key management personnel compensation

	Consolidated	
	30 June 2017 $	30 June 2016 $
Short-term employee benefits	**713,244**	793,567
Long-term benefits	**27,333**	28,116
Post-employment benefits	**46,844**	56,204
Share-based payments [1]	**81,500**	66,500
	868,921	944,387

[1] *NEDSP shares for director fees sacrificed by non-executive directors from 1 April 2016 to 30 June 2017 to be issued during the next financial year.*

(b) Details of remuneration

Details of the remuneration of each director of the Company and each of the other key management personnel of the Group, including their personally related entities, are set out in the remuneration report on pages 6 to 12.

19 Key management personnel disclosures (continued)

(c) Other transactions with key management personnel

Mr G W McConachy and Mr C Anderson are directors of Euro Exploration Services Pty Ltd (Euro). Euro has provided the company with exploration services, geochemical sampling services as well as the provision of geological personnel services during the year. The services provided are based on normal commercial terms and conditions. During the financial year the Company incurred costs of $133,900 (2016: $54,134) from Euro which has been capitalised as Exploration Expenditure during the financial year. An amount of $1,846 (2016: $5,235) was owing to Euro at 30 June 2017.

Mr C Anderson is a director of Pondray Pty Ltd trading as CG Anderson & Associates (CGAA). CGAA has provided geophysical services to the company. During the financial year the Company incurred costs of $69,850 (2016: $72,600) from CGAA of which $69,850 (2016: $72,600) has been capitalised as Exploration Expenditure during the financial year. An amount of $4,235 (2016: $11,330) was owing to CGAA at 30 June 2017.

Mr S. Bizzell is a director of Bizzell Capital Partners Pty Ltd (BCP). BCP has provided corporate advisory and underwriting services to the company in relation to its capital raising. The services provided are based on normal commercial terms and conditions. During the financial year the Company incurred costs of $170,687 (2016: $72,660) from BCP which was included as a cost of the capital raising during the financial year. An amount of $Nil (2016: $Nil) was owing to BCP at 30 June 2017.

Mr D. Christensen has an equity interest in Arion Legal. Arion Legal has provided legal services to the company. During the financial year the Company incurred costs of $5,100 (2016: $6,770) from Arion Legal of which $5,100 was included as a legal expense during the financial year. An amount of $Nil (2016: $Nil) was owing to Arion Legal at 30 June 2017.

Mr R Keevers was a director and also had an equity interest in Eyre Peninsula Minerals Pty Ltd (EPM) during the acquisition of EPM by the Company. As part of the acquisition of EPM the Company had an agreement with EPM and EPM's shareholders to acquire up to 100% of EPM in exchange for exploration expenditure and shares and options in Renascor. Following approval given by its shareholders at the Annual General Meeting held on 25 November 2016, the Company completed the acquisition of EPM on the 5th December 2016. (See note 24, in the notes to the consolidated financial statements. for details). Mr Keevers received a total of 42,167,525 shares and 7,834,399 options exercisable at $0.05 expiring on 5 December 2016 in connection with acquisition securities issued to EPM shareholders.

20 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Parent Entity, and its related practices:

	Consolidated	
	30 June 2017 $	30 June 2016 $
BDO Audit (SA) Pty Ltd		
(i) Audit and other assurance services		
Amounts paid/payable for audit and review of financial statements for the entity or any entity in the Group:	**30,593**	35,579
Total remuneration for audit and other assurance services	**30,593**	35,579
(ii) Taxation and other services		
Amounts paid/payable to a related practice of the auditor for tax compliance and advisory services for the entity or any entity in the Group:	**4,526,**	7,076
Amounts paid/payable to a related practice of the auditor for expert and valuation services in relation to the acquisition of Eyre Peninsula Minerals Pty Ltd	**24,000**	-
Total remuneration for taxation and other services	**28,526**	7,076
Total auditors' remuneration	**59,119**	42,655

The auditor of Renascor Resources Limited is BDO Audit (SA) Pty Ltd.

21 Commitments and contingent liabilities

In order to maintain current rights to tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State governments. These amounts are subject to renegotiation when application for a mining lease is made and at other times. These amounts, which are not provided for in the financial report and are expected to be capitalised as incurred but not recognised as liabilities, are as follows:

Exploration and mining lease commitments

	Consolidated	
	30 June 2017 $	30 June 2016 $
Commitments in relation to exploration and mining leases held at the end of each reporting period but not recognised as liabilities, payable:		
Within one year	**1,185,195**	1,756,447
Later than one year but not later than five years	**477,500**	585,259
	1,662,695	2,341,706

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Company has the option to negotiate new terms or relinquish the tenements. The Company also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

Exploration and mining lease contingent liabilities

The Group has previously entered into Asset Sale Agreements with Hillment Pty Ltd to acquire tenement EL 4570 and a similar agreement with Hiltaba Gold Pty Ltd for EL4707. Under each agreement, the company has granted a 1% royalty of the Net Smelter Return. The timing and amount of any financial effect relating to these agreements are dependent on the successful exploration and subsequent exploitation of the associated tenements.

Operating Lease Commitments

The office lease expired on 30 November 2013. The company continues to occupy the office with rent payable monthly in advance on a month to month basis.

22 Related party transactions

(a) Parent Entities

The Parent Entity within the Group is Renascor Resources Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 23.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 19.

23 Subsidiaries

Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b).

Name of entity	Country of incorporation	Class of shares	Equity holding 2017 %	Equity holding 2016 %
Kurilpa Uranium Pty Ltd	Australia	Ordinary	**100**	100
Astra Resources Pty Ltd	Australia	Ordinary	**100**	100
Sol Jar Property Pty Ltd	Australia	Ordinary	**100**	100
Eyre Peninsula Minerals Pty Ltd [1]	Australia	Ordinary	**100**	20

[1] The Company entered into a binding agreement with Eyre Peninsula Minerals Pty Ltd (EPM) and EPM's shareholders (EPM JV Agreement) that granted the Company an option to acquire up to 100% of EPM in exchange for exploration expenditure and shares and options in Renascor. EPM, in turn, has an option to acquire Ausmin Development Pty Ltd (Ausmin), an unlisted company that holds the underlying rights to the Arno graphite project. Pursuant to the EPM JV Agreement the company managed the exploration program as agreed with EPM. The Company completed its earn-in commitment during June 2016 and accordingly acquired 20% of EPM's issued capital. Following approval given by its shareholders at the Annual General Meeting held on 25 November 2016, the Company completed the acquisition of EPM on the 5th December 2016. (See note 24, in the notes to the consolidated financial statements. for details). Mr Keevers received a total of 42,167,525 shares and 7,834,399 options exercisable at $0.05 expiring on 5 December 2019 in connection with acquisition securities issued to EPM shareholders. During June 2016 the Company notified EPM of its intention to exercise its option acquire an additional 29% of EPM's issued capital which was completed subsequent to year end, on 11 July 2016. Pursuant to the EPM JV Agreement the Company had a voting control over the management committee. For accounting purposes the Company has considered that it had effective control over the activities of EPM from the 20 June 2016 and it has been consolidated in the Company's Financial Reports from that date. The equity in EPM is held by subsidiary, Kurilpa Uranium Pty Ltd.

Summarised Financial Information of Subsidiaries with Material Non-controlling Interests

Set out below is the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group, before any intragroup eliminations. Note that Eyre Peninsula Minerals Pty Ltd became a controlled entity of the Group during the reporting period ending 30 June 2016

	Eyre Peninsula Minerals Pty Ltd
	2016 $
Summarised Financial Position	
Current assets	**49,763**
Non-current assets	**1,999,512**
Current liabilities	**(49,275)**
Non-current liabilities	**-**
NET ASSETS	**2,000,000**
Carrying amount of non-controlling interests	**1,600,000**

There was no revenue, expenditures or cash flow recorded in EPM from the period of acquisition to 5 December 2016 when the acquisition was completed.

24 Business Combinations

Eyre Peninsula Minerals Pty Ltd

During December 2015, the Company entered into an agreement with Eyre Peninsula Minerals Pty Ltd (EPM) and EPM's shareholders (EPM JV Agreement) that granted the Company an option to acquire up to 100% of EPM in exchange for exploration expenditure and shares and options in Renascor. EPM, in turn, has an option to acquire Ausmin Development Pty Ltd (Ausmin), an unlisted company that holds the underlying rights to the Arno graphite project. Pursuant to the EPM JV Agreement, the Company committed to completing $400,000 in exploration expenditure by 21 June 2016 in exchange for shares representing 20% of the issued shares of EPM. The EPM JV Agreement granted the Company two additional options pursuant to which the Company could increase its ownership in EPM to 100%.

During June 2016, the Company completed its initial earn-in commitment of $400,000 in exploration expenditure acquiring 20% of EPM. From completion of the earn-in, the activities and strategic direction of EPM were controlled by the management committee. Pursuant to the EPM JV Agreement, the Company had voting control over the management committee. For accounting purposes, the Company has considered that it had effective control over the activities of EPM and consolidated EPM in the Company's Financial Reports from 21 June 2016.

On 11 July 2016, the Company exercised its option to acquire an additional 29% of the issued shares of EPM in exchange for the issue of 38,666,667 ordinary shares in Renascor, taking the Company's holding in EPM to 49%.

On 5 December 2016, the Company completed the acquisition of the remaining 51% of EPM, approved by shareholder at the Company's AGM held on 25 November 2016, with the issue of 42,068,684 ordinary shares and 15,000,000 unlisted options exercisable at a price of $0.05 and expiring on 5 December 2019. The options have been valued at $359,123 using the Black Scholes method based on a volatility of 144.39%, risk free rate of 2.7% and share price of $0.032 on the date of issue.

Reconciliation of Business Combination Reserve

The business combination reserve represents the difference between the value of net assets acquired at the date of control, and total consideration provided for the shares of EPM.

Transaction Date	Value of Consideration	% shares acquired	Business Combination Reserve	Non-controlling Interest
Opening Balance	400,000	20%	-	1,600,000
11 July 2016	618,667	29%	(38,667)	(580,000)
5 December 2016	2,399,123	51%	(1,379,123)	(1,020,000)
Closing Balance	**3,417,790**	**100%**	**1,417,790**	-

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25 Events occurring after the reporting period

On 20 September 2017, the Company announced that it has received firm commitments from professional and sophisticated investors for a placement to raise approximately $3 million (before costs) (Placement). Proceeds from the Placement will be applied to advance Renascor's world class Siviour Graphite Project toward production.

The placement will be completed via the issue of up to approximately 179.5 million fully paid ordinary shares in the Company at a price of $0.017 per share, in two tranches. All shares issued under the Placement will include one attaching option for every two new shares issued. The options, subject to shareholder approval, will have an exercise price of $0.03, will be exercisable any time prior to 31 October 2019, and are expected to be quoted on ASX, subject to satisfying ASX criteria.

Tranche #1 of the Placement was completed on 27 September 2017 resulting in Renascor receiving a total of $2,051,867 (before costs). This has provided Renascor with sufficient cash balances to fund operations for at least 12 months from the signing of these statements.

There has not been any other matter or circumstance that has arisen since the end of the reporting period that has significantly affected, or may significantly affect, the operations of the consolidated entity or the state of affairs of the consolidated entity in future periods.

26 Reconciliation of profit after income tax to net cash outflow from operating activities

	Consolidated	
	30 June 2017 $	30 June 2016 $
Profit / (loss) for the year	**(1,085,492)**	(890,079)
Depreciation and amortisation	**3,000**	4,158
Profit on Sale of tenement	**-**	-
R&D Claim received	**26,628**	190,942
Write Off Exploration/Inventories	**374,343**	265,602
Non-cash director, executive and consultant benefits expense - share-based payments	**-**	66,500
Change in operating assets and liabilities, net of effects from purchase of controlled entity:		
(Increase) / decrease in other receivables	**115,644**	(7,524)
(Increase) / decrease in other assets	**4,925**	7,467
Increase / (decrease) in trade and other payables	**(44,567)**	47,725
Increase / (decrease) in provisions	**32,137**	(9,852)
Net cash inflow / (outflow) from operating activities	**(573,382)**	(325,061)

Non-cash financing and investing activities

Shares and options issued to Vendors of Sol Jar Property Pty Ltd for no cash consideration in respect of Exploration and Evaluation activities.	**-**	(249,394)
Shares and options issued to Vendors of EPM for no cash consideration in respect of the acquisition of EPM.	**(2,658,667)**	-
Shares issued to non-executive directors in lieu of 50% of cash director fees from 1 April 2015 to 31 March 2016 pursuant to NEDSP.	**-**	(66,500)

27 Earnings per share

	Consolidated	
	30 June 2017 Cents	30 June 2016 **Cents**
(a) Basic earnings per share		
From continuing operations attributable to the ordinary owners of the Company	**(0.2)**	(0.4)
Total basic earnings per share attributable to the ordinary owners of the Company	**(0.2)**	(0.4)
(b) Diluted earnings per share		
From continuing operations attributable to the ordinary owners of the Company	**(0.2)**	(0.4)
Total diluted earnings per share attributable to the ordinary owners of the Company	**(0.2)**	(0.4)

(c) Reconciliations of earnings used in calculating earnings per share

	Consolidated	
	30 June 2017 $	30 June 2016 $
Basic earnings per share		
Profit / (loss) attributable to the ordinary owners of the Company used in calculating basic earnings per share		
From continuing operations	**(1,085,492)**	(890,079)
	(1,085,492)	(890,079)

27 Earnings per share (continued)

(d) Weighted average number of shares used as the denominator

	Consolidated	
	30 June 2017 Number	30 June 2016 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**440,830,590**	229,059,984
Adjustments for calculation of diluted earnings per share:		
Options and performance rights*	**-**	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**440,830,590**	229,059,984

* Options and performance rights are considered anti-dilutive as the Group is loss making

(i) Options and performance rights

The options and performance rights have not been included in the determination of basic earnings per share. Options and performance *rights* could potentially dilute earnings per share in the future. Details relating to the options and performance rights are set out in note 28.

28 Share-based payments

(a) Share based payments to directors, executives and consultants

At the AGM held on 27 November 2014, shareholders approved the Non-Executive Directors Share Plan (NEDSP) for non-executive directors to receive up to 50% of their compensation in shares in the Company. Commencing on 1 October 2014, non-executive directors have received payment for 50% of their director fees with the balance to be issued in shares pursuant to the NEDSP. During the year ended 30 June 2017, 50% of non-executive director fees were withheld by the Company pursuant to the NEDSP, but as at 30 June 2017, the NEDSP shares relating to the period 1 April 2016 to 30 June 2017 remain to be issued.

There are no options that have been granted to directors, senior management and consultants:

There was no amount of the equity settled share-based payment recognised in the current period in respect of options granted to directors and executives (2016: $Nil).

There was no amount of the equity settled share-based payment recognised in the current period in respect of options granted above to consultants (2016: $Nil).

Set out below are summaries of performance rights granted to directors and senior management:

PERFORMANCE RIGHTS								
Grant Date	**Expiry date**	**Exercise price**	**Balance at start of the year**	**Granted during the year**	**Exercised during the year**	**Lapsed during the year**	**Balance at end of the year**	**Vested and exercisable at end of the year**
Consolidated – 2017								
28 Feb 2014	28 Feb 2021	$Nil	105,001	-	105,001	-	-	-
30 Nov 2012	30 Nov 2019	$Nil	495,000	-	495,000	-	-	-
Total			600,001	-	600,001	-	-	-
Consolidated – 2016								
28 Feb 2014	28 Feb 2021	$Nil	116,667	-	-	(11,666)	105,001	105,001
30 Nov 2012	30 Nov 2019	$Nil	550,000	-	-	(55,000)	495,000	495,000
Total			666,667	-	-	(66,666)	600,001	600,001

There was no weighted average remaining contractual life of the above performance rights outstanding at the end of the period (2016: Nil years).

There was no equity settled share-based payment expense recognised in the current period in respect of the performance rights granted above to directors and executives (2016: $Nil).

28 Share-based payments (continued)

(b) Exploration and evaluation share based payments

During the year ended 30 June 2017, the Company issued 80,735,351 ordinary shares and 15,000,000 unlisted options @ $0.05 and expiring on 30 September 2019, as consideration for the acquisition of Eyre Peninsula Minerals Pty Ltd.

The amount of the equity settled share-based payment recognised in the current period in respect of the ordinary shares issued is $2,658,667 (2016: $234,000). Amounts previously recognised have been included as exploration and evaluation expenditure within the non-current assets in the statement of financial position.

Set out below are summaries of the granted options:

Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated – 2017 Listed Options								
26 Feb 2016	30 Sep 2016	$0.03	4,000,000	-	4,000,000	-	-	-
Consolidated – 2017 Unlisted Options								
5 Dec 2016	5 Dec 2019	$0.05	-	15,000,000	-	-	15,000,000	15,000,000
Total			4,000,000	15,000,000	4,000,000	-	15,000,000	15,000,000
Weighted average exercise price			$0.03	$0.05	$0.03	$-	$0.05	$0.05

Grant Date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated – 2016 Listed Options								
26 Feb 2016	30 Sep 2016	$0.03	-	4,000,000	-	-	4,000,000	4,000,000
Consolidated – 2016 Unlisted Options								
20 Dec 2010	17 Feb 2015	$0.24	-		-	-	-	-
30 Apr 2012	30 Apr 2016	$0.054	750,000	-	-	(750,000)	-	-
				-				
Total			750,000	4,000,000	-	(750,000)	4,000,000	4,000,000
Weighted average exercise price			$0.054	$0.03	$-	$0.054	$0.03	$0.03

The weighted average remaining contractual life of the above share options outstanding at the end of the period was 2.50 years (2016: 0.25 years).

The amount of the equity settled share-based payment recognised in the current period in respect of the options granted above $359,123 (2016: $15,194). Amounts are recognised and included as exploration and evaluation expenditure within the non-current assets in the statement of financial position.

(c) Equity raising share based payments

There was no equity raising share based payments during the year ended 30 June 2017.

28 Share-based payments (continued)

(d) Fair value of unlisted options granted

The assessed fair value at grant date of options is allotted equally over the period from grant date to vesting date. Fair values of options at grant date are determined using the Black-Scholes Model. This option pricing model takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option (refer to table below for inputs used).

The following table lists the inputs to the models used to value options for the year ended 30 June 2017:

Black Scholes Model inputs	Sol Jar
Options grant date	05/12/2016
Options expiry date	05/12/2019
Weighted average exercise price	$0.05
Weighted average life of the options	3 years
Weighted average underlying share price	$0.032
Expected share price volatility	144.39%
Weighted average risk free interest rate	2.70%
Number of options issued	15,000,000
Value (Black-Scholes) per option	$0.0239
Total value of options issued	$359,123

(e) Fair value of performance rights granted

Non-market related performance rights

The assessed fair value at grant date of performance rights with non-market related vesting conditions were valued using the Black-Scholes model. The values derived from these models are allotted equally over the period from grant date to vesting date. The expense recognised is adjusted to reflect the number of rights for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Market related performance rights granted

The assessed fair value at grant date of performance rights is allotted equally over the period from grant date to vesting date. Fair values at grant date are determined using Monte Carlo Simulation. This method involves the use of a computer model to represent the operation of a complex financial system. A characteristic of the Monte Carlo Simulation is the generation of a large number of random samples from a specified probability distribution or distributions to represent the role of risk in the market. Monte Carlo simulates the path of the share price according to a probability distribution assumption. After a large number of simulations, the arithmetic average of the outcomes, discounted to the pricing date, is calculated to represent the performance right value. Monte Carlo Simulation is an approach that can accommodate complex exercise conditions. In particular, it can be used when the portion of options exercised depends on some function of the whole path followed by the share price, rather than just its value at expiry.

The board determines the number of vested performance rights as at the test date based on assessment of achievement of the market based performance conditions.

If the performance conditions have not been met, performance rights lapse and do not carry forward to the next test date. Performance rights that have not previously been exercised may lapse for a controllable event which causes cessation of employment.

(f) General terms and conditions

All of these options and performance rights were issued by the Company and entitle the holder to one ordinary share in the Company for each option and performance rights that may be exercised. The options and performance rights were granted for no consideration. Once vested the options and performance rights can be exercised at any time up to the expiry date. Options and performance rights granted carry no dividend or voting rights.

During the year covered by the above tables, 15,000,000 unlisted options were granted, 4,000,000 listed options were exercised. 600,001 performance rights were exercised.

29 Parent Entity financial information

(a) Summary financial information

The individual financial statements for the Parent Entity show the following aggregate amounts:

Statement of Financial Position	Parent Entity	
	30 June 2017 $	30 June 2016 $
Current assets	**1,280,151**	983,082
Non-current assets	**9,314,296**	4,659,611
Total assets	**10,594,447**	5,642,693
Current liabilities	**421,036**	428,496
Non-current liabilities	**98,082**	70,750
Total liabilities	**519,118**	454,946
Net assets	**10,075,329**	5,143,448
Shareholders' equity		
Contributed equity	**18,628,616**	13,235,479
Share-based payment reserves	**1,400,629**	1,041,506
Retained earnings	**(9,953,916)**	(9,133,537)
Total equity	**10,075,329**	5,143,448
Profit / (loss) for the year	**(820,378)**	(864,884)
Total comprehensive income	**(820,378)**	(864,884)

(b) Contingent liabilities of the Parent Entity

The Parent Entity has entered into Asset Sale Agreements with Hillment Pty Ltd to acquire tenement EL 4570 and a similar agreement with Hiltaba Gold Pty Ltd for EL4707. Under each agreement, the company has granted a 1% royalty of the Net Smelter Return. The parent entity did not have any other contingent liabilities as at 30 June 2017.

(c) Contractual commitments for the acquisition of property, plant or equipment

As at 30 June 2017, the Parent Entity had no contractual commitments for the acquisition of property, plant or equipment.

(d) Guarantees

As at 30 June 2017, the Parent Entity had not guaranteed the debts of any subsidiary Company.

30 Application of new and revised Accounting Standards

Adoption of New and Revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Standard/ Interpretation	***Effective for annual reporting periods beginning on or after***	***Expected to be initially applied in the financial year ending***	***Likely impact***
AASB 15 Revenue from Contracts with Customers	1 January 2018	30 June 2019	The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.
AASB 16 Leases	*1 January 2019*	*30 June 2020*	The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.
AASB 2016-1 *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losse*s	1 January 2017	30 June 2018	When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.
AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*	1 January 2017	30 June 2018	When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.
AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*	1 January 2017	30 June 2018	When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

Renascor Resources Limited
Directors' declaration
30 June 2017

In the directors' opinion:

(a) the financial statements and notes set out on pages 16 to 47 are in accordance with the *Corporations Act 2001,* including:
  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  (ii) give a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the financial year ended on that date, and

(b) the remuneration disclosures included on pages 6 to 12 of the directors' report (as part of the audited Remuneration Report) for the year ended 30 June 2017, comply with section 300A of the *Corporations Act 2001*.

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the directors.

M E Clt
David Christensen
Director

Adelaide
Date: 28 September 2017

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Renascor Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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* (the Code) that are relevant to our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of exploration and evaluation assets.

Key Audit Matter	How the matter was addressed in our audit
The Group carries significant exploration and evaluation assets of $7,333,025 as at 30 June 2017 as disclosed in note 10 to the financial statements. The carrying value of exploration and evaluation assets represents a significant asset of the group and assessing whether facts or circumstances exist to suggest that impairment indicators were present, and if present, whether the carrying amount of this asset may exceed its recoverable amount. This assessment involves significant judgement applied by management and was considered key to the audit.	Our procedures, amongst others, included: ▶ Evaluating management's assessment of whether impairment indicators in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* have been identified across the Group's exploration projects. ▶ Verifying a sample of current tenement licences to determine whether the group has the rights to tenure and maintain the tenements in good standing. ▶ Obtaining the exploration budget for the 2018 financial year to assess whether there is reasonable forecasted expenditure to confirm continued exploration spend for the projects. ▶ Reviewing ASX announcements and Board meeting minutes for the year and subsequent to year end for exploration activity to identify any indicators of impairment. ▶ For each area of interest where impairment indicators existed, we considered the completeness and accuracy of amounts impaired.

Acquisition of Non-Controlling Interest in Eyre Peninsula Minerals

Key Audit Matter	How the matter was addressed in our audit
The Group's disclosures in respect to the acquisition of a non-controlling interest in Eyre Peninsula Minerals are included in Notes 24 of the financial statements. The audit of the acquisition accounting is a key audit matter due to the extent of judgement and complexity involved in assessing accounting treatment, and the significance of transaction to the Group.	Our procedures, amongst others, included: ▶ Obtaining the underlying agreement for the acquisition of Eyre Peninsula Minerals and assessed whether the key terms were considered in determining the accounting treatment of the acquisition transactions. ▶ Assessing the valuation of consideration paid for the non-controlling interest, including consideration of the methodology used, assessing the reasonableness of management judgements and inputs in the valuation model and compliance with AASB 2 Share-based payment. ▶ Assessing the adequacy of disclosure of these transactions in the financial statements.

Going Concern

Key Audit Matter	How the matter was addressed in our audit
Note 3(ii) of the financial statements outlines the basis of preparation of the financial statements which indicates being prepared on a going concern basis and no material uncertainty exists relating to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. As the group generates no revenue and is reliant on funding from other sources such as capital raising, there is significant judgement involved in determining whether a material uncertainty relating to going concern exists and is critical to the understanding of the financial statements as a whole. As a result this matter was key to our audit.	Our procedures, amongst others, included: ▶ Obtaining and evaluating management's assessment of the group's ability to continue as a going concern ▶ Assessing the cash flow forecasts provided by management and challenged the assumptions therein to ensure consistency with management's stated business and operational objectives, and checked the calculation to ensure the accuracy of the underlying financial data; ▶ Comparing the exploration expenditure in cash flow forecasts to minimum expenditure requirements in tenement schedules to ensure these are being met; and ▶ Vouching the receipt of funds from the capital raising which closed on 27 September 2017 raising $2,051,867 before costs.

Other information

The directors are responsible for the other information. The other information comprises the information contained in the Directors' report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's letter to shareholders, review of operations and shareholder information, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Chairman's letter to shareholders, review of operations and shareholder information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_files/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 12 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Renascor Resources Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, 28 September 2017