

# Siviour Graphite Project Update

ASX: RNU

## ASX RELEASE

December 13, 2017

**Renascor Resources Ltd**

ABN 90 135 531 341

## HEAD OFFICE

36 North Terrace  
Kent Town, SA 5067  
Australia

## CONTACT

T: +61 8 8363 6989  
F: +61 8 8363 4989  
info@renascor.com.au  
www.renascor.com.au

## ASX CODE

RNU

- Rapid advancement of Siviour Graphite Project continues, with Siviour Pre-Feasibility Study (PFS) expected to be completed in Q1 2018
- The Siviour PFS is considering both an immediate large-scale production case, as well as a low start-up capital, smaller-scale production case that would permit first production in 2019
- The smaller-scale case has been expanded in the PFS to double the size previously contemplated (see Renascor ASX announcement dated 27 October 2017) as a result of improvements in process water efficiency and the availability of increased amounts of water at site
- The ability to double the scale of the low start-up capital scenario is expected to result in an increase in projected production and a decrease in estimated operating cost per tonne of concentrate produced
- Renascor has continued discussions with potential offtake partners, with recent marketing efforts including meetings with potential partners from China, Europe and the United States and the engagement of a China-focused commodities marketing advisor and a European graphite group specialising in the development of graphite products and graphite trading
- The spherical graphite scoping study and mineral lease application remain on schedule; the spherical scoping study is expected to be completed later this month, with the mineral lease application expected to be lodged by Q2 2018

Developing  
Australia's largest  
graphite deposit

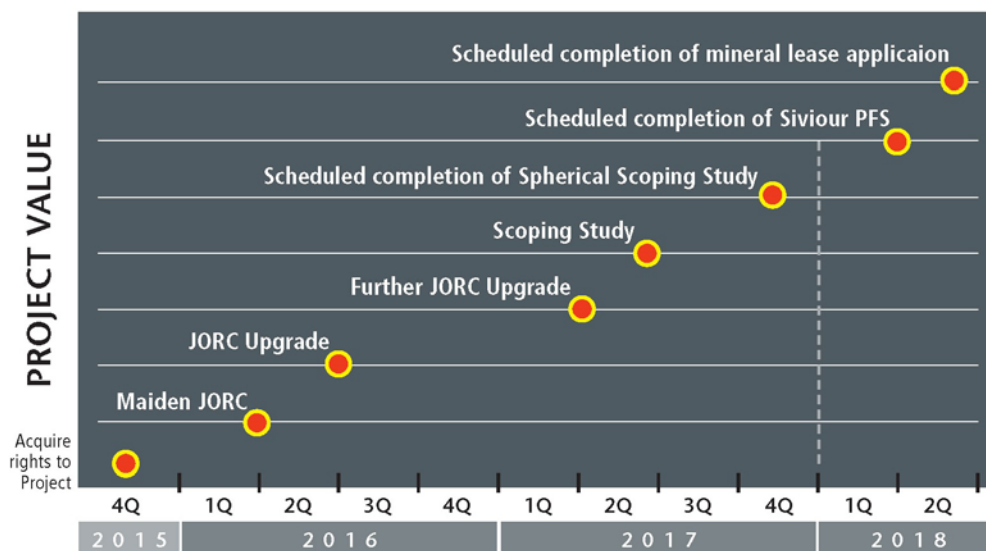


Figure 1. Siviour Graphite Project – Developmental Milestones

Renascor Resources (ASX: RNU) is pleased to provide the following updates on its Siviour Graphite Project located near the coast of South Australia's Eyre Peninsula.

- **Siviour Pre-Feasibility Study (PFS).** PFS work programs are well advanced, with key inputs from component parts of studies expected later this month. Following the positive results of the Siviour Staged Development Study (see Renascor ASX announcement dated 27 October 2017), the scope of the Siviour PFS has been expanded to include an evaluation of both an immediate large-scale production case, as well as a staged development approach, with a low start-up capital, smaller-scale production case that would permit first production as early as 2019. Renascor expects to complete the Siviour PFS next quarter.
- **Increased scale of plant for small-scale start-up option.** The staged development option of the PFS will consider a small-scale start-up plant of twice the size previously indicated. In the Siviour Staged Development Study (see Renascor ASX announcement dated 27 October 2017), the process plant design for the small-scale option was based on the capacity of existing infrastructure for supplying potable water; this implied a throughput capacity for the plant of 100,000 tonnes per annum (and a production rate of approximately 10,800 tonnes of graphite concentrate per year). Renascor has since incorporated design changes that have improved the process water efficiency, and Renascor has confirmed the availability of increased amounts of water on site. As a result, the PFS study will now consider a plant with a throughput capacity of 200,000 tonnes per annum and a corresponding increase in targeted production per annum. Renascor expects that this will result in an increase in projected production and a decrease in estimated operating cost per tonne of concentrate produced.
- **Marketing.** Renascor has recently met with potential offtake partners primarily from China, Europe and the United States. Renascor is in the process of preparing marketing samples from Siviour concentrates for purposes of testing by these and other potential customers. To further potential offtake opportunities, Renascor recently engaged a China-focused commodities marketing advisor (see Renascor ASX announcement dated 29 November 2017) and a European graphite group specialising in the development of graphite products and graphite trading.
- **Mineral processing.** Renascor has completed preliminary test work designed to assess the ability to utilise saline water in the processing of Siviour graphite concentrates. The test work has demonstrated the ability to attain targeted recoveries and purities of Siviour concentrates with moderate salinity water of approximately 15g/l total dissolved salt (TDS). The use of water at salinity of these levels is expected to reduce operating costs. Additional mineral processing test work includes advanced optimisation tests focused on ore pre-treatment and grinding and flotation, with a view to improving overall purities and recovery of coarse flake graphite concentrates, as well as reducing capital and operating expenses. Results from these tests are expected to validate the PFS flowsheet design and will be incorporated into the subsequent definitive feasibility study. Further metallurgical test programs currently underway include spherical and expandable graphite test work.
- **Environmental.** Collection of baseline environmental data is well advanced. Flora and fauna, air quality, soil and traffic surveys are now underway, with geochemical assessments to commence shortly. Water monitoring programs continue, with additional water bores to be installed next month. To date, no significant impediments to the development of the project have been identified.

- **Community engagement.** Renascor has continued active community engagement, with recent meetings with key stakeholders, including land-owners, local Council and community groups.
- **Regulatory.** Mine lease planning has continued and has included commencement of environmental risk and impact assessment and alignment of feasibility study work programs with stakeholder engagement and environmental planning. Renascor has continued discussions with the South Australia Department of Premier and Cabinet and local and regional government representatives regarding the preparation of Renascor's mine lease application. Renascor expects to complete the initial mine lease application for Siviour by Q2 2018.
- **Spherical graphite study.** Renascor continues to advance its scoping study to investigate the viability of producing spherical graphite from graphite concentrates to be produced at Siviour. Work to date has included an assessment of purification options, development of micronisation and spheronization design criteria, investigations into potential plant locations and the commencement of capital and operating expense models. Results of the spherical scoping study are expected later this month.

Additional information relating to advances in work programs at Siviour will be released as results become available.

### **Bibliography**

1. Renascor ASX announcement dated 27 October 2017, "Development Options for Siviour Graphite Project"
2. Renascor ASX announcement dated 29 November 2017, "Renascor Appoints Commodity Marketing Advisor"

Renascor confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Renascor confirms that the form and context in which the Competent Person's findings, if applicable, are presented have not been materially modified from the original market announcement.

### **Metallurgical Results**

*The information in this document that relates to metallurgical test work results is based on information compiled and reviewed by Mr Simon Hall, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hall is a consultant to the Company. Mr Hall has sufficient experience relevant to the mineralogy and type of deposit under consideration and the typical beneficiation thereof to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Hall consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.*

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

**David Christensen**  
Managing Director

**Angelo Gaudio**  
Company Secretary

+61 8 8363 6989

[info@renascor.com.au](mailto:info@renascor.com.au)