RENASCOR RESOURCES

ASX Release

May 24, 2018

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RNU

Developing Australia's Largest Graphite Deposit

Surface Sampling Strengthens Cobalt Targets at Olary

Renascor to Fast-Track Drill Program

- Cobalt targets at Renascor's 100%-owned Olary Project have been significantly enhanced by results of recently completed geochemical sampling
- Cobalt targets are in close proximity to Cobalt Blue's (ASX: COB) large scale Thackaringa cobalt deposit near Broken Hill
- At Bulloo Creek, soil sampling over previously identified cobalt prospect defined by large magnetic anomaly has confirmed coincident cobalt at surface over area of approximately 800m by 400m
- At Shorts Dam, rock chip sampling has returned elevated gossans, further strengthening cobalt target zone proximate to previous strong cobalt drill intervals that included:
    - 15m @ 0.14% Co, 0.07% Cu from 19m (including 1m at 0.64% Co from 32m) in drill hole
- While Renascor's core focus continues to be the development of its Siviour Graphite Project, in light of the strong cobalt outlook and recent successful capital raising, Renascor intends to seek immediate approvals to drill-test cobalt targets

Figure 1. Renascor's Olary Project, showing location of cobalt prospects and nearby cobalt and copper deposits

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Renascor Resources (ASX: RNU) is pleased to announce the results of geochemical sampling programs over previously identified cobalt targets at its 100%-owned Olary Project. Surface soil and rock chip sampling has significantly enhanced cobalt prospects in the Bulloo Creek and Shorts Dam areas. Renascor intends to seek immediate approvals to drill-test these cobalt targets.

Background

Renascor's 100%-owned Olary Project is located in South Australia, approximately 100km west of Broken Hill. The project tenements are located in close proximity to Cobalt Blue's (ASX: COB) Thackaringa cobalt deposit near the Barrier Highway between Adelaide and Broken Hill. Additional nearby deposits include Havilah's (ASX: HAV) Mutooroo copper-cobalt deposit and Kalkaroo copper-cobalt-gold project. See Figure 1 (previous page). Significantly, the nearby Thackaringa Project being progressed by Cobalt Blue is widely recognised as a pure play high-grade cobalt project, and one of the largest undeveloped resources in the world.

In 2011, Renascor undertook extensive multi-element geochemical sampling over areas of major interpreted structures within the project area. Renascor followed this with a program of reverse circulation drilling over several gold targets. In 2017 Renascor identified multiple prospective cobalt targets, including significant cobalt targets within the Bulloo Creek and Shorts Dam area. See Renascor ASX releases dated 10 April 2018 and 27 November 2017.

In preparation for drill-testing these targets, Renascor recently competed a program of geochemical soil and rock chip sampling, the results of which are presented in this release.

Bulloo Creek

Renascor's Bulloo Creek prospect was identified as a gold-in-soil anomaly coincident with a moderate amplitude linear east-west magnetic trend. Two reverse circulation drill traverses were sited to test the centre of the soil anomaly for gold mineraliation (drillholes RC27-30) and the peak of the magnetic anomaly (drillholes RC31-33). See Figure 2.

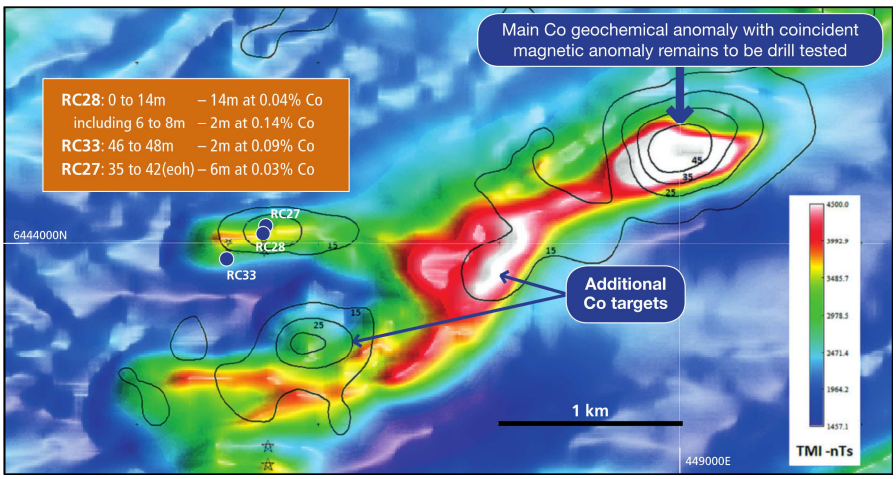

Figure 2. Bulloo Creek contours for Co in soil Co (10ppm contour interval) on coloured magnetic (TMI) image

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Renascor recently completed a regional soil geochemical sampling program at Bulloo Creek to define potential drill targets proximate to the magnetic anomaly.

Results from this program have highlighted the stand-out nature of the Bulloo Creek cobalt anomaly and coincident aeromagnetic feature, as show in Figures 3 and 4 below.

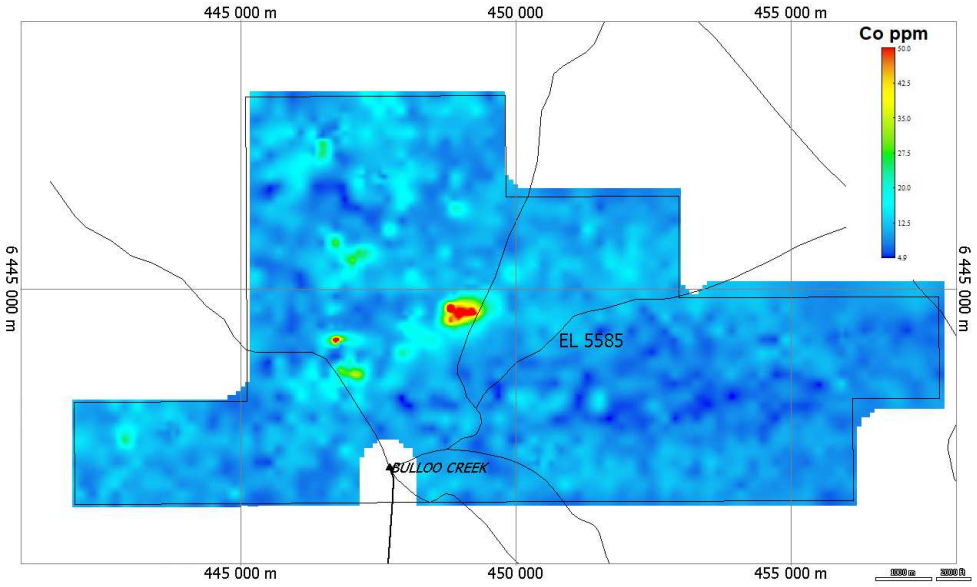

Figure 3. Bulloo Creek – regional soil cobalt geochemistry

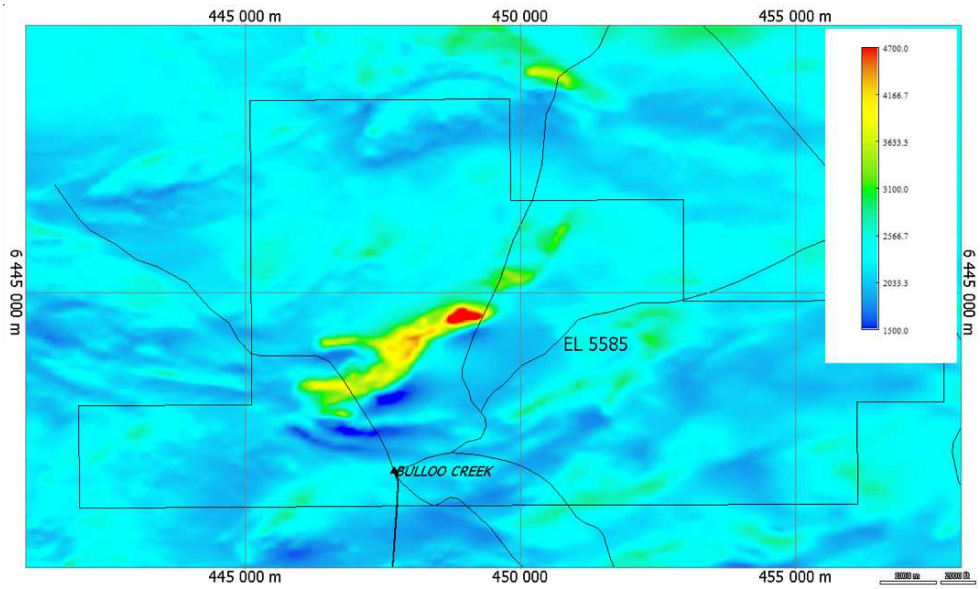

Figure 4. Bulloo Creek – regional aeromagnetics

In particular, the results show a unique district-scale anomaly supported by both the cobalt geochemical results and the regional scale magnetic anomaly and suggest a direct association of anomalous cobalt and magnetic rock.

As shown in Figure 6 below, the detailed soil sampling results from Bulloo Creek have defined, as 200 metre by 25 metre spacings elevated cobalt levels within the extensive anomalous zone (800m x 400m), coincident with the aeromagnetic anomaly.

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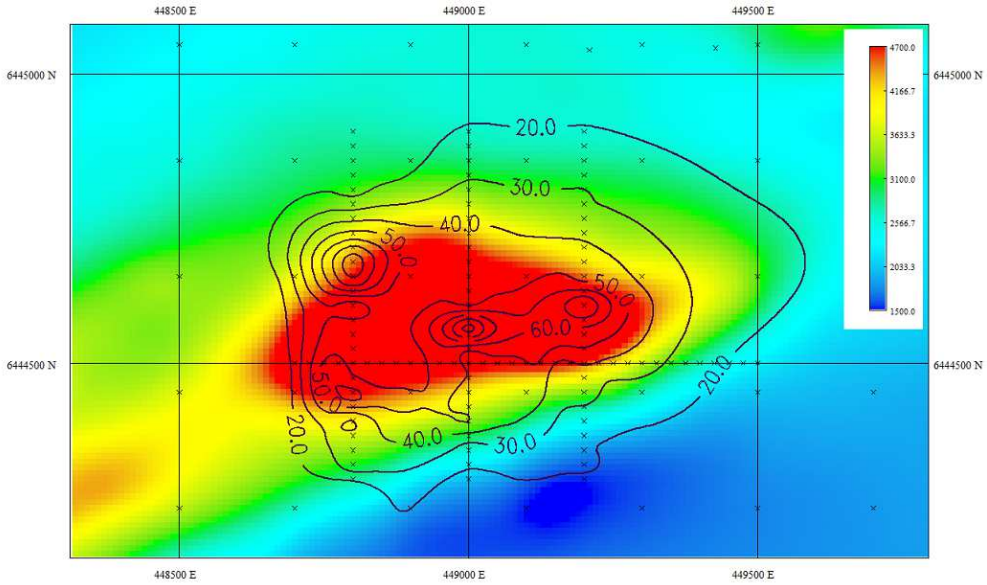

Figure 5. Bulloo Creek -- detailed 10ppm cobalt contours of new soil assay results over coloured magnetic (TMI) image

Renascor considers the Bulloo Creek prospect to be a high-priority cobalt target and intends to commence initial drill-testing as part of its upcoming drill program at Olary.

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Shorts Dam

The Shorts Dam cobalt target was originally defined from drilling by Esso Minerals Australia (Esso), with results including:

- 15m @ 0.14% Co, 0.069% Cu from 19m (drillhole SP04), including 1m at 0.64% Co from 32m; and
- 11m @ 0.023% Co, 0.14% Cu from 56m (drillhole SP12).

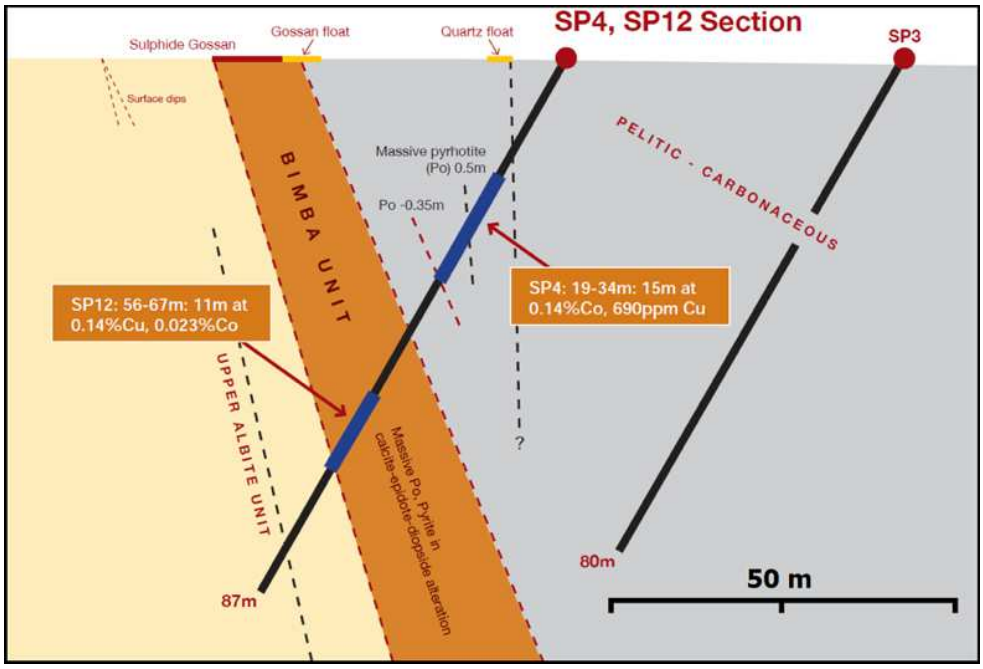

Figure 6. Shorts Dam historical drill section SP04-SP12-SP03 (Source: Esso, 1979)

SP04 terminated at 45m depth, and was re-drilled by SP12 to 87m depth, to test beneath an extensive gossan zone (the Bimba unit). Esso completed four additional percussion drillholes in the project area: SP01, SP02, SP07 and SP08 (see Figure 3), with the following results:

- SP01 and SP02, within the inferred cobalt target area, did not intersect the target mineralised gossan source, possibly due to folding within the sequence with both holes passing beneath a synformal axis.
- SP07 and SP-08 are interpreted to have intersected the target Bimba Unit and returned anomalous base metal intervals (zinc), but with no associated cobalt.

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Detailed sampling of gossaneous sub-crop and float along the SP04/SP12 and SP01/SP02 drill sections has returned multiple cobalt assays in excess of 100 ppm with the most encouraging results in the area of drillholes SP01 and SP02. See Figure 7.

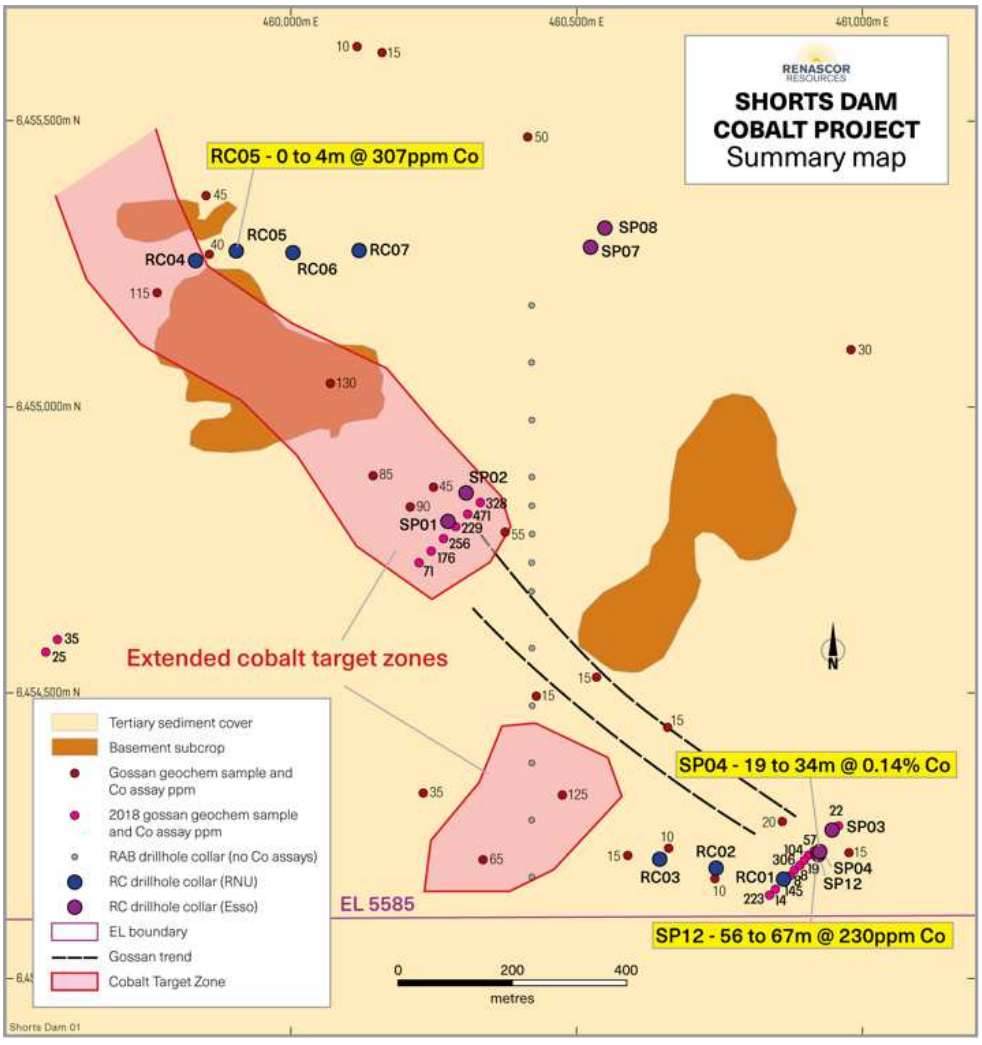

Figure 7. Shorts Dam, showing location and cobalt results of recent rock sampling traverses.

Drillholes SP01 and SP02 did not intersect any visual sulphide mineralization and consequently were not assayed. Interpretation by Esso indicated that the target sulphide unit may be present in a shallow synformal structure above the drillholes, and this interpretation would be consistent with the new gossan assay results.

Renascor similarly considers the Shorts Dam prospect to be a highly prospective for cobalt and intends to commence initial drill-testing as part of its upcoming drill program at Olary.

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Next steps

While Renascor's core focus continues to be the development of its Siviour Graphite Project, in light of the strong cobalt outlook and recent successful capital raising, Renascor intends to seek immediate approvals to drill-test cobalt targets

Bibliography

1. *Renascor ASX announcement dated 27 November 2017, "Correction to ASX Announcement dated 27 Nov 2017"*
2. *Renascor ASX announcement dated 10 April 2018 Cobalt Target Zones Expanded at Olary Project*

Renascor confirms that it is not aware of any new information or data other than the recent soil and rock geochemical assay results 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 of historic drill results in which the Competent Person's findings, if applicable, are presented have not been materially modified from the original market announcement.

Competent Person Statement

The information in this document that relates to exploration activities and exploration results is based on information compiled and reviewed by Mr G.W. McConachy who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McConachy is a director of the Company. Mr McConachy has sufficient experience relevant to the style of mineralisation and type of deposits being considered 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 McConachy 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:

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This report may contain forward-looking statements. Any forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. It should be noted that a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.

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Appendix 1

JORC Table – Checklist of Assessment and Reporting Criteria

Section 1: Sampling Techniques and Data (criteria in this group apply to all succeeding groups)	
Criteria	**Explanation**
Sampling techniques.	• Soil samples collected from approximately 20cm to 30cm depth with 1kg of the minus 2mm fraction retained for analysis. • Samples were collected on 200m x 25m grids at Bulloo Creek and variable orientated grids on 10m and 25m spacing at Shorts Dam. • Soil and rock samples were processed by ALS Adelaide using method ME-ICP61.
Drilling techniques.	• The Renascor targets were sampled by reverse circulation (RC) holes and the Esso targets by percussion drilling.
Drill sample recovery.	• One-metre drill chip samples were collected throughout the drill program in sequentially numbered bags. • Every interval drilled is represented in an industry standard chip tray that provides a check for sample continuity down hole.
Logging.	• Primary data was captured into spreadsheet format t, and subsequently loaded into the Renascor Resources Limited's database. • No adjustments have been made to any assay data.
Sub-sampling techniques and sample preparation.	• All soil samples were marked with unique sequential numbering as a check against sample loss or omission.
Quality of assay data and laboratory tests.	• ALS completed lab duplicate analysis on 5% of soil and rock samples and no issues were identified with sampling reliability.

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Criteria	Explanation
Verification of sampling and assaying.	• Duplicate lab analysis was completed, and no issues identified with sampling representatively. • There were no twinned soil samples. • No field duplicates. • Lab duplicates (5%of total samples) results are good
Location of data points.	• All Renascor soil/rock geochemical sampling was located using a hand-held GPS. • The degree of accuracy of sample location was estimated to be within a 5m error level in Easting and Northing. • The grid system for the project was Geoscentric Datum of Australia (GDA) 94, Zone 54.
Data spacing and distribution.	• Soil sampling was on N-S orientated 200m x 25m grids at Bulloo Creek and variably orientated 10m and 25m spaced sampling at Shorts Dam
Orientation of data in relation to geological structure.	• Orientation of soil grids at Shorts Dam and Bulloo Creek were based on orthogonal orientations across key magnetic structures.
Audits or reviews.	• All RNU data collected was subject to internal review.

Section 2: Reporting of Exploration Results (criteria listed in the preceding group apply also to this group)	
Criteria	**Explanation**
Mineral tenement and land tenure status.	• All soil sampling drilling was entirely within Exploration Licence EL 5585 (formerly EL4394) granted on 10 December 2014 and expiring in 2018. EL 5585 is 100% owned by Astra Resources Pty Ltd and in good standing with no known impediments. Astra Resources Pty Ltd is a wholly owned subsidiary of Renascor Resources Ltd.
Exploration done by other parties.	• Historic exploration has been carried out by several companies over many years with ESSO providing 1979 data presented in this document
Geology.	• Meso-Proterozoic sediments, gneisses and granites of the Willyama Inlier

Criteria	Explanation
Data aggregation methods.	• Exploration laboratory assay results have been reported using weighted average techniques.
Relationship between mineralisation widths and intercept lengths.	• The mineralized widths are down-hole drilled intercepts. True width is unknown. • The geometry of the mineralisation with respect to the drill hole angle is speculative at this time.
Diagrams.	• Scaled maps and geophysical section are included in the body of this report.
Balanced reporting	• The reporting is considered to be balanced. All material was assayed.
Other exploration data.	• Nothing material to report.
Further work.	• Follow-up drill RC and diamond core drill testing to further confirm extensions of mineralization.

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