RENASCOR RESOURCES

ASX Release

October 16, 2018

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ASX CODE

RNU

Developing Australia's Largest Graphite Deposit

DFS Drilling Update

- **First phase of DFS drilling, consisting of 99 holes for ~4,700 metres of RC and air core drilling, successfully completed at Siviour Graphite Project**
- **Visual interpretation suggests continuity with existing resource model, with all infill holes drilled intersecting graphite mineralisation**
- **Additional first phase drilling shows potential extensions to the north of near-surface, high-grade zones**
- **The second phase of DFS drilling, consisting of diamond core, is on-going, with the 15 hole 800 metre program expected to be completed by the end of next week**
- **Drill samples are being progressively submitted for assay, with first results expected later this month**

Renascor Resources Limited (ASX: RNU) (Renascor) is pleased to report that the first phase of the Definitive Feasibility Drilling (DFS) drill program, consisting of 99 reverse circulation and air core drill holes for 4,691 metres, has been successfully completed at Renascor's Siviour Graphite Project in South Australia (Siviour).

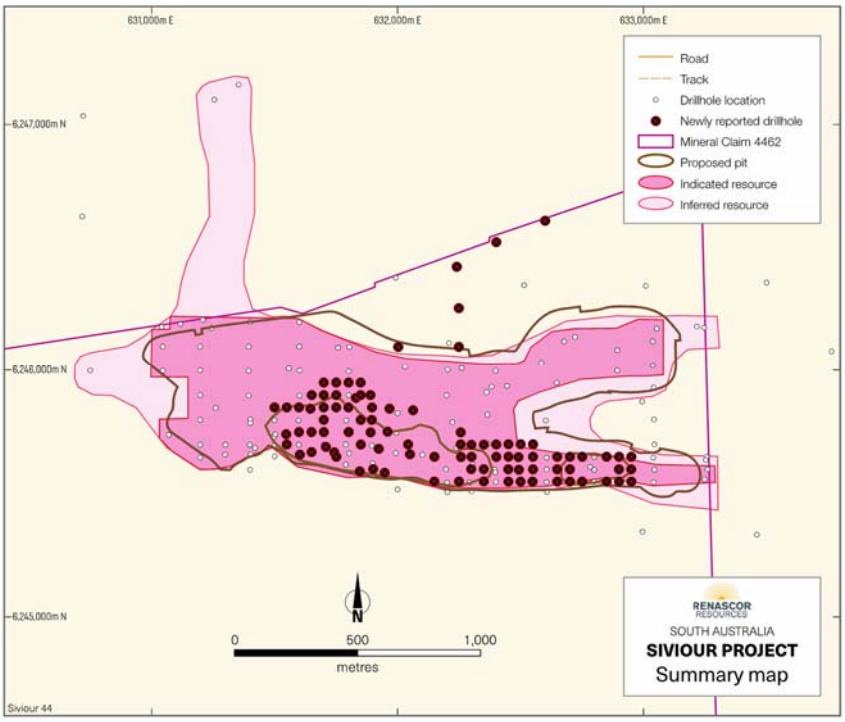

Figure 1. Siviour Graphite Project, showing recently drilled holes in relation to previously drilled holes, Indicated and Inferred Resource outline and proposed pit design

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The primary aim of this first phase was to confirm the Indicated Resource for the Siviour DFS by undertaking close-spaced drilling to verify the continuity of graphite mineralisation within the Indicated Resource area.

Visual interpretation of drill chips suggests strong continuity consistent with the existing resource model, with all infill holes drilled within the Siviour Indicated Resource intersecting graphite mineralisation. See Figure 1.

Additional first phase drilling shows potential for extensions to the north of near-surface, high-grade zones within the Pre-Feasibility Siviour pit design, in particular on the northern boundary of the initial mining pits, with all 13 holes drilled intersecting graphite mineralisation.

Further drilling to the north of the initial pit design, targeting an electomagnetic conductivity anomaly, also intersected graphite mineralisation, suggesting potential for extensions outside of the current Siviour Mineral Resource.

The second phase of DFS drilling, consisting of diamond core drilling for on-going metallurgical test work and to produce additional customer samples, is on-going, with the 15 hole 800 metre program expected to be completed by the end of next week.

Drill samples are being progressively submitted for assay, with first results expected later this month.

Competent Person's Statement – Exploration Results

The results reported herein, insofar as they relate to exploration activities and exploration results, are based on information provided to and reviewed by Mr G.W. McConachy (Fellow of the Australasian Institute of Mining and Metallurgy) who 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.

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.

For further information, please contact:

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Appendix 1

Drillhole coordinates

Hole ID	Easting	Northing	Total Depth (m)
18SIVAC235	632600	6246613	72
18SIVAC234	632240	6246425	84
18SIVAC233	632250	6246255	54
18SIVAC232	632063	6245839	84
18SIVAC231	632000	6246100	54
18SIVAC230	632550	6245700	91
18SIVAC229	632400	6246525	120
18SIVAC228	632250	6246100	42
18SIVAC227	632850	6245650	69
18SIVAC226	632950	6245650	99
18SIVAC225	632950	6245600	47
18SIVAC224	632950	6245550	33
18SIVAC223	632900	6245650	96
18SIVAC222	632900	6245600	49
18SIVAC221	632900	6245550	29
18SIVAC220	632850	6245550	27
18SIVAC219	632750	6245650	95
18SIVAC218	632750	6245550	21
18SIVAC217	632700	6245650	91
18SIVAC216	632700	6245600	63
18SIVAC215	632700	6245550	15
18SIVAC214	632650	6245650	87
18SIVAC213	632650	6245600	66
18SIVAC212	632650	6245550	27
18SIVAC211	632550	6245650	81
18SIVAC210	632550	6245600	66
18SIVAC209	632548	6245550	36
18SIVAC208	632450	6245700	60
18SIVAC207	632490	6245650	75
18SIVAC206	632493	6245598	63
18SIVAC205	632500	6245550	45
18SIVAC204	632450	6245700	79
18SIVAC203	632450	6245650	75
18SIVAC202	632450	6245600	57
18SIVAC201	632450	6245550	42
18SIVAC200	632400	6245700	75
18SIVAC199	632400	6245650	57
18SIVAC198	632350	6245550	23
18SIVAC197	632300	6245600	41
18SIVAC196	632250	6245550	28
18SIVAC195	632256	6245650	41

18SIVAC194	632150	6245550	24
18SIVAC193	631948	6245586	18
18SIVAC192	632350	6245700	72
18SIVAC191	632350	6245600	42
18SIVAC190	632300	6245700	72
18SIVAC189	632300	6245650	59
18SIVAC188	632256	6245750	87
18SIVAC187*	632256	6245700	83
18SIVAC186	632256	6245650	60
18SIVAC185	632150	6245650	50
18SIVAC184	632050	6245660	35
18SIVAC183	632042	6245700	48
18SIVAC182	631947	6245700	12
18SIVAC181	631923	6245682	29
18SIVAC180	631967	6245845	72
18SIVAC179	631959	6245752	31
18SIVAC178*	631950	6245700	11
18SIVAC177*	631886	6245626	5
18SIVAC176	631900	6245600	24
18SIVAC175	631846	6245592	24
18SIVAC174A	631850	6245800	49
18SIVAC174*	631850	6245800	10
18SIVAC173A	631850	6245700	60
18SIVAC17*3	631850	6245700	9
18SIVAC172A	631890	6245750	69
18SIVAC172*	631890	6245750	24
18SIVAC171	631800	6245750	50
18SIVAC170	631743	6245669	39
18SIVAC169	631700	6245750	22
18SIVAC168	631650	6245750	21
18SIVAC167	631600	6245750	27
18SIVAC166	631700	6245800	30
18SIVAC165	631500	6245850	44
18SIVAC164	631550	6245850	45
18SIVAC163	631600	6245850	38
18SIVAC162	631646	6245845	33
18SIVAC161	631700	6245850	38
18SIVAC160	631750	6245850	36
18SIVAC159	631830	6245888	36
18SIVAC158	631800	6245850	37
18SIVAC157*	631850	6245880	21
18SIVAC156	631850	6245900	39
18SIVAC155	631750	6245900	48
18SIVAC154	631700	6245900	45
18SIVAC153	631650	6245900	33
18SIVAC152	631700	6245950	48

18SIVAC151*	631750	6245950	30
18SIVAC150	631800	6245950	60
18SIVAC149	631850	6245950	63
18SIVAC148	631890	6245900	36
18SIVAC147	631896	6245849	44
18SIVAC146	631894	6245800	33
18SIVAC145	631750	6245650	42
18SIVAC144	631708	6245690	21
18SIVAC143	631650	6245670	21
18SIVAC142	631602	6245659	21
18SIVAC141	631547	6245742	33
18SIVAC140	631550	6245700	19

* Hole not completed to target depth

NB. Coordinates are preliminary and will be surveyed by a registered surveyor.

All holes are vertical.

Appendix 2

JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• RC drill samples were collected at one-metre intervals. • All graphitic intervals were submitted for analyses. Approximately 50% of drill samples were not submitted for assay due to the visual non-mineralised nature of the material collected. • Duplicate and standards have been submitted. • All samples have been sent to Bureau Veritas laboratory in Adelaide for preparation and for Total Graphitic Carbon (TGC) analyses. • All samples were pulverised using an LM5 mill, 90% passing 75µm. • Sampling was guided by Renascor Resources Limited's protocols and QA/QC procedures.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• RC drilling was undertaken by Bullion Drilling.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise	• One-metre drill chip samples, weighing approximately 3 kg were collected throughout the RC drill programme in

Criteria	JORC Code explanation	Commentary
	sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	sequentially numbered bags. Samples were generally collected from the drill rig and riffle split however in some instances samples were collected by spear technique. • Every interval drilled is represented in an industry standard chip tray that provides a check for sample continuity down hole.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Primary data was captured into spreadsheet format by the supervising geologist, 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	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for	• All samples were marked with unique sequential numbering as a check against sample loss or omission. • At the Bureau Veritas laboratory sample preparation involved the original sample being dried at 105° for up to 24 hours on submission to laboratory. • Sample is split to less than 3 kg through linear splitter and excess retained. • Pulverising was completed using LM5, 90% passing 75

Criteria	JORC Code explanation	Commentary
	field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	µm in preparation for analysis using the Bureau Veritas network.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• All samples were sent to Bureau Veritas laboratory in Adelaide for preparation and for TGC analyses. • Sampling was guided by Renascor Resources Limited's protocols and QA/QC procedures. • Duplicate analysis is currently underway.. • A portion of the sample is dissolved in weak acid to liberate carbonate carbon. • The residue is then dried at 420°C driving off organic carbon and then analysed by its sulphur-carbon analyser to give TGC. • Bureau Veritas Minerals has adopted the ISO 9001 Quality Management Systems. All Bureau Veritas laboratories work to documented procedures in accordance with this standard.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• QA/QC protocols were adopted for the drill programs. • Field duplicates and standards were inserted at a rate of 5% and 3%, respectively.

Criteria	JORC Code explanation	Commentary
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• 2018 drillholes were pegged and picked up using a hand-held GPS, with surveying by a licenced surveyor to follow. • The collar coordinates were entered into the drillhole database. • The degree of accuracy of drillhole collar location and RL is estimated to be within 0.1m for DGPS and 5m error level for the hand-held GPS. • The grid system for the project was Geocentric Datum of Australia (GDA) 94, Zone 53.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• RC Holes were drilled on sections on either, 50m, 100m or 200m spacing • Geological interpretation and mineralisation continuity analysis indicates that data spacing is sufficient for definition of a Mineral Resource. • All of the samples were taken over a 1m interval of 1m.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Interpretation of the relationship between the drilling orientation and the orientation of key mineralised structures indicates that mineralisation is likely to be perpendicular to strike continuity. • The orientation of drilling is not expected to introduce sampling bias.

Criteria	JORC Code explanation	Commentary
Sample security	• The measures taken to ensure sample security.	• Unique sample number was retained during the whole process. • Samples were delivered to Bureau Veritas Minerals as they were collected.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• All data collected was subject to internal review.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• All drilling was entirely within Exploration Licence EL5618 (formerly EL4430) granted on 29 January 2015, expiring 28 January 2020. EL5618 is 100% owned by Ausmin Development Pty Ltd and is in good standing with no known impediments. • The drilling was carried out on agricultural freehold land.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Several companies have carried out historic exploration over many years, but without any focus on graphite prospectivity. Cameco Ltd, as part of a uranium exploration program, acquired EM data across the tenement in 2006 and 2007. Cameco drilled hole CRD0090, without testing for graphite. • During 2014, Eyre Peninsula Minerals Pty Ltd carried graphite-focused exploration and drilled a further six RC holes

Criteria	JORC Code explanation	Commentary
		and one diamond core hole reporting graphite intersections in all holes.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralisation within Meso-proterozoic sediments of the Hutchison Group. Graphite is hosted by graphitic pelitic schists.

Drillhole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • easting and northing of the drillhole collar
	  • elevation or RL (elevation above sea level in metres) of the drillhole collar
	  • dip and azimuth of the hole
	  • down hole length and interception depth
	  • hole length.
		• See Appendix 1. Intercept depths will be reported when assays received and validated.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• No significant intercepts have been reported within this report
Relationship between mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect.*	• Vertical Drill holes intersected mineralisation at a slightly oblique angle, informed by earlier resource drililing.
Diagrams	• *Appropriate maps and sections (with scales) and*	• Relevant diagrams have been included within the report main

Criteria	JORC Code explanation	Commentary
	tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• Assays from the drill program will be reported on once finalised and validated. .
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The company has previously reported a Mineral Resource in accordance with JORC (2012) guidelines at the Siviour deposit.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Assays, drillhole collar surveys and diamond drilling in progress, with Mineral Resource update to follow.