

Renascor Resources

Developing a World-Class Australian Graphite Project



5 December 2019

Investor Presentation
Equity Raising



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Competent Persons Statement

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.

Bibliography

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

1. Renascor ASX announcement dated 14 March 2018, "Siviour Prefeasibility Study and Maiden Ore Reserve"
2. Renascor ASX announcement dated 21 February 2019, "Spherical PFS Demonstrates Increased Returns for Siviour"
3. Renascor ASX announcement dated 30 April 2019, "High-Grade Measured Resource in Upgraded JORC Resource"
4. Renascor ASX announcement dated 3 May 2019, "Optimised Development Plan for the Siviour Graphite Project"
5. Renascor ASX announcement dated 11 November 2019, "Siviour Definitive Feasibility Study"

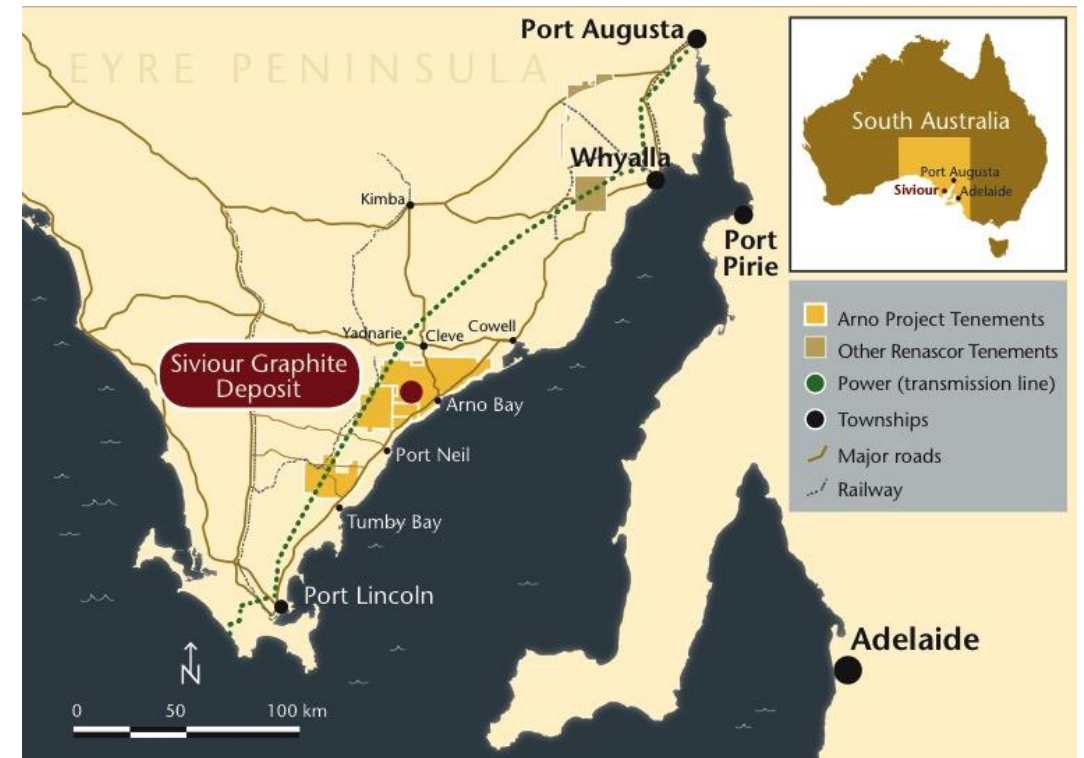


Section 1:

Introduction

Company Overview

- Minerals exploration and development company with a portfolio of assets in key minerals districts in South Australia
- **Focused on development of core asset, the Siviour Graphite Project in South Australia, into a world-class graphite mining operation**
- Project hosts one of the world's largest graphite Resources⁽¹⁾
- Located in close proximity to relevant infrastructure in mining-friendly South Australia
- Highly positive DFS reinforces the bankability of the Project⁽²⁾
- Focused and committed board and management with successful mine development track record



⁽¹⁾ Renascor ASX announcement dated 30 April 2019, p 1. and Renascor ASX announcement dated 14 March 2018, p 4.

⁽²⁾ Renascor ASX announcement dated 11 November 2019



Investment Highlights

Future supply gap

- ✓ Perfectly positioned to help meet the graphite supply gap arising from inability of existing supply to meet demand driven by lithium-ion battery demand

Low cost, world class graphite asset⁽¹⁾

- ✓ One of the world's largest graphite Resources
- ✓ Flat-lying deposit orientation drives low operating LOM cost of A\$508/t (or US\$355/t), placing it within the **first quartile of international cost curve**
- ✓ Proximity to infrastructure further underpins Project economics

Staged development reduces initial capex⁽¹⁾

- ✓ Two stage development including:
 - ✓ Stage 1 with average production of 80ktpa during years 1 to 4
 - ✓ Stage 2 expansion during year 5 up to average production of 144ktpa, funded by Stage 1 cashflows

Robust economics⁽¹⁾

- ✓ Post-tax tax **NPV_{10%} of A\$388m (or US\$271m) and IRR of 33%**
- ✓ Start-up capex of A\$114m (or US\$79m) plus a mining pre-strip of \$A4m or US\$3m
- ✓ Basket sales price of A\$1,149/t (or US\$804/t) based on Benchmark Minerals Intelligence
- ✓ Average EBITDA of A\$83m (or US\$58m), EBITDA margin of 57%

Next steps

- ✓ Offtake – advance discussions with potential purchasers and strategic partners, with a focus on the lithium-ion market
- ✓ Permitting – ML granted, which remains subject to a PEPR, the second step in a two-stage assessment and approval process (expect to lodge later this year)
- ✓ Financing – Dutch government credit agency prepared to provide debt cover up to ~60% of Stage 1 capex (subject to FEED stage), together with parallel discussions with other financiers

(1) Renascor ASX announcement dated 11 November 2019.



Section 2:

Equity Raise Summary

Equity Raising Structure

Placement Shares & price	The issue price is 1.1c per fully paid ordinary share (“ Placement Price ”). Placement of new fully paid ordinary shares (“ New Shares ”) to raise \$1.4m (“ the Placement ”)																			
Placement Capacity	The Company intends to issue up to 125,727,273 fully paid ordinary shares (“ Placement Shares ”), comprising shares issued under ASX Listing Rule 7.1.																			
Price Discount	The Placement Price represents: <ul style="list-style-type: none">- a discount of 15.4% to the latest closing price of 1.3c per share; and- a discount of 14.7% to the Company’s 5-day VWAP of 1.29c per share.																			
Share Purchase Plan	In addition to the Placement, Renascor may elect to undertake a Securities Purchase Plan to raise up to \$0.5m (“ SPP ”) and to enable participation by all eligible shareholders for an amount of up to \$30,000 per eligible shareholder.																			
Director Participation	The Board of Directors of Renascor may participate in the equity raising either through the Placement and/or the SPP. Any allocation to a Company Director in the Placement will be subject to shareholder approval.																			
Use of Proceeds	<table><tr><th>Activity</th><th>Amount (A\$m)</th></tr><tr><td>Bulk Sampling, process design & FEED</td><td>0.4</td></tr><tr><td>Product qualification & Marketing</td><td>0.2</td></tr><tr><td>Regulatory, environmental & tenement</td><td>0.2</td></tr><tr><td>Securing Debt Finance & due diligence</td><td>0.1</td></tr><tr><td>Spherical Project Development</td><td>0.1</td></tr><tr><td>Costs relating to the offer</td><td>0.1</td></tr><tr><td>General Working Capital Requirements</td><td>0.3</td></tr><tr><td>TOTAL</td><td>1.4</td></tr></table>	Activity	Amount (A\$m)	Bulk Sampling, process design & FEED	0.4	Product qualification & Marketing	0.2	Regulatory, environmental & tenement	0.2	Securing Debt Finance & due diligence	0.1	Spherical Project Development	0.1	Costs relating to the offer	0.1	General Working Capital Requirements	0.3	TOTAL	1.4	
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Spherical Project Development	0.1																			
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TOTAL	1.4																			



Pro Forma Capital Structure

Item	Current	Maximum
Placement	-	1.4m
SPP	-	0.5m
Total Raising	-	1.9m
Total Shares Issued	-	171m
Cash	1.8m (30-Sep)	3.7m
Shares on Issue	1,159m	1,330m
Performance Rights	12m	12m
Options	15m	15m
Debt	-	-

SHAREHOLDERS (Prior to Equity Raising)

	INTEREST
Clarke Family	11%
Chairman: Dick Keevers	4%
Other Directors	5%



Indicative Timetable

Key Events	December 2019
Trading Halt	8:30am Tues, 3 rd
Placement Book Opens	10am Tues, 3 rd
Placement Book Closes	5pm Wed, 4 th
SPP Record Date	7pm Wed, 4 th
Allocations advised	8pm Wed, 4 th
Announce Placement & SPP, Trading Halt Lifted	10am Thurs, 5 th
SPP Offer Opens, SPP Offer Document Sent	10am Mon, 9 th
Placement Monies Due	5pm Wed, 11 th
5pm Settlement & Allotment of Placement Shares	Before 10am Thurs, 12 th
Placement Securities commence trading	10am Thurs, 12 th
SPP Closes	5pm Fri, 20 th
Settlement and Allotment of SPP Shares	Before 10am Mon, 30 th
SPP Securities commence trading	Before 10am Mon, 30 th

Note: All dates are indicative and subject to change.



Section 3:

Project Summary

Project Development Summary

- Siviour DFS completed in November 2019 considers two stages

- **Stage 1:**

- Production of 80ktpa, low operating costs of A\$494/t (US\$345/t), and low initial capital of A\$114m (US\$79m)
- Provides cash flow for development of Stage 2 and establishes Renascor as a high-quality graphite producer

- **Stage 2:**

- Expansion during year 5 will increase production to 144ktpa, with the construction of a similar-sized processing plant to Stage 1
- Increased scale will reduce operating costs to A\$464/t (US\$325/t)

Parameters ¹	Stage 1 Years 1 to 4		Stage 2 Years 5 to 10		LOM 40 years	
	A\$	US\$	A\$	US\$	A\$	US\$
Average Annual Production	80ktpa		144ktpa		105ktpa	
Throughput run of mine (ROM) ore	825ktpa		1,650ktpa			
Average feed grade of ROM ore (TGC)	10.7%		9.1%		7.4%	
Cash cost per tonne of concentrate	A\$494	US\$345	A\$464	US\$325	A\$508	US\$355
Basket price per tonne of concentrate	A\$1,149 or US\$804 (over first five years), A\$1,321 or US\$925 (LOM)					
Stage 1 Capital expenditure	A\$114m	US\$79m	N/A		A\$191m	US\$133m
Stage 2 Capital expenditure	N/A		A\$77m	US\$54m		
Mining Pre-Strip	A\$4m	US\$3m	N/A		A\$4m	US\$3m
Sustaining capital	A\$8m	US\$5m	A\$22m	US\$15m	A\$116m	US\$81m
Payback period	3.7 years ²		N/A			
NPV ₁₀ (after tax)	A\$388m or US\$271m					
IRR (after tax)	33%					
Average EBITDA per annum	A\$49m	US\$34m	A\$87m	US\$61m	A\$83m	US\$58m
Project cashflow	A\$2.1b or US\$1.5b					

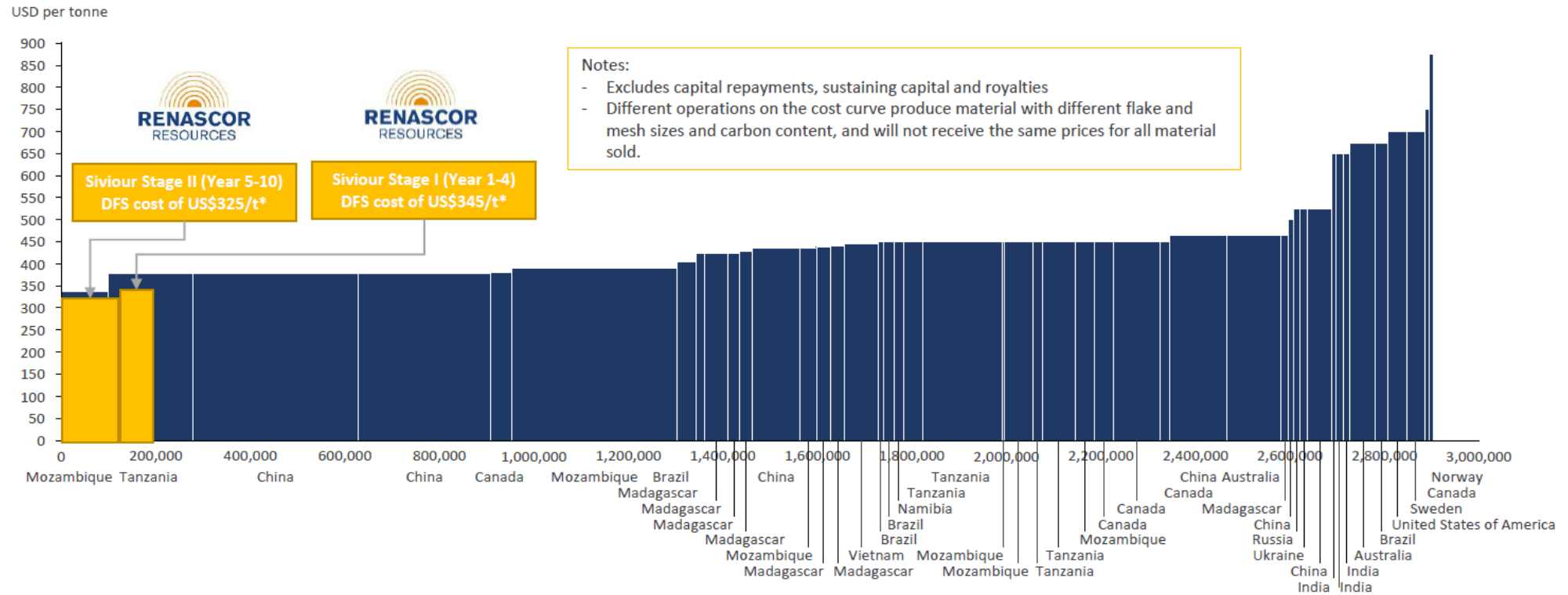
(1) Projected production figures based on Definitive Feasibility Study assessment to an accuracy of +/- 15%. (see Renascor ASX announcement dated 11 November 2019, pp 3 and 29). The financial information presented applies a USD:AUD exchange rate of 0.70.

(2) Reflects period of time to payback development capital for stage-one as calculated from first production, assuming cashflow from stage-one is not used to pay stage-two development capital.



Low Operating Cost

First quartile operating costs globally in mining friendly South Australia for both Stage 1 and Stage 2



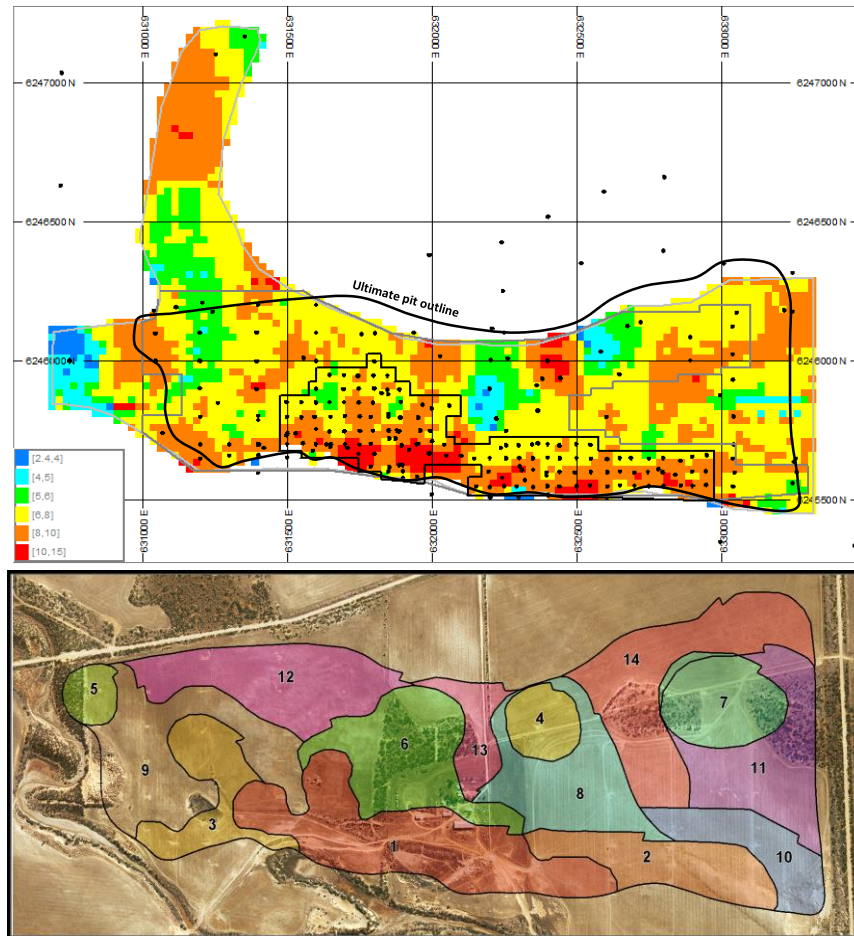
* Costs provided by Renascor from the Siviour DFS document. The cost assessment from the Siviour DFS may not use the same methodology as the Benchmark Minerals cost model.

Benchmark Mineral Intelligence, and Renascor announcement dated 11 November 2019, p 27.



Siviour Graphite Deposit

High-grade portion of the Siviour Resource to be targeted in the initial phases of a 14 phase mining plan



Mineral Resource Estimate

Category	Resources (Mt)	TGC (%)	Contained Graphite (Mt)
Measured	15.8	8.8%	1.4
Indicated	39.5	7.2%	2.8
Inferred	32.1	7.2%	2.6
Total	87.4	7.5%	6.6

(Source: Siviour Mineral Resource estimate as of 29 April 2019, see Renascor ASX announcement dated 30 April 2019, p 1).

Ore Reserve Estimate

Category	Reserves (Mt)	TGC (%)	Contained Graphite (Mt)
Proven	-	-	-
Probable	45.2	7.9%	3.6
Total	45.2	7.9%	3.6

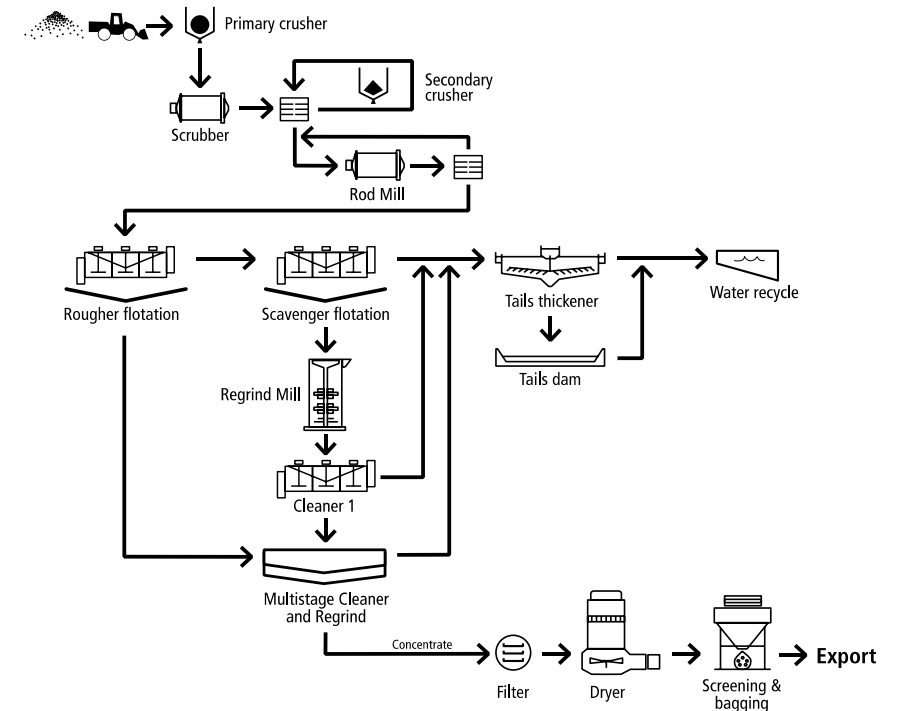
(Source: Siviour Ore Reserve as of 14 March 2018, see Renascor ASX announcement dated 14 March 2018, p 4.)



Metallurgy

Metallurgical testing has established ability to produce high quality graphite products at low operating cost using conventional (non-chemical, non-thermal) flowsheet¹

Flake Category	Particle Size		Weight %	Stage-one Annual Production	Stage-two Annual Production
	Microns (µm)	Mesh			
Jumbo	+300	+50	3.5%	2.8ktpa	5.0ktpa
Large	-300 to +180	-50 to +80	17.2%	13.8ktpa	24.8ktpa
Medium	-180 to +150	-80 to +100	6.9%	5.5ktpa	9.9ktpa
Small	-150	-100	72.4%	57.9ktpa	104.3ktpa

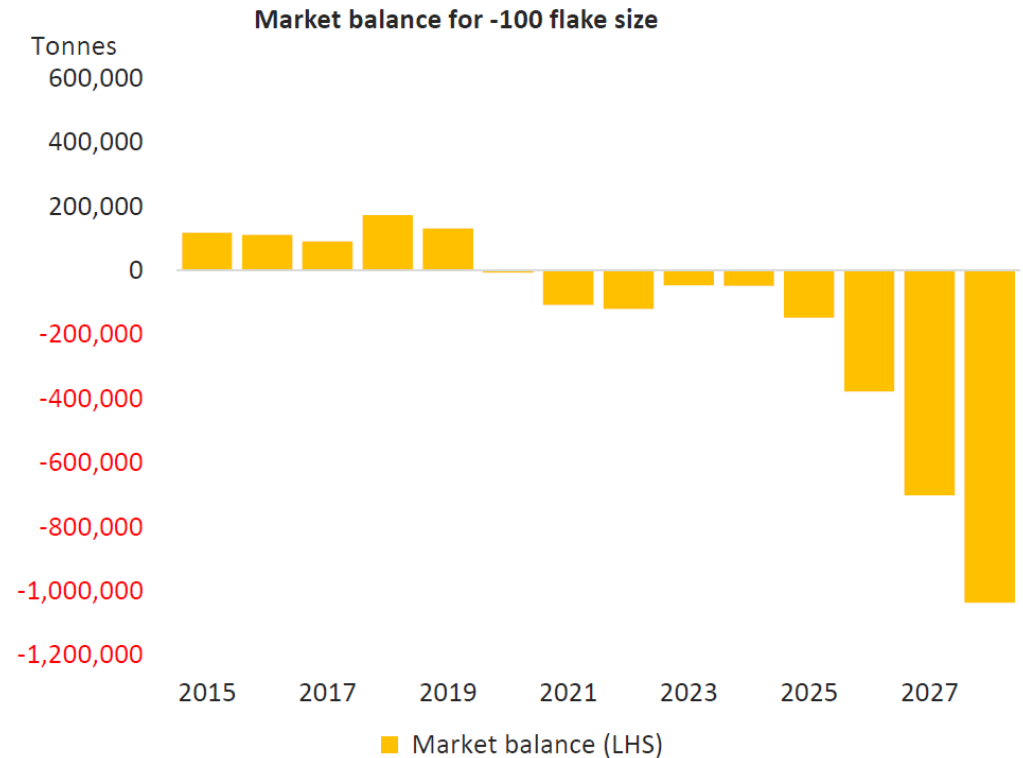


(1) Renascor ASX announcement dated 11 November 2019, p. 17 and 19.

Graphite Supply and Demand Balance -100 mesh (-150µm)

The greatest graphite supply deficit can be seen in the -100 mesh (-150µm) flake size

- High demand for lithium ion battery anode manufacture is driving the supply deficit in the -100 mesh (-150µm) flake size
- Siviour DFS product specification is over 70% in the -100 mesh (-150µm) flake size
- Siviour is perfectly positioned to help meet the graphite supply gap arising from inability of existing supply to meet demand driven by lithium-ion battery demand



(Source: Benchmark Mineral Intelligence)



Advantage of New Graphite Supply from Australia

Renascor offers competitive new supply from secure jurisdiction: Australia

- In recent years, potential new supply has been dominated by large developments in East Africa
- Sovereign risk poses added challenge to securing development capital and offering secure, long-term supply
- Low sovereign risk jurisdiction with established regulatory framework increasingly important in graphite supply chain
- Established infrastructure drives lower costs and lower risk
- Mine-friendly jurisdiction that has encouraged new mine developments



Mine to Market

Established infrastructure in coastal South Australia provides low-cost, low-risk logistics

- Siviour Project is strategically located:
 - 8km from major highway leading to established port
 - 12km from main electricity grid
- Land rights have been secured through purchase option



Project Approvals

Project is well advanced into approvals process

- **Mineral Lease granted**
 - Consistent with Mineral Lease Application (MLA)
- **Extensive environmental review completed**
 - Three-year period of preparation and review of all potential environmental, social, economic and technical aspects of the Siviour Graphite Project
- **Development on schedule**
 - Program for Environment Protection and Rehabilitation (PEPR) to be submitted later this year
 - Positive ongoing community and stakeholder engagement
 - Working towards other government authorisations (e.g. EPA licensing, Works Approval)



Offtake Strategy and Status

Aim is to negotiate offtake terms that support debt funding

- **Signed a non-binding MOU in April 2018 to provide graphite concentrates to China's Qingdao Chenyang Graphite ("Chenyang")**
 - Chenyang is one of the largest graphite companies in the Qingdao area of China's Shandong province and produces a range of products for customers in China, Japan and South Korea
 - MOU proposes offtake for up to 10,000 tonnes of graphite concentrates from Stage 1 of Siviour and up to 30,000 tonnes from Stage 2
- **Offtake Strategy**
 - To-date, engaged nearly 40 potential offtakers and advancing discussions with multiple parties
 - Finance support from Atradius (European ECA) increases viability of project and offers a broader range of potential offtakers from Europe, United States and Asia
- **Targeting binding offtake agreements in 2020**



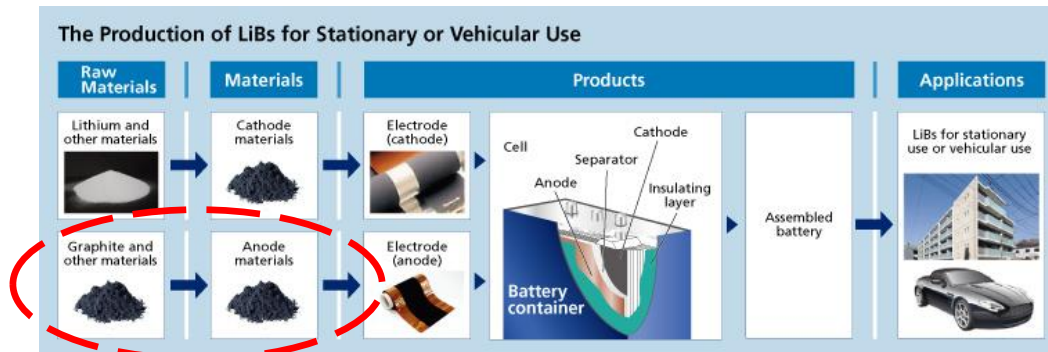
Section 4:

Advanced Manufacturing - Spherical Graphite

Downstream Production of Spherical Graphite

Sivour graphite concentrates can be upgraded to higher value spherical graphite

- Spherical graphite is manufactured from graphite produced at mine site through a further milling and purification process
- Renascor Spherical PFS shows potential for significant value uplift through vertically integrated graphite mine and downstream spherical operation¹
- Provides more direct exposure to lithium-ion battery supply chain



(Source: Itochu Corporation, "Producing Lithium-Ion Batteries")

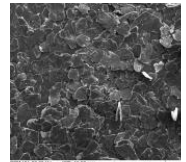
(1) Renascor ASX announcement dated 21 February 2019.

The graphite supply chain from mine to lithium-ion battery anode

Stage 1 – Graphite concentrates

Graphite-containing ore is mined and processed to ~95% TGC

Price: ~US\$600 to US\$1,800

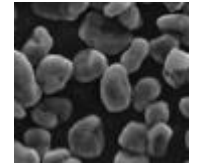


Sivour graphite concentrates

Stage 2 – Purified spherical graphite

Graphite concentrates are micronized, spheronised and purified to >99.95% TGC

Price: ~US\$3,000 to US\$4,200



Sivour purified spherical graphite

Stage 3 – Coated spherical graphite

Spherical graphite is coated with carbon pursuant to proprietary end-user specifications

Stage 4 – Anode Material

Coated spherical graphite is combined with additives and coated on copper foil to create anodes

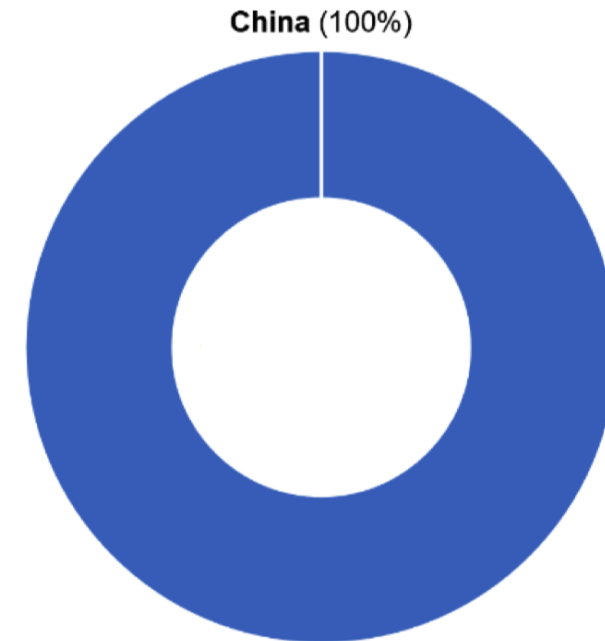


Supply of Spherical Graphite Dominated by China

China currently supply 100% of the natural flake graphite used in lithium ion battery anodes

- Non-Chinese battery suppliers are dependent on Chinese mines and Chinese spherical production for critical raw material
- Chinese supply under stress as stricter domestic environmental regulations impacting Chinese purification practices
- Chinese downstream demand for spherical graphite is increasing with growth of Chinese lithium ion battery sector

Spherical Graphite* Supply in 2018



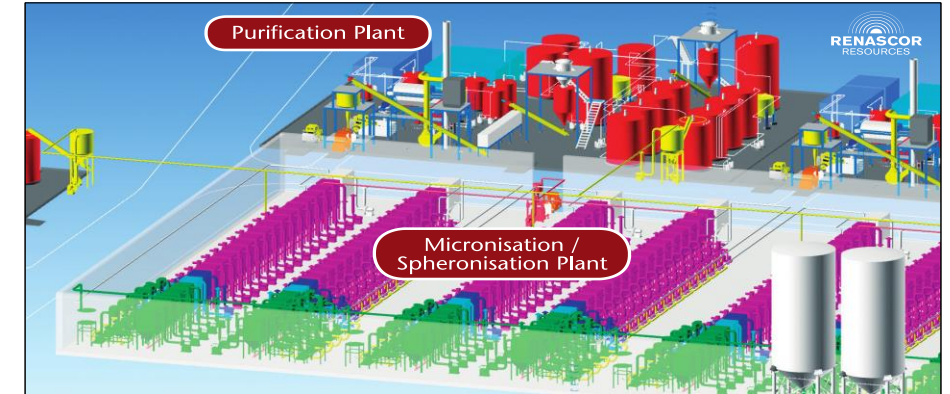
Source: Benchmark Mineral Intelligence

*Uncoated Spherical Graphite, the predominant anode material for lithium ion batteries

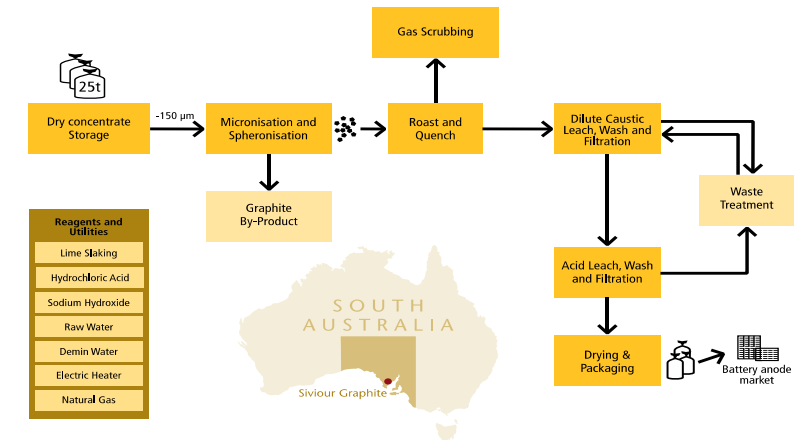


Renascor's Spherical Graphite PFS Demonstrates Opportunity to Unlock More Value from Siviour

- Spherical graphite PFS shows potential for valued-added production of spherical graphite
- Leverages off key comparative advantages of Siviour mine, namely low-cost and low-sovereign risk



Annual production of spherical graphite	29,085t	
Life of mine/project	30 years	
Capital cost of spherical operation	AU\$89.9m	US\$67.4m
Total capital (concentrate and spherical)	AU\$221.5m	US\$166.0m
NPV ₁₀ (after tax) of spherical operation	AU\$487m	US\$365m
NPV ₁₀ (after tax) of integrated operation	AU\$889m	US\$667m
IRR (after tax) of integrated operation	53%	
Average spherical graphite cash operating cost (net of by-product credit)	AU\$1,883/t	US\$1,412/t
Projected spherical graphite sales price	AU\$4,800/t	US\$3,600/t



See Renascor ASX announcement dated 21 February 2019 (pages 2 -3)

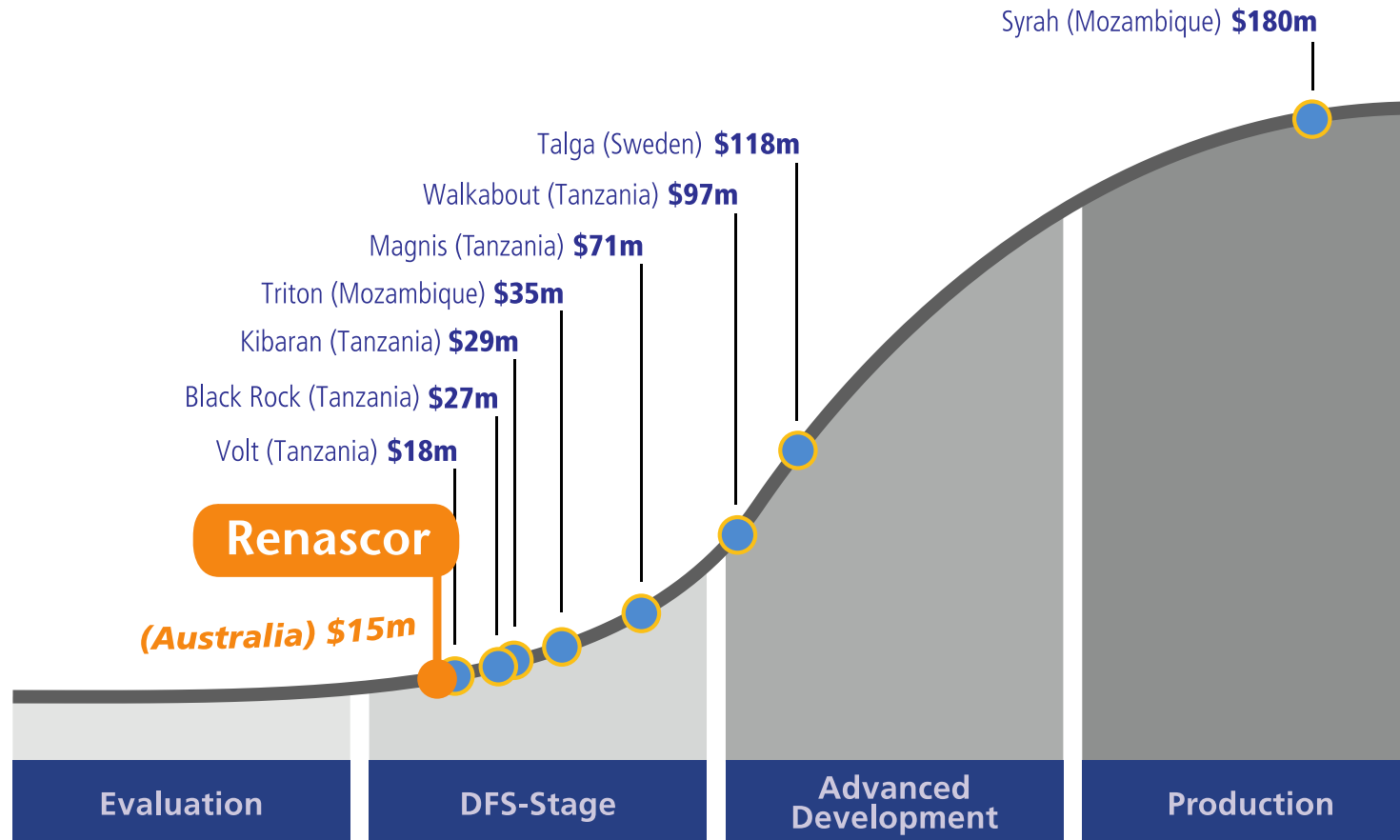


Section 5:

Conclusions and Next Steps

Re-Rating Potential

Renascor has quickly advanced the development of Siviour since its discovery in 2016 and has potential to continue to climb the value curve.



Market capitalisations as of 7 Sep 19 (source: ASX reports and publicly available price information)



Near-term Value Drivers

- **Strong upcoming news flow expected to include:**
 - **Offtake;** With the completion of DFS, there are plans to generate customer samples for potential offtake developments in 2020
 - **FEED;** After the DFS release the Project advances to the FEED level engineering
 - **Regulatory;** Mineral Lease granted, and PEPR to be submitted later this year
 - **Spherical graphite;** Completion of Spherical PFS offers potential for improved project economics and more direct involvement in lithium-ion battery supply chain
 - **Project finance;** Debt and equity financing options being pursued to complement ECA approach



Timeline to Production

	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Siviour DFS													
Marketing and Offtake													
Early Work Engineering													
Long Lead time Procurement													
Project Financing and Due Diligence													
Final Regulatory Approvals													
Final Investment Decision													
Detailed Design and Procurement													
Construction													
Commissioning													
Production Ramp Up													
Full Production													



Summary

- **Siviour DFS confirms a world-class graphite deposit**
- One massive ore body offers consistent high-quality supply
- Globally competitive low-cost operations
- Staged project development offers fundable initial capex
- In-principle finance support from Dutch Export Credit Agency
- In parallel, other debt and equity financing options to complement ECA approach
- Located close to key infrastructure in mining-friendly South Australia





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