

ASX Release

1 April 2021

Major Capacity Upgrade Planned for the Siviour Battery Anode Material Manufacturing Operation

Renascor to accelerate feasibility work for an enlarged Stage 1 operation and Stage 2 expansion

Highlights:

- As a response to increasing inbound enquiries from major anode manufacturers, Renascor Resources (ASX: RNU) (“**Renascor**”) has commenced work to investigate a substantial increase in Renascor’s Stage 1 production capacity beyond the currently planned 28,000tpa of Purified Spherical Graphite (“**PSG**”).
- Renascor has also determined to bring forward feasibility work for the Stage 2 expansion of Renascor’s planned Battery Anode Material operation in South Australia.
- With Renascor’s Siviour Graphite Deposit being the world’s second largest Proven Reserve of Graphite and the largest Graphite Reserve outside of Africa¹, Renascor will pursue an increase in production capacity (across both Stages 1 and 2) that leverages this asset and maximises value for shareholders.
- Renascor continues to progress PSG product validation and offtake agreement terms with existing offtake MOU customers Minguang New Material, Zeto and Japanese group Hanwa, with a view to completing binding offtake agreements for its PSG production.
- Renascor is concurrently progressing additional potential PSG offtake agreements and undertaking PSG validation with other anode and battery companies, with a view to securing additional offtake commitments that may allow for the expanded Stage 1 production capacity and further expansion of the project with additional Stage 2 PSG production capacity.

Renascor Resources Limited (ASX: RNU) (“**Renascor**”) has successfully executed three 10-year Offtake MOUs that, once binding, could cover all of the Stage 1 production capacity of Renascor’s planned Battery Anode Material operation in South Australia.

Each of the Offtake MOUs is for up to 10,000tpa of PSG, with leading battery supply companies:

- Shanxi Minguang New Material Technology Co. Ltd (“**Minguang New Material**”), a subsidiary of Fujian Metallurgical Holding Co. Ltd. (one of China’s largest battery material groups);
- Jiangxi Zhengtuo New Energy Technology Co. Ltd. (“**Zeto**”), an anode supplier to battery giant BYD Co. Ltd amongst others; and
- Hanwa Co. Ltd. (“**Hanwa**”), a leading Japanese-based global trading company.

The existing Offtake MOU partners are advancing the Siviour PSG product through their product qualification processes and are progressing to more advanced testing of the product and negotiation of binding offtake terms. Preparation of bulk PSG samples for final PSG validation testing is also currently underway.

Renascor continues to receive an increasing volume of inbound enquiries from leading anode and battery companies, and our current activities include initial customer product testing with these groups.

As a response to this strong level of demand, Renascor has commenced work to investigate an increase in Renascor's Stage 1 production capacity beyond the currently planned 28,000tpa of Purified Spherical Graphite.

In parallel, Renascor will bring forward feasibility work for a Stage 2 expansion of Renascor's planned Battery Anode Material operation in South Australia.

Renascor Managing Director David Christensen stated:

"We are extremely pleased with the extent and quality of inbound enquiries we are receiving from leading anode and battery companies, which represents latent demand for volumes that represent a multiple of our currently planned Stage 1 PSG production capacity.

We are currently assessing the optimal scale of Stage 1 production capacity and bringing forward feasibility work for the Stage 2 expansion. Our objective is to leverage our world-class, world scale Siviour graphite deposit to maximise value to our shareholders.

In parallel, we are working well with our existing offtake partners Minguang, Zeto and Hanwa to progress product validation testwork and to conclude formal binding agreements.

We will continue to keep shareholders informed on the proposed capacity upgrade and our progress with additional offtakers."

This ASX announcement has been approved by Renascor's Board of Directors and authorised for release by Renascor's Managing Director David Christensen.

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Disclaimer

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 are presented have not been materially modified from the original market announcement.

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.

¹ See Renascor ASX release dated 21 July 2020.

