



19 May 2017
Elizabeth Harris
ASX Limited
Level 40, 152 - 158 St Georges Terrace
PERTH WA 6000

Dear Elizabeth

Appendix 5B Query

Volt Resources Limited ('Volt') provides the following information in response to your query dated 16 May 2017 regarding the Appendix 5B for the period ended 31 March 2017.

- 1) As is usual for mining exploration and development entities, Volt expects to continue to have negative operating cash flows for the time being until it can bring its project into production and commence generating operating revenue. Volt is continuing to assess a number of funding initiatives to ensure that it has the financial capacity to continue to fund its exploration and development activities.
- 2) Volt believes it is in a position to raise sufficient cash to fund its ongoing activities. As noted in paragraph 1 above, a number of funding initiatives are currently being evaluated by the Company and Volt will update the market in accordance with its obligations under Listing Rule 3.1 if and when the Company resolves to proceed with any such initiative. The Company also has 240,814,983 options exercisable at \$0.02 on or before 31 December 2017 which are currently in the money. If exercised, these options would raise over \$4.8m. On 6 April 2017, the Company received approximately \$230,000 in an R & D tax incentive rebate.
- 3) As noted in paragraphs 1 and 2 above, Volt expects to be able to raise further funding to continue its operations and to meet its business objectives.
- 4) Volt confirms it is in compliance with listing rule 12.2, as set out in points 1 and 3 above.

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- 5) Volt confirms it is in compliance with the listing rules, and in particular, listing rule 3.1.
- 6) Volt confirms that the responses to the questions above have been approved by the board.

Should you have any queries, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'S Brockhurst', is positioned above the typed name.

Stephen Brockhurst

Company Secretary

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16 May 2017

Mr Steve Brockhurst
Company secretary
Volt Resources Limited
Level 5, London House
216 St Georges Terrace
PERTH WA 6000

By email: steve@miningcorporate.com.au

Dear Mr Brockhurst

Volt Resources Limited (“VRC”): Appendix 5B Query

I refer to VRC’s Appendix 5B quarterly report for the period ended 31 March 2017 lodged with ASX Market Announcements Platform on 28 April 2017 (the “Appendix 5B”).

ASX notes that VRC has reported:

- negative net operating cash flows for the quarter of \$1,923,000;
- cash at the end of the quarter of \$1,253,000; and
- estimated cash outflows for the next quarter of \$1,864,000

It is possible to conclude, based on the information in the Appendix 5B that if VRC were to continue to expend cash at the rate indicated by the Appendix 5B and as estimated for the next quarter, VRC may not have sufficient cash to continue funding its operations. In view of that, ASX asks VRC to respond separately to each of the following questions and requests for information:

1. Does VRC expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has VRC taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does VRC expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please provide any other information that VRC considers may be relevant to ASX forming an opinion on whether VRC is in compliance with Listing Rule 12.2 (a listed entity’s financial condition must, in ASX’s opinion, be adequate to warrant the continued quotation of its securities and its continued listing).
5. Please confirm that VRC is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

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6. Please confirm that VRC's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VRC with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 3:00 pm AWST on Friday 19 May 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in VRC's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, VRC's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at Elizabeth.Harris@ASX.com.au with a copy to tradinghaltsperth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to VRC's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that VRC's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in VRC's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.



You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

[sent electronically without signature]

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)

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