



VOLT
RESOURCES

ASX ANNOUNCEMENT

By e-lodgement

9 January 2018

Exercise of Listed Options Raises \$4.7M to Aggressively Progress the Bunyu Graphite Project

- **Heavily supported exercise of listed options (approximately 90% exercised before underwriting) supports Volt's development strategy and production pathway for the Bunyu Graphite Project**
- **Volt's robust cash position provides the financial capacity to aggressively progress the Stage 1 Development of flagship Bunyu Graphite Project**
- **Volt proceeding with US\$40m Tanzanian bond issue financing with Exotix Capital for Stage 1 Development with planned completion Q1 2018**
- **Prices for flake graphite remained strong in the December 2017 quarter with increases across all product sizes driven by increasing demand from lithium ion battery manufacturers and flame retardant building materials**

Tanzanian-focused flake graphite development company **Volt Resources Limited** (ASX: VRC) ("Volt" or "the Company") is pleased to advise that it has successfully raised gross proceeds of \$4.7 million through the exercise of 235,648,431 listed options at \$0.02.

The listed options exercise process was strongly supported, with approximately 90% of Volt optionholders exercising their options. The shortfall of approximately 24 million options was jointly underwritten and taken up by Empire Capital Partners Pty Ltd ("Empire") and Cove Capital Pty Ltd ("Cove") (see ASX announcement dated 8 December 2017).

Importantly, this additional funding provides Volt with the required financial flexibility to aggressively progress the planned Stage1 development of the Company's flagship Bunyu Graphite Project in Tanzania, with the Stage 1 Feasibility Study expected to be completed in late Q1 2018.

Volt's near-term strategy is to develop Bunyu Stage 1 to process 400,000tpa of ore and produce a nominal 20,000tpa of graphite products. The Stage 1 development is to produce bulk graphite product which will both satisfy the existing offtake agreement and the non-binding offtake agreements entered into with four potential Chinese customers¹. The Bunyu Graphite Project has already demonstrated PFS project economics of US\$1.3 billion NPV (pre-tax) with a 1.4 year

¹ Refer to Volt's ASX announcements "Cooperation Agreement with Leading Chinese Graphite Group" 22 May 2017, "Cooperation Agreement with CNBM" 16 June 2017, "Offtake Agreement with Major Graphite Distributor" 23 June 2017, "Offtake Agreement Fills Stage 1 Capacity" 17 July 2017.

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payback based on annual production of approximately 170,000 tonnes of graphite product (see ASX announcement dated 15 December 2016).

As previously announced (14 December 2017), Volt is proceeding with its proposed US\$40 million Tanzanian bond issue with specialist frontier markets investment bank Exotix Capital. Exotix is a market leader in structured finance packages for natural resource projects in African economies. The following link includes comments on African financing and Volt's bond issue by Exotix Capital's Head of Natural Resources Andrew Moorfield.

<http://voltresources.com/tanzania-resource-finance-transactions/>

Volt's Chief Executive Officer, Trevor Matthews commented:

"We are extremely pleased to have further strengthened our cash position through the successful exercise of the options, and the Volt Board and I would like to thank our loyal shareholder base for their continued support. I would also like to thank both Empire and Cove for their support throughout the process.

"Volt is now strategically positioned to execute on a number of operational milestones as part of the Stage 1 Development of Bunyu, with key near-term deliverables to include the finalisation of all project approvals and completion of the Stage 1 Feasibility Study this quarter.

"We will also concurrently advance our planned Tanzanian bond issue through our partnership with Exotix Capital aimed at securing the required funding for the development of Stage 1.

"It is also worth noting the recent funding success of Tanzanian based Swala Oil & Gas PLC, with Exotix Capital placing an initial tranche of US\$25 million. This demonstrates Exotix's strength in financing selected high quality natural resource projects in Tanzania.

"We are excited to be entering the New Year with a number of significant value catalysts in the short term and we look forward to keeping our shareholders updated on these corporate and operational developments over the coming months."

-ENDS-

For and on behalf of Volt Resources Limited

Trevor Matthews
Chief Executive Officer

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About Volt Resources Limited

Volt Resources Limited is a graphite exploration company listed on the Australian Stock Exchange under the ASX code: VRC. Volt Resources is focused on the exploration and development of its existing wholly-owned Bunyu Graphite Project in Tanzania. As of December 2016, the Bunyu Project is the largest JORC Mineral Resource deposit in Tanzania with 461Mt @ 4.9% TGC (comprising 20Mt Measured Mineral Resources @ 5.3% TGC, 155Mt Indicated Mineral Resources @ 5% TGC and 286Mt Inferred Mineral Resources @ 4.9% TGC), with 22.6Mt of contained graphite². The Bunyu Project is ideally located near to critical infrastructure with sealed roads running through the project area and ready access to the deep-water port of Mtwara 140km away.

² Refer to Volt's ASX announcement titled "Pre-feasibility Study Completed" dated 15 December 2016. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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