



VOLT

RESOURCES

ASX ANNOUNCEMENT

By e-lodgement

3 March 2017

BINDING OFF-TAKE AGREEMENT SECURED WITH US-BASED GRAPHENE COMPANY

HIGHLIGHTS

- **Nano Graphene Inc (“NGI”) has signed a binding off-take agreement for a minimum 5,000 tonnes of flake graphite concentrate over 5 years**
- **The fixed price for the flake graphite concentrate is at a premium to the Volt Resources PFS basket price of US\$1,684/tonne**
- **Transitions Volt to small scale producer and commencement of cashflow in 2018**
- **NGI selected Volt due to it’s premium graphite concentrate suitable for the growing nano-technology graphene segment**
- **Discussions and test work is continuing with numerous end user groups**

INTRODUCTION

Volt Resources Limited’s (**ASX: VRC**), (“**Volt**” or, the “**Company**”) global marketing program has delivered an excellent outcome, with US-based, Nano Graphene Inc (NGI), signing a binding off-take agreement for 5,000 tonnes of flake graphite concentrate over a 5 year period, commencing Q1 2018. This is an outstanding achievement for Volt and a significant breakthrough given Volt’s Definitive Feasibility Study has only recently commenced. Notably, one of the key reasons NGI signed up with Volt was due to the premium quality of the graphite concentrate to be delivered under this agreement.

This agreement enables Volt to move to producer status and commence the generation of cashflow from small scale mining and processing in 2018, much earlier than planned. The Company is planning to build on this breakthrough binding sales agreement and is reviewing production options, which include third party processing, with respect to small scale production in 2018.

Contract terms

The key contract terms, in addition to the standard terms of a mineral off-take agreement, comprise:

- Binding off-take agreement for a minimum 5,000 tonnes over five years, with flexibility to increase the sales volume as NGI's global footprint expands;
- Flake graphite concentrate grade of 98% TGC with no specified flake size;
- Option to renew the agreement for a further 5 years;
- Fixed price for the initial 5 year term of the agreement which is at a premium to Volt Resources basket price of US\$1,684 in the PFS; and
- Targeting graphite concentrate delivery to commence Q1 2018.

Selection process

Throughout the product qualification process, NGI cited a number of reasons for securing the supply of Volt's premium grade graphite, namely:

- The Company will be able to supply a premium TGC grade graphite concentrate;
- The conductivity is exceptionally high;
- There were no deleterious elements within the concentrate;
- Graphite exfoliated easily, which facilitates lowering the cost of producing graphene; and
- Volt is prepared and has capacity to scale up with NGI's global roll-out plans.

NGI will commence graphene production in the US later in the year. The graphene produced will be sold to NGI's US and European clients across a range of sectors comprising lithium-ion batteries and composites, as well as in numerous hi-tech applications. Importantly, NGI uses no toxic chemicals or acids in processing Volt's graphite concentrate into graphene.

Nano Graphene Principal, Dr Boris Goldstein commented: "NGI is delighted to enter into this binding off-take agreement with Volt Resources that will commence in 2018. We selected Volt to be our partner, as the Namangale graphite concentrate passed our stringent testing program, notably returning excellent quality in terms of TGC grade, the highest conductivity and demonstrably low levels of impurities. More importantly, we believe Volt has an excellent management team that understands our specific requirements and are prepared to be flexible in meeting these as we grow our global footprint in this high growth market."

Volt Resources' CEO Trevor Matthews commented: "Securing a binding off-take agreement from a US-based graphene group at this point in Volt's history is a remarkable achievement. This continues the positive feedback from end users and independent test-work regarding the

beneficial properties of Volt's Namangale graphite concentrate. The team and I look forward to working more closely with NGI as we move into small scale operations and the commencement of cashflow next year."

CONCLUSION

The Board is extremely pleased with this development as it shows the progress being made with the global marketing initiative, particularly as the Namangale project is at the early stages of its Definitive Feasibility Study. The Board is encouraged that this early success with NGI will enable further progress with prospective clients that are testing concentrate product samples.

For and on behalf of Volt Resources Limited

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Chief Executive Officer

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FUTHER INFORMATION

Volt Resources Limited

Volt Resources Ltd is a graphite exploration and development company listed on the Australian Stock Exchange under the ASX code: VRC. The company is focused on the development of its wholly-owned Namangale graphite project in Tanzania. As of December 2016, the Namangale project is the largest JORC resource deposit in Tanzania with 461Mt @ 4.9% TGC, with 22.6Mt of contained graphite. The project has a favourable super jumbo, jumbo and large flake size distribution. The Namangale project is ideally located near to transport infrastructure with sealed roads running through the Project tenements and ready access to the deep-water port of Mtwara, 140km away as reported in the PFS study on the 15 December 2016.

Nano Graphene Inc

Headquartered in New York, NGI is a privately-owned graphene producer that will commence commercial production in the US later in the year. It has an experienced management team that has worked in the graphene sector for more than a decade. Through its global network, it has close affiliates producing graphene in Europe.

There are three major challenges to produce graphene commercially: cost, ecology and scalability. NGI has evolved a patent pending production technique that resolves these challenges seamlessly. In short, this process is the exfoliation of graphene plates from natural graphite, which is completely environmentally friendly. No toxic chemicals are required and a water based technology is used in the purification process. The net result is a simple single-stage process that facilitates NGI being able to produce commercial grade graphene at low cost in industrial quantities.

<http://nanographene.net/>