



**VOLT**  
RESOURCES

**ASX ANNOUNCEMENT**

By e-lodgement

**5 October 2017**

**BUNYU GRAPHITE TEST WORK AND OFFTAKE PARTNER  
UPDATE**

- **Positive initial product feedback received from Chinese offtake partner– final test work results on Bunyu graphite product expected shortly**
- **North American offtake customer, Nano Graphene Inc., ramps up graphene production and confirms premium quality of Bunyu graphite product**
- **Flake graphite market experiencing strong price growth**

Tanzanian focused flake graphite development company **Volt Resources Limited (ASX: VRC)** (“**Volt**” or “**the Company**”) is pleased to provide the following update on its Bunyu graphite offtake partner product test work program and on recent developments made by Volt’s North American customer.

**Chinese Partner Provides Positive Feedback on Bunyu Graphite**

As previously advised, Volt has submitted graphite samples to its potential Chinese offtake partner, China National Building Materials General Machinery (“CNBMGM”), to enable independent testing to be undertaken on the quality and suitability of the Bunyu graphite product.

Volt is pleased to advise that recent feedback received from CNBMGM has been very positive, with test work indicating the Bunyu product meets all requirements for CNBMGM.

Volt entered into a non-binding Cooperation Agreement with CNBMGM in June 2017 which outlined the framework for CNBMGM to become an offtake partner and to provide Volt with project engineering/construction and financing support towards the development of the Bunyu Graphite Project in Tanzania.

CNBMGM is one of the world’s largest building materials producers, consumers and sellers and would provide Volt with significant leverage into the global expandable graphite market should a binding offtake agreement materialise.

The Cooperation Agreement is an important pre-cursor to the signing of a Binding Offtake Agreement with CNBMGM, with the agreement providing for the potential offtake of 10,000-15,000tpa of graphite concentrate from Stage 1 production.

Volt Resources Limited  
ACN [106 353 253](#)  
Level 5, London House  
216 St. Georges Terrace  
Perth WA 6000  
Phone: +61 (8) 9486 7788

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Final results from the CNBMGM test work program are expected to be received in the coming weeks, and Volt will provide updates on additional offtake opportunities and test work programs conducted by other offtake partners in due course.

### **North American Offtake Customer Update**

Volt is also pleased to advise that its North American-based customer, Nano Graphene Inc. ("NGI"), has recently achieved a number of key operational and corporate developments. Volt signed a binding offtake agreement with NGI in March 2017 for a minimum of 5,000 tonnes of flake graphite concentrate over 5 years.

NGI recently advised that its Brooklyn-based plant has been commissioned and is now fully operational. Graphene production has commenced and will be steadily ramped up over coming months.

In addition, NGI is in the process of securing supply agreements with a number of recognisable end-users including a major semi-conductor producer and an emerging car manufacturer, both of which are planned to utilise Volt's Bunyu graphite product.

Initial test work undertaken by NGI confirmed that Volt's Bunyu graphite product is amongst the highest quality graphite flakes NGI had tested to date. As a result, both NGI and Volt are in discussions to broaden their existing partnership to potentially incorporate downstream, value-added refining of Volt's graphite utilising NGI's proprietary technology. The Company will provide further updates on these discussions in due course.

### **Graphite Market Update**

Volt is also encouraged by the current positive market conditions in the graphite sector, with prices rising as a result of increasing demand for flake graphite in battery anode and building material applications combined with China's closure of graphite mines arising from environmental issues.

According to industry analyst Benchmark Data, these pressures recently pushed flake graphite prices to their highest point in over two years, with the Benchmark Flake Graphite Index climbing 16% during August continuing a series of monthly price rises since May this year. It is expected that further near-term price increases will continue as limitations on production and demand increases continue.

Furthermore, Volt also notes the increased domestic large flake consumption from China's expandable graphite sector. As a result, the FOB price of +80 mesh material (94-95% C) from China increased by 19% to an average of \$1,000/tonne, with some sales representing a month-on-month increase of up to 30%.

### **Volt's Chief Executive Officer, Trevor Matthews commented:**

"Our relationship with CNBMGM continues to progress very well and although still in the early stages we are excited about the prospect of potentially partnering with one of the world's largest building materials suppliers.

"The fact that Volt's Bunyu graphite product continues to be validated as premium quality is highly encouraging and we are now working hard to materialise a number of these offtake opportunities in the near-term.

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“We are also highly encouraged by the bullish conditions currently being experienced within the global graphite market, in particular the tightening of supply and increased demand for large flake graphite in China. Graphite is forecast to remain in short supply for the foreseeable future, providing highly conducive conditions to rapidly advance both key operational and funding milestones this year.”

*For and on behalf of Volt Resources Limited*

**Trevor Matthews**  
**Chief Executive Officer**

**For further information please contact:**

**Trevor Matthews**  
**Chief Executive Officer**  
**Tel: +61 8 9486 7788**

**Released through Sam Burns, Six Degrees Investor Relations, M: +61 400 164 067**



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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 graphite<sup>1</sup>. 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.

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<sup>1</sup> 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.