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ASX ANNOUNCEMENT
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22 June 2020

Luiri Hill Gold Project Updated Mineral Resource Estimate In Progress

Highlights include:

- **Update of Luiri Hill Gold Project Mineral Resource estimate being prepared in accordance with the 2012 JORC code and will be released in the near future.**
- **Technical site visit completed as part of the due diligence programme confirmed the existence of various large stockpiles, pads and dumps.**
- **The Project area has good existing power and water infrastructure.**
- **The Luiri Hill Gold Project is an advanced project with metallurgical, historic Mineral Resource estimates, feasibility studies and significant other work undertaken by credible international consultants with over US$20 million expended on the project to date.**
- **Shareholder meeting to approve issue of Volt shares to Luiri Hill Gold Project vendors scheduled for Monday 20 July 2020.**

Volt Resources Limited (**ASX: VRC**) ("**Volt"** or the **"Company"**) is pleased to provide an update on the preparation of the Mineral Resource estimate in accordance with JORC code 2012 requirements, the acquisition due diligence and other activities for the Luiri Hill Gold Project located in south-central Zambia, 120km west-northwest of the Zambian capital of Lusaka.

The proposed acquisition of the Luiri Hill Gold Project continues Volt's progression in establishing a new gold business whilst continuing with the development of its Bunyu Graphite Project in Tanzania. Together with the proposed acquisition of the Guinea gold projects announced on 14 May 2020 (the **"Guinea Gold Projects"**), the acquisition of the Luiri Hill Gold Project will provide Volt with a combination of highly prospective grass roots exploration in Guinea together with an 85% interest in an advanced gold project in Zambia that has near term development potential.

The creation of a new gold business provides Volt shareholders with the opportunity to participate in the potential value accretion from gold exploration and development activities, particularly through leveraging the Company's existing extensive networks in Africa.

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The Luiri Hill Gold Project

The Luiri Hill Gold Project is an advanced gold project with considerable drilling and studies already undertaken. The Matala and Dunrobin deposits, which collectively form the Luiri Hill Gold Project, have the potential to be developed into a medium scale gold mine in the near term.

The Luiri Hill Gold Project was previously majority owned by Luiri Gold Limited, a company that was listed on ASX (ASX code "LGM") until 2014, when it was sold by Luiri Gold Limited to a South African company.

The Project is comprised of one large-scale exploration licence (**"LEL"**) and a mineral processing licence (**"MPL"**) with a total area of 31.38km^2 within the Matala Dome mineralised structure. Access to the Project area is by a bitumen sealed road, of approximately 120 km, in a west-northwest direction from the Zambia capital city, Lusaka. The area has significant potential for gold occurrences both related to the Matala Dome mineralised structure and the surrounding Katangan rocks where there is potential for iron oxide copper-gold ("IOCG") style mineralisation.

JORC 2012 Mineral Resource Estimate

Coffey Partners Pty Ltd (Coffey) previously reported a JORC (2004) Mineral Resource estimate (Measured, Indicated and Inferred) in relation to the Matala and Dunrobin deposits. A significant amount of historical information including drilling and assay data, resource models and reports has been obtained from Coffey. The Company has engaged geological and mining consultants, Optiro Pty Ltd, to prepare a Mineral Resource estimate in accordance with the 2012 edition of the JORC Code. Volt plans to release the updated Mineral Resource estimate in the near future.

Most of the gold mineralisation is near surface and therefore suitable for open cut mining. Volt considers there is an opportunity, with the current and forecast gold price, to reduce the economic cut-off grade and potentially increase the gold ounces available for extraction from what has previously been used to report the historic Mineral Resources.

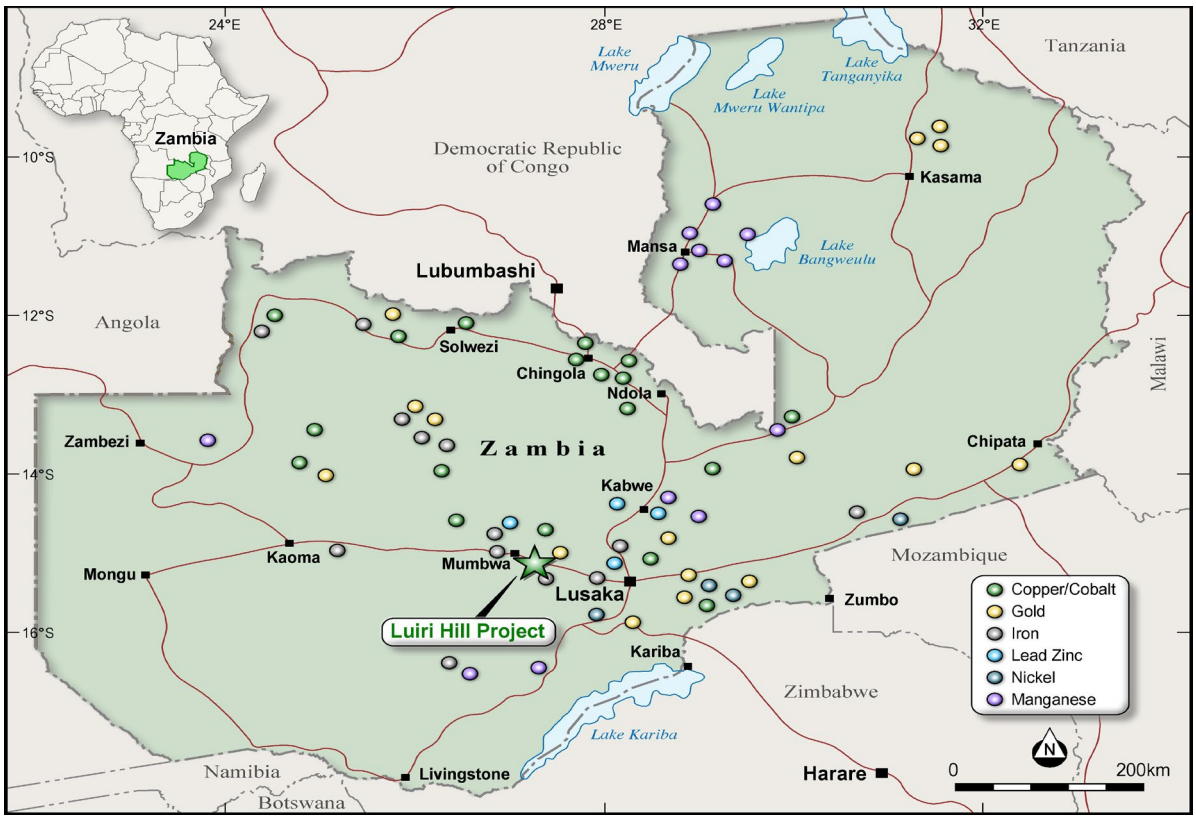

Figure 1: Luiri Hill Gold Project location

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Significant Work Undertaken to Date

Over US$20 million has been invested in the Luiri Hill Gold Project to date with extensive RC and diamond drilling programmes, Mineral Resource reports, metallurgical test work programmes and studies, and feasibility studies completed by consultants Coffey (2013) and PenMin (2016) and various other activities.

The current Luiri Hill Gold Project exploration licence was historically covered by a mining lease and was granted an environmental permit in 2013 covering the same footprint of what is now the LEL. A baseline socioeconomic study and Local Labour and Economic Development Plan have also been prepared for the Project by past owners. The historical studies and plans provide a good basis to prepare updated reports and plans to facilitate early project development.

In addition to the Dunrobin and Matala deposits, a further twenty-four gold prospects have been identified within the area of the LEL as being targets for further exploration work. Based on historical exploration activity including soil geochemistry, rock chip/trench sampling, RC drilling and the associated reports, targets within the LEL include Eclipse, Matala West, Tanduma, Chosa, Shadreck, Shadreck South and Jack & Rode. Previous resource modelling has also identified the potential for the Matala deposit to extend deeper underground below the currently identified historic Mineral Resources.

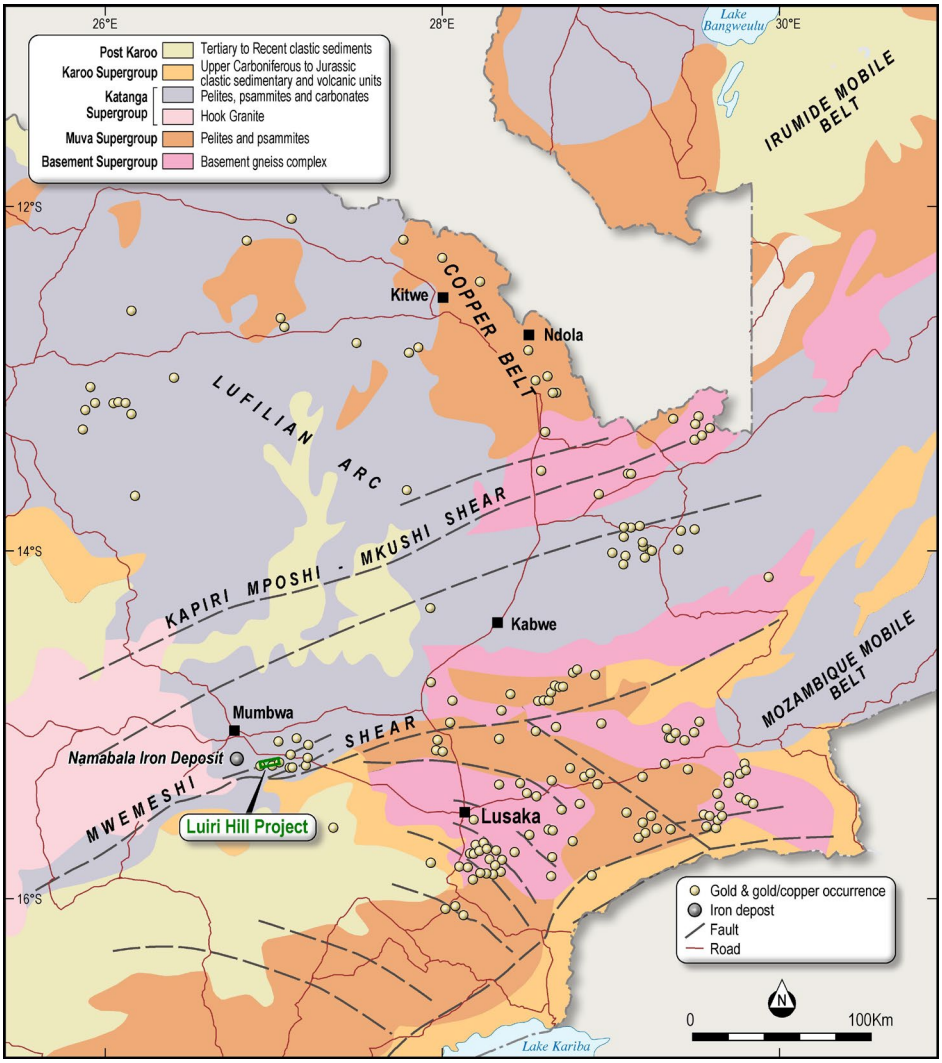

Figure 2: Luiri Hill Gold Project licence area in relation to gold and gold/copper occurrences

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Luiri Hill Project Information – Due Diligence Programme

The due diligence programme is advanced with Lusaka based technical consultants, GeoQuest Ltd (**"GeoQuest"**), recently conducting a site visit to Luiri Hill which confirmed the general layout of site infrastructure, buildings and historical mines. GeoQuest also confirmed the presence of a number of stockpiles, pads and dumps which will be the subject of further survey work, sampling, drilling and resource modelling to determine the quantity of material and potential gold resource ounces. The Company considers these stockpiles and dumps represent an opportunity to develop a relatively simple processing facility to enable early low-cost gold production from the Luiri Hills Project.

GeoQuest also commented that access across the LEL is generally good via a network of unmaintained dirt roads and tracks. The areas are well drained with no significant drainage problems encountered.

The Matala mine lies approximately 7 km east of the Dunrobin mine and can be accessed through the network of tracks relatively easily. The Matala mine and associated historical dumps are located within the LEL.

The Dunrobin site, leach pads, ore (oversize) stockpile, overburden (low grade), all current mineral processing activities, approximately 60% of the historical Dunrobin open pit and the water pumping station and associated water boreholes lie within the Bukomo MPL which is situated within the LEL boundary.

Infrastructure and Buildings

GeoQuest confirmed the presence of power and water infrastructure as follows:

- Power supply options include a 330kV transmission line that traverses the LEL with an 88kV transmission line also cutting through the LEL. A smaller 11kV transmission line is connected to the Dunrobin mine office.
- Water supply is currently sourced through existing bores on site including four 30cm bores in one borefield, one 30cm bore and a 15cm bore in another location and a standalone 15cm bore. There appears to be sufficient quantities of ground water for future operations.

The following buildings were also identified on site:

- Core and bulk RC sample/duplicate RC sample building.
- Small historical office block (single storey) which appears to be now used as accommodation for site personal and with at least one room dedicated for use by the Zambian Police.
- Small historical laboratory block which appears to be now used as accommodation, some office and storage areas.
- Historical infrastructure related to previous operators – concrete bases, old ponds etc.

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Core storage building at Dunrobin

Dunrobin mine offices

Small Scale Processing

The existing owners (Bukomo) are currently operating a small scale, low cost gravity gold recovery circuit (sluicing operation) making use of historical concrete foundations and ponds. It is processing auriferous dump material sourced from Matala (Mill Tailings Dump) and gold rich red brown soils overlying the Chosa prospect which lies a short distance to the north within the tenement package.

A second operation is also a low cost (though larger operation) gravity gold recovery circuit (sluicing operation) occupying the same area as the historical crushing plant from the 1990s. Sourced material appears to be originating from Matala (Mill Tailings Dump) and also from Shadreck South, a previous artisanal mining area to the south of the tenure package, the mineralisation associated with quartz veining in hematite, iron rich, gossanous rocks.

Once the acquisition is completed Volt will assess the small-scale operations gold production performance including recoveries, costs, safety, environmental, social and other factors and consider options for the continuation and upgrading of processing.

View of Bukomo small scale processing operation at Dunrobin with small trommel and Matala sourced material in the foreground

Sluice boxes and ponds

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Stockpile, Leach Pads and Dumps

The Project has significant existing stockpiles, leach pads and dumps of gold bearing ore and processed material, which Volt considers may be material in terms of providing a funding mechanism for the completion/updating of studies to progress to a mining licence, advance any remaining environmental and other approvals and transition to a development decision.

GeoQuest confirmed the existence of the following stockpiles, leach pads and dump at the Dunrobin mine site.

Dunrobin Leach Pads

Approximate 230m upper length, 250m base length, upper width of 100m, and a base width of 100 to 140m, though with variability in along strike and across strike dimensions. An average approximate height from base to the top surface is in the order of 10m. In essence, the leach pads are in place with similar dimensions to those outlined in an historical report dated 2009 (see Figure 3 below).

Reports have identified the large leach pads contain gold bearing ore. Initially the Company is arranging for a representative sample to be analysed and is planning an auger drilling, survey and density measurement programme to enable the preparation of a JORC Mineral Resource estimate for the Leach Pads.

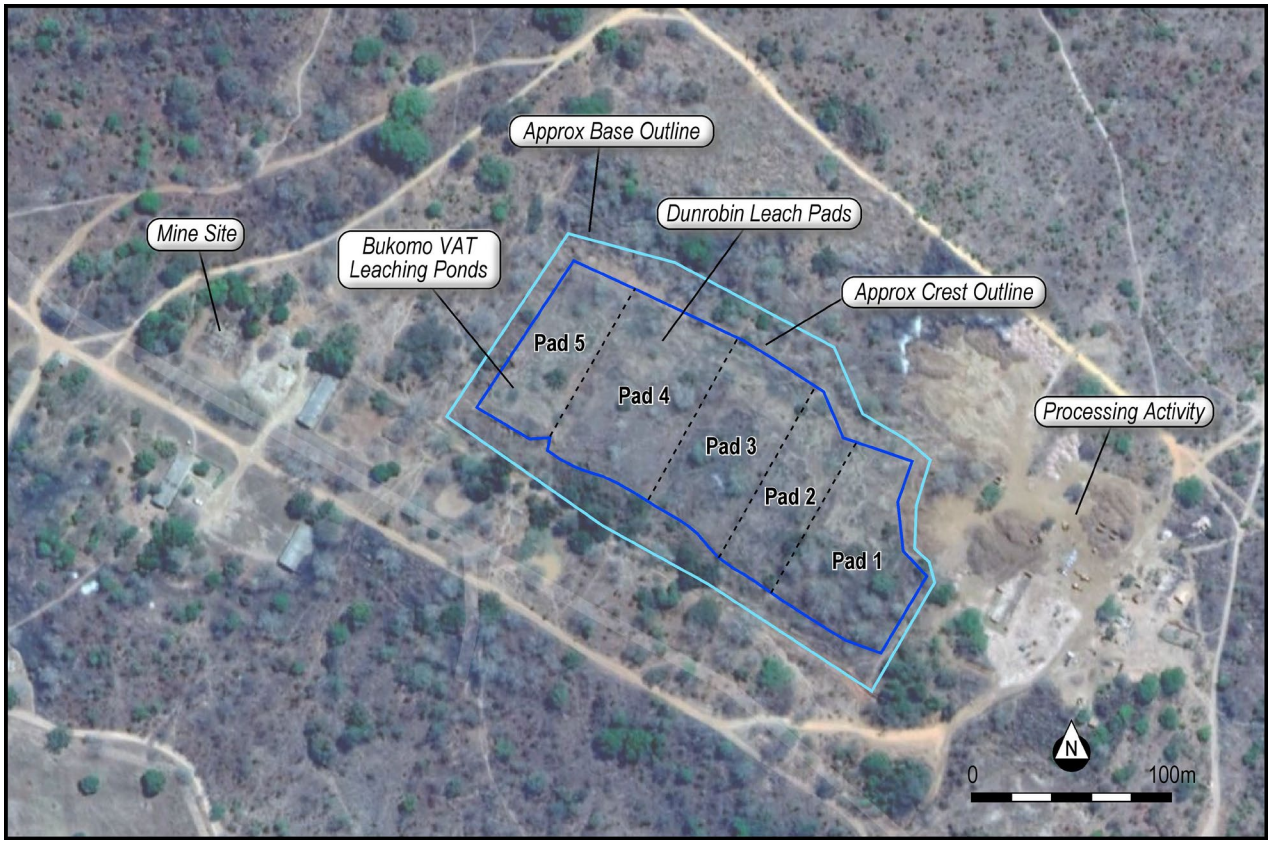

Figure 3: Dunrobin Leach Pads

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Dunrobin Ore (Oversize) Stockpile

Based on preliminary observations the ore stockpile extends over an area of ~230m NW-SW and 80-100m NW-SE with an average height of approximately 2m, though in places it can reach ~5m. Typically, the dump is composed of large oversize boulders, up to 1-2m in diameter, though two internal areas are essentially void of any large boulders, but rimmed by them and could well be underlain by stockpile material and appear to be advancing dumping access tracks. A range of rock types are visible on the surface including ferruginous (hematite) gossanous (limonitic) rocks, weakly carbonate altered banded hematite-calcitic (veined) gossanous rocks, quartz veining in association with various rocks, carbonate (dolomite / limestone) rocks and degraded quartz mica schist loose material / rubble which have originated from the Dunrobin open pit under historical mining operations.

Dunrobin Overburden Dump (Low Grade)

The dump is located east of the haul road which runs from the Dunrobin open pit towards the previous Dunrobin crushing and leaching operation towards the northeast. The approximate dimensions are 285m by 250m with a broad circular coverage with an access track running through the centre trending southeast with dumping off to the side, to the northeast, the southwest and to the southeast. The height of the dump varies: on the southwest margin it is approximately 5m, whilst on the northeastern margin it is upwards of 10m, and over the central portion in close vicinity to the access track, it is generally in the range of 2 to 5m.

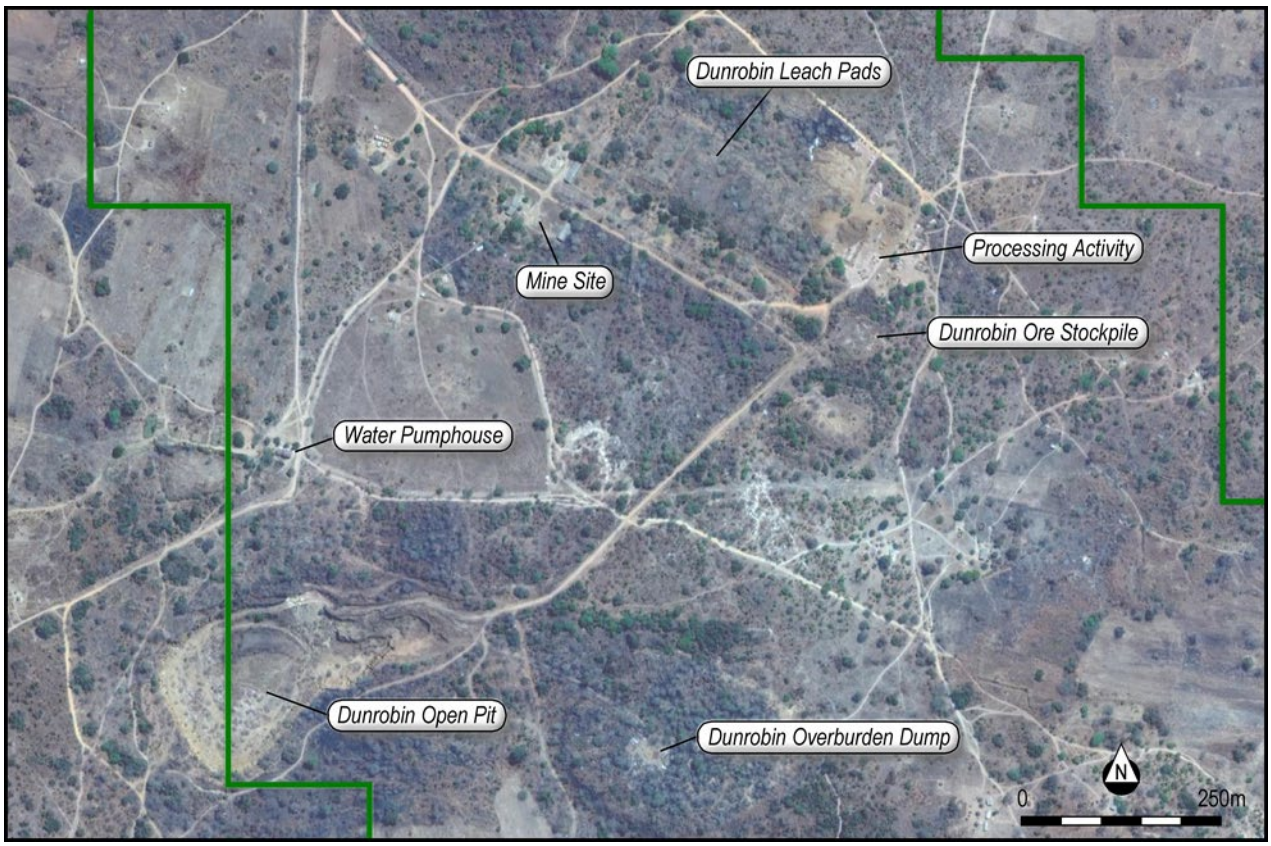

Figure 4: Mineral Processing Licence infrastructure, processing activities and Dunrobin stockpiles/dump/pads including open pit.

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In addition to the above, at the Matala historical mine site a number of dumps are reported as follows:

Mill Tailings Dump

Occupies an area immediately adjacent to the north of the Matala main shaft over an approximate area of 65m west-east by 60m north-south. It is reported that the dump once had a vertical thickness of 20 to 30m close to the shaft, but recent significant artisanal activity and the current removal of material by Bukomo for gravity separation at Dunrobin has removed significant material from the dump. The dump contains a range of material; schists, gneissic rocks and highly weathered / altered mineralised rocks representative of the mineralised assemblage as noted above.

Slimes Dump

Located immediately to the north of the base of the Mill Tailings Dump, the Dump extends northwards and ranges in height from ~2m to ~5-10m at its northern margin. It covers an approximate area of 110m north-south by 60m west-east. A recent excavation indicates a non-stratified, very fine grained brown to red-brown silt and/or clay.

A Waste Dump and Scree Rubble Deposit are also reported but were not visited due to time constraints.

View from Matala Main Shaft northwards over Mill Tailings Dump and Slimes Dump in distance

Southwest section of the Dunrobin Leach Pads

<u>Project Acquisition</u>

The Company has entered into a binding term sheet to acquire an 85% interest in the Project.

Completion of the acquisition is subject to the satisfactory completion of Volt's due diligence enquiries, the execution of a share sale agreement in a form acceptable to Volt, as well as the approval of Volt shareholders to the issue of the consideration shares to be sought at an upcoming meeting of Volt shareholders to be held at 10.00am Monday 20 July 2020.

Settlement of any acquisition is expected to occur within 5 business days of shareholder approval to the issue of the proposed consideration shares for the acquisition of an 85% interest in the Luiri Hills Gold Project being obtained.

-ENDS-

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About Volt Resources Limited

Volt Resources Limited ("Volt") is a graphite and gold exploration and development company listed on the Australian Stock Exchange under the ASX code VRC. Volt is currently focused on the exploration and development of its wholly-owned Bunyu Graphite Project in Tanzania and its combination of highly prospective grass roots gold exploration permits in Guinea together with an 85% interest in an advanced gold project in Zambia that has near term development potential.

The Bunyu Graphite 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 from the Project. In 2018, Volt reported the completion of the Feasibility Study ("FS") into the Stage 1 development of the Bunyu Graphite Project. The Stage 1 development is based on a mining and processing plant annual throughput rate of 400,000 tonnes of ore to produce on average 23,700tpa of graphite products[1]. A key objective of the Stage 1 development is to establish infrastructure and market position in support of the development of the significantly larger Stage 2 expansion project at Bunyu.

During May 2020 Volt entered into two acquisition agreements as part of a strategy to develop a gold business. Initially Volt acquired the Guinea Gold Projects which comprise 6 highly prospective permits in Guinea, West Africa. The projects are located in the in the Siguiri Basin, which forms part of the richly mineralised West African Birimian Gold Belt. Secondly Volt acquired an 85% interest in the advanced Luiri Hill Gold Project located in Zambia. The Luiri Hill Project is an advanced gold project with considerable drilling and studies already undertaken. The Matala and Dunrobin deposits, which collectively form the Luiri Hill Project, have the potential to be developed into a medium scale gold mine in the short term.

The creation of a new gold business provides Volt shareholders with the opportunity to participate in the potential value accretion from gold exploration and development activities, particularly through leveraging the Company's existing extensive networks in Africa.

Both acquisitions are currently undergoing due diligence by Volt and are subject to shareholder approval for the issue of shares as consideration for the acquisitions.

[1] Refer to Volt's ASX announcement titled "Positive Stage 1 Feasibility Study Bunyu Graphite Project" dated 31 July 2018. 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.