ASX ANNOUNCEMENT
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VOLT JOINS EUROPEAN RAW MATERIALS ALLIANCE

Highlights

- **Volt has joined the European Raw Materials Alliance (ERMA) following the acquisition of a controlling 70% interest in the Ukraine based Zavalievsky Graphite business**
- **The ERMA was formed by the EU in 2020 and is focussed on the development and strengthening of European raw materials value chains**
- **Membership of the ERMA provides access to project investment, technical and regulatory advice and support**
- **Volt is already a member of the European Battery Alliance (EBA). The ERMA and EBA provide support for Volt's strategy to become an integrated graphite mine and battery anode material producer in Europe**
- **Recent MoU signed by the EU and Ukraine government to launch a strategic partnership to strengthen and secure the supply of critical raw materials and the battery value chain**

Graphite producer and developer and gold explorer **Volt Resources Limited** (**ASX: VRC**) ("**Volt"** or "**the Company"**) is pleased to advise it has joined the European Raw Materials Alliance ("**ERMA**"). Launched by the European Union Commission in September 2020, the ERMA network brings together a number of organisations from the public and private sectors covering the entire raw materials value chain.

Managing Director, Trevor Matthews, commented: "With the acquisition of the Zavalievsky graphite business completed and Volt's status as a producer of graphite products in Europe, membership of the two key EU sponsored battery materials alliances provide the opportunity to build relationships and obtain access to capital to support the expansion and product development plans for the European graphite business.

Combined with the future production of graphite products from the development ready Bunyu Project in Tanzania and plans for processing capacity to supply the LIB industry in the United States, Volt will be uniquely positioned as a globally significant and diversified graphite producer."

With two world class graphite resources incorporated in a strategically located operating mine and processing plant in Ukraine along with a development ready project in Tanzania, Volt is well positioned to become a globally significant graphite producer. Volt plans to become a battery anode material producer in Europe and the United States based on an integrated supply chain

using graphite produced from its own operations. This provides security and continuity of supply for the business and the ability to manage product quality through the graphite supply chain through to the LIB manufacturers and for other graphite product end users.

ERMA

The ERMA network brings together a growing number of organisations from the public and private sectors covering the entire raw materials value chain. The alliance is initially focused on increasing EU resilience in the supply chains for batteries, fuel cells and rare earth magnets and motors.

The alliance is a unique network of organisations across the raw materials value chain consisting to date of 130+ companies, 50+ associations, 20+ universities and research organizations, next to several financial institutions, national authorities, ministries and NGOs in Europe and beyond.

The strategic scope of the ERMA entails the identification of investment cases to build capacities across raw materials value chains, from mining to recovery and product design for a circular economy.

In relation to opportunities for investment, the ERMA offers the following:

- a consultation process to pre-align with public stakeholders on preliminary investment themes and cases in order to create buy-in and identify critical bottlenecks such as regulations, permits or operating licenses.
- technical and market intelligence supporting a high investment attractiveness of cases based on their strategic relevance, impact and financial metrics.
- investment matchmaking through the Raw Materials Investment Platform (RMIP) to ensure high investment success rates. Various financing sources (grant, equity, loan, mixed) will be part of this process, with individual investment volumes and structures.

More information about the ERMA can be found at https://www.erma.eu

Volt is a member of the EBA and the ERMA and looks forward to being an active member of both with the product, supply chain and investment support and facilitation that both alliances provide.

EU and Ukraine Strategic Partnership

The EU and Ukraine have launched a strategic partnership on raw materials, with the aim of achieving a closer integration of raw materials and batteries value chains. In July 2021 EU Vice-President Maroš Šefčovič and Prime Minister of Ukraine Denys Shmyhal signed a Memorandum of Understanding underpinning the partnership.

The strategic partnership with Ukraine will include activities along the entire value chain of both primary and secondary critical raw materials and batteries, and in line with the objectives of the EU's Critical Raw Materials Action Plan, it will help diversify, strengthen and secure both sides' supply of critical raw materials, essential for achieving the green and digital transitions.

Zavalievsky Graphite Business

Volt has previously stated the strategic and other benefits of the acquisition of a 70% interest in the Zavalievsky group of companies ("**ZG Group**")[1]. The graphite mine and processing facilities are located adjacent to the town of Zavallya, approximately 280 kilometres south of the Ukraine capital Kyiv and 230 kilometres north of the main port of Odessa.

Project production capacity is up to 30 000 tonnes of graphite concentrate/product per year. In 2014 ZG was the eighth largest producer of natural flake graphite in the world.

ZG produces more than 30 grades of graphite and apart from domestic sales, has exported for decades to the following countries: Austria, Germany, Czech Republic, Slovakia, Poland, Spain, Italy, Japan, Taiwan and Azerbaijan. The business supplies graphite products to manufacturers of high-quality lubricants, refractory products, friction materials, steel and iron foundry companies, oil and gas producing companies.

Following a lack of investment in the business by the previous owners, recent periods of graphite oversupply and reduced product sales in Europe in 2020 due to COVID restrictions, the ZG business is operating at well below nameplate capacity. Volt plans to improve the performance of the business with close attention to improved environmental management and sustainable operations including programs to minimise the operation's carbon footprint, development of stakeholder relationships and social investment combined with improved governance throughout ZG.

Importantly, the Zavalievsky Graphite business has the following significant advantages for Volt:

- Located in Eastern Europe, the Zavalievsky Graphite business is in close proximity to key markets with significant developments in Lithium-ion Battery ("**LIB**") facilities planned to service the European based car makers and renewable energy sector.
- Plans to produce battery anode material using existing graphite production to become a fully integrated supplier to LIB cell makers based in Europe.
- Makes graphite products across the range and has the potential to significantly increase its high value large flake production.
- Produces a high value "green" purified 99.5% TGC product.
- Long life multi-decade producing mine that has further exploration upside. The current mining licence extends to 2035 and is expected to be further extended.
- Potential expansion of annual production capacity.
- Existing customer base and graphite product supply chains which Volt expects to be able to leverage in developing its existing Bunyu graphite project in Tanzania.
- Excellent transport infrastructure covering road, rail, river and sea freight combined with reliable grid power, ample potable ground water supply and good communications.
- An experienced workforce which can assist with training, commissioning and ramp-up for the Bunyu development. This is a key risk for financiers and could materially assist the ability to finance the Company's Bunyu graphite project development.
- Potential to generate material cashflow.
- A 79% interest in 636 hectares of freehold land, with the mine, processing plant and other buildings and facilities located on that land.

[1] Refer to ASX announcement "Completion of ZG Group Transaction Following Execution of New Convertible Securities Facility" dated 27 July 2021.

Further information regarding the ZG Group can be obtained from the company's website https://zvgraphit.com.ua/. A drone video of the mine and processing facilities and the local area and township of Zavallya can be viewed at https://voltresources.com/zavalievsky-graphite-acquisition/.

-ENDS-

This announcement was authorised for release by the Board of Volt Resources Ltd.

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About Volt Resources Limited

Volt Resources Limited ("Volt") is a graphite producer/developer and gold exploration company listed on the Australian Stock Exchange under the ASX code VRC. Volt has a 70% controlling interest in the Zavalievsky Graphite business in Ukraine. Zavalievsky is in close proximity to key markets with significant developments in LIB facilities planned to service the European based car makers and renewable energy sector. Zavalievsky benefits from an existing customer base and graphite product supply chains based on excellent transport infrastructure covering road, rail, river and sea freight combined with reliable grid power, ample potable ground water supply and good communications. Zavalievsky has current plans to install a processing plant and equipment in order to commence production of spheronised purified graphite (SPG) for the European LIB market within the next 12 months[2].

Volt is also progressing the development of its large wholly-owned Bunyu Graphite Project in Tanzania, as well as gold exploration in Guinea leveraging the Company's existing extensive networks in Africa.

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[3]. 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.

The Guinea Gold Projects comprise 6 permits in Guinea, West Africa having a total area of 348km. The Projects are located in the prolific Siguiri Basin which forms part of the richly mineralised West African Birimian Gold Belt.

[2] Refer to Volt's ASX announcements titled "Volt to Acquire European Graphite Business following Completion of Due Diligence" dated 14 May 2021 and "Completion of the ZG Group Transaction Following Execution of New Convertible Securities Facility" dated 26 July 2021.

[3] 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.