



ASX ANNOUNCEMENT

By e-lodgement

17 February 2022

Gigafactory Development Further Information

Graphite producer and battery anode material developer **Volt Resources Limited (ASX: VRC)** ("**Volt**" or "**the Company**") refers to the announcement titled "**Volt Joins Gigafactory Development in United States**" dated 10 February 2022 and provides the following further information.

Energy Supply Developers LLC ("ESD")

ESD is developing a unique integrated LIB facility with planned capacity of up to 50 gigawatt-hours ("**Gigafactory**"). The Gigafactory facilities will be developed by ESD to incorporate battery materials suppliers, LIB cell manufacturer(s), R & D facilities and associated utilities and infrastructure. ESD has entered into a number of LOI's and is having further discussions with battery materials suppliers, cell manufacturers, property and construction groups and expects to make further announcements in relation to Gigafactory participants in the near future.

Negotiations with US Midwest states for the ESD Gigafactory site location are nearly finalized. Once the site is selected, ESD will officially announce its development plans, board and management team and Gigafactory participants through a media and public relations launch including website and other traditional and social media platforms.

For further information please see the attached summary from ESD.

CSPG Supply - Volt

ESD has selected Volt to be the coated spheroidised purified graphite ("**CSPG**") supplier for its Gigafactory that is expected to commence operations in 2025. ESD and Volt have executed a non-binding Letter of Intent which contemplates entering into a binding lease agreement covering the area within the integrated Gigafactory facility within which Volt will install its CSPG processing equipment. The term of Volt's Gigafactory lease is yet to be agreed with ESD. Volt has engaged with ESD's construction manager, Yates Construction, on the equipment layout and utilities required for Volt to produce CSPG based on the testwork, and equipment selection undertaken with our technology partner in the United States, **American Energy Technologies Co. ("AETC")**.

Benefits from Volt's participation in the ESD Gigafactory development include:

- Capital savings from ESD constructing the building, utilities and infrastructure with Volt's expenditure limited to plant and equipment supply and installation once the facility is completed
- There are no initial payments required from Volt to participate in the ESD Gigafactory development
- As the sole graphite supplier in the ESD Gigafactory, Volt will be the logical supplier of CSPG material for the LIB manufacturer located in the facility

Volt's ability to supply graphite concentrate initially from its Ukraine graphite mine later supplemented by Bunyu graphite products was an important factor in its selection as the supplier of CSPG material for the LIB cell manufacturer in the ESD Gigafactory.

Volt will enter into discussions with the selected LIB cell manufacturer in the ESD facility in relation to the supply of CSPG to be used in the production of LIB cells. The quantities of CSPG to be supplied to the LIB cell manufacturer are subject to these discussions. In addition, pricing and revenue forecasts will be developed based on the terms of any agreement reached with LIB cell manufacturer.

-ENDS-

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

For further information please contact:

Trevor Matthews
Managing Director
Tel: +61 8 9486 7788

Alex Cowie
Investor Relations
Tel: +61 412 952610

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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. ZG 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. ZG has current plans to install a processing plant and equipment in order to commence production of spheroidised purified graphite (SPG) for the European LIB market¹.

Volt acquired three licence applications that are considered to be prospective for lithium-borate mineralisation. The licence applications are in respect to a total area of 291km², located in Serbia and are west and south-west of the Serbian capital, Belgrade².

Volt is 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 products³. A key objective of the Stage 1

¹ 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.

² Refer to Volt's ASX announcement titled "Strategic European Lithium Acquisition – Jadar North" dated 18 November 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

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 Sigui Basin which forms part of the richly mineralised West African Birimian Gold Belt.

document and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.



Energy Supply Developers is developing a unique integrated industrial “Super Site” dedicated to establishing the lithium-ion industry in America.

February 16, 2022

Energy Supply Developers, LLC (ESD) was formed by a group of leading industry and business executives that have come together to address the need to establish the lithium-ion battery value chain in America.

ESD is developing a unique integrated industrial 800-acre “Super Site” complete with the necessary infrastructure dedicated to establishing the lithium-ion battery industry’s complete value chain in America. From leading companies in the industry today to new and emerging companies. These companies will manufacture cells, modules, and packs as well as operate the necessary supply chain to support the manufacturers. In addition to manufacturing and supply chain companies, the “Super Site” will integrate other necessary businesses such as testing and R&D facilities.

Co-locating these battery focused companies at a single “Super Site” will provide competitive benefits such as lower overall logistics costs, reliable and economical utilities as well as opportunities to work with other co-located companies to advance and strengthen America’s national security and independence from foreign produced lithium-ion products.

ESD understands the importance of managing capital. Our business model of building and leasing our customer’s facilities to them, will allow our customers to use important and limited capital to invest in equipment and new technology versus traditional “brick and mortar”.

ESD, in partnership with our developer, Thomas Crowley Developers will finance the construction for our customer’s facilities while our construction firm partner, Yates Construction will build our customer’s facilities to their specifications.

ESD has more than 10 companies who have signed LOI’s and ultimately will have more than 20 facilities constructed at our “Super Site” by 2027/2028. With the groundbreaking of our first customers facilities planned by mid-summer 2022.

Negotiations with U.S Midwest states for the ESD “Super Site” location are nearly finalized. As part of our selection process, we are focused on ensuring our customers will have sufficient labor force, incentives as well as multiple transportation options: road, rail, airports and deep-water port. Once the site is selected, ESD will officially announce its development plans, board, and management team and other pertinent information through a media and public relations launch including website and other traditional and social media platforms.

Finally, ESD has selected three key individuals who have accepted board positions that will help to lead us to success.

- Bob Galyen, Chairman
- Jeff Yambrick, Chief Executive Officer
- Jack Perkowski, Chief Financial Officer