



## ASX ANNOUNCEMENT

By e-lodgement

30 January 2023

# Quarterly activities report to 31 December 2022

## Highlights

### Joint Development Agreement with 24M

- Volt entered into a Joint Development Agreement with 24M Technologies, Inc. and American Energy Technologies Co.
- Focus on coated spheronised purified graphite and also non-spherical graphite products to enhance Lithium-ion battery performance

### Memorandum of Understanding with 24M

- 24M Technologies and Volt Resources, entered into a Memorandum of Understanding to collaborate and qualify Volt's graphite for anode and/or cathode use in 24M's SemiSolid™ manufacturing platform.
- Volt will become a qualified supplier for the LIB natural graphite anode and/or LIB cathode conductive additive to 24M's licensees, subject to a successful determination of the Joint Development Agreement

### \$10.8 million Capital raised

- Shareholders approved the issue of placement shares and options to Volt's Chairman, Mr Asimwe Kabunga's holding company, Kabunga Holdings Pty Ltd, to raise \$784,000 for the Company.
- Significantly oversubscribed placement raising \$10,000,000 to fast-track Battery Anode Production.

### New CEO appointed

- Prashant S. Chintawar, who has served as Senior Advisor - Battery Minerals, was appointed to the role of Chief Executive Officer as of 1 January 2023

Graphite producer and battery material developer Volt Resources Limited (ASX: VRC) ("Volt" or the "Company") is pleased to report on the Company's activities for the quarter ended 31 December 2022.

## Management Commentary

**Volt Chief Executive Officer, Prashant Chintawar, commented:** "I am pleased to be leading Volt at this critical juncture and look forward to working with all our stakeholders to grow the organization."

## **Joint Development Agreement and Memorandum of Understanding with 24M**

During the quarter, Volt entered into a Joint Development Agreement with 24M Technologies, Inc. and American Energy Technologies Co (AETC). This will focus on coated spheronised purified graphite and also non-spherical graphite products to enhance Lithium-ion battery performance

Testwork is progressing to support the cell developer's commercialization activities that utilize its SemiSolid™ lithium-ion battery technology in multiple markets. This leverages AETC's inverted LIB anode materials flowsheet design to produce graphite products sourced from Volt's 70% owned Zavalievsky Graphite business in Europe and future supply from the Bunyu Graphite Project in Tanzania.

24M has a renowned customer base including license agreements with Kyocera Corporation, FREYR AS, Lucas TVS Ltd., Volkswagen Group and Fujifilm Corporation. The ongoing testwork is being undertaken by Volt's technology partner in the United States.

This JDA reinforces our strategy of focusing on applications and customers where we have a strong value proposition. We are looking forward to continuing our battery anode material qualification work with 24M and its licensees.

Following the announcement of the Joint Development Agreement Volt Resources entered into a Memorandum of Understanding to collaborate and qualify Volt's graphite for anode and/or cathode use in 24M's SemiSolid™ manufacturing platform.

The two companies have outlined initial indicative pricing for LIB anode material and Volt has agreed to meet future volume requirements for 24M's licensees. 24M will evaluate a potential investment in Volt US subsidiary, Volt Energy Materials LLC.

## **Graphite Mining and Production**

### **Zavalievsky Graphite - Ukraine**

In early August 2022, Volt announced the recommencement of production at the Zavalievsky graphite mine and processing plant.

Over an initial 2-week period of production, 846 tonnes were produced, for an average of 60.5 tonnes of graphite product per day. In November 2022, energy supply disruptions commenced due to Russian missile attacks on power generation facilities affecting the entire Ukraine energy grid. Combined with the continuation of supply disruptions, this has resulted in ZG management being unable to recommence production prior to the Ukraine winter.

Volt and ZG management continue to monitor the situation, address the issues, and define the best way forward.

### **Bunyu Graphite Project - Tanzania**

The Company remains focused on the two-stage development of its wholly-owned Bunyu Graphite Project in Tanzania. The Bunyu Graphite Project is ideally located near to critical transport infrastructure with sealed roads running through the project area and ready access to the deep-water port of Mtwara 140km to the southeast.

Stage 1 has low development capital requirements and benefits from a low strip ratio, near surface, higher grade zone. A simple mining method will be used with an open pit of 40m depth, using a conventional drill and blast, load and haul mining method. Recent flotation testwork has demonstrated that high grade graphite products, at coarse flake sizes, can be produced using a relatively simple flotation process.

The strategy of staging the project development can provide a low-cost, fast-track path to get the Bunyu Project into production and deliver consistent representative product to the customers. Stage 1 will facilitate product validation and assist in securing long-term offtake agreements to support development of the large-scale Stage 2 project. The Stage 1 development will have the added benefit of de-risking the full-scale Stage 2 project, improving the ability to finance the expansion, reducing the risks of commissioning and production ramp up delays, cost and schedule overruns.

During the September 2022 quarter, the Company commenced a Feasibility Study update for Bunyu, appointing Perth-based GR Engineering Services Limited to undertake updates on capital and operating cost estimates, processing, infrastructure and logistics for the Bunyu Stage 1 study delivered in 2018. Volt will re-examine other study aspects including regulatory requirements, marketing and sales, financial analysis, project risks and opportunities, as well as requirements relating to environmental, social and community impacts and human resources.

We look forward to the outcomes of this update to progress Bunyu as part of our future graphite supply, and position Volt as an integrated supplier of battery anode and other battery products to lithium-ion battery and other battery technologies in the US and Europe.

### ***Offtake Agreements***

While the Company has existing graphite offtake agreements in place for the Bunyu Stage 1 development, predominantly with private Chinese graphite processors, the Company has been requested by financiers to enter into graphite offtake agreements with companies or groups that provide audited financial information in accordance with international reporting standards to assist in the financier's internal credit assessment processes prior to an offer of financing.

As previously announced, the Company has entered into an LOI with Graphex Technologies LLC and continues to negotiate the terms of a definitive offtake agreement. Volt is also in discussions with additional potential customers.

### ***Exploration and Development Activities***

The Company did not undertake any substantive mineral exploration, mine development or mining production activities during the quarter on the Bunyu Graphite Project in Tanzania or the gold projects in Guinea.

### **Board and Management Changes**

During the quarter, Prashant S. Chintawar, who has served as Senior Advisor - Battery Minerals, was promoted to the role of Chief Executive Officer as of 1 January 2023. Prashant joined Volt on 1 September 2022, having led the US industrialisation strategy for a top ten global EV and ESS battery producer, as well as previously serving as Director, Global Business Development & Sales for leading global chemical company BASF.

Since joining Volt, he has quickly displayed a very high level of proficiency in his key objectives. These include the development of the Company's rapidly scaling downstream business, assessment of Battery Anode Material business activities in the US and Europe, organisation structure, development plans, and planning for small scale, and producer level, Battery Anode Material facilities.

While mining and processing of raw materials is the foundation of the Company, Volt anticipates significantly greater future value creation will be derived from the manufacturing of graphite based battery materials within the US and European markets. In line with this view, the promotion of US-based Prashant marks a key milestone in the work we have done in positioning Volt to become a benchmark-setting Company in this industry.

Trevor Matthews transitioned to Executive Director – Finance and Commercial on 1 January 2023 and continues to work closely with the Volt team.

Chief Operating Officer, Justine MacDonald, who joined Volt in 2021 after 22 years in the African mining industry working across resource geology, project management and business improvement, will take on a greater role in the operation and advancement of the Company's graphite mining and mineral processing assets.

## **Corporate**

### ***Capital Raises***

In late October, Volt announced the issue of shares and options to Volt's Chairman, Mr Asimwe Kabunga's holding company, Kabunga Holdings Pty Ltd, to raise \$784,000 for the Company. This followed the 19 October 2022 General Meeting at which shareholders approved the issue of 63,204,546 shares and 8,875,000 options to Mr Asimwe Kabunga.

Subsequently, the Company announced in mid-November a significantly oversubscribed placement raising \$10,000,000 to fast-track Battery Anode Production. Volt received firm commitments from professional and sophisticated investors to subscribe for 555,555,556 fully paid ordinary shares at \$0.018 per share to raise \$10.0 million in a placement.

In parallel with the placement, Volt agreed to issue 555,555,556 listed options to participants in the Placement (being one listed option for every share subscribed for under the Placement) subject to the approval of Volt's shareholders pursuant to Listing Rule 7.1. The listed options to be issued to Placement participants will be in the same class as Volt's existing listed options, having an exercise price of 2.4 cents and an expiry date of 30 June 2025.

Proceeds from the Placement will be utilised to advance Volt's integrated graphite battery materials business plans including:

- Preparation of a feasibility study for a commercial scale LIB active anode material production facility that can be used as a template design for facilities in the US and Europe,
- Continuing production of lithium-ion battery anode, battery product samples for customer testwork and offtake discussions,
- Completion of the update of the Bunyu Stage 1 Feasibility Study focussed on capital and operating costs and approvals,
- Further working capital to assist in stabilising graphite production from the Zavalievsky mine and processing plant and the export of graphite products to customers in Europe,
- Ongoing business development, Bunyu graphite offtakes and Bunyu financing discussions and negotiations, and
- Corporate expenditure and working capital.

### ***Cash Position and Summary of Expenditure Incurred on Activities***

The Company finished the December 2022 quarter with \$5.518 million in cash. In addition, at a general meeting to be held on 30 January 2023, shareholder approval will be sought for Volt's Chairman, Asimwe Kabunga, to subscribe for \$1.0 million, Executive Director, Trevor Matthews, for \$50k and Non Executive Director, Jack Fazio, for \$30k in Volt shares on the same terms as the placement shares issued in the November 2022 capital raising.

The Company spent \$265k on exploration and evaluation activities during the quarter predominantly on tenement management costs in Tanzania and tenement management and environmental approvals in Guinea,.

### ***Related Party Payments***

During the quarter payment to related parties totalled \$471k comprising non-executive director fees and consulting charges, and 10 months of accrued executive director consulting charges of \$317k.

### **Mineral Tenements**

The schedule of the Company's interest in mining tenements as at 31 December 2022 follows.

All tenements within Tanzania are held by Volt Graphite Tanzania Plc, a wholly owned subsidiary of Volt Resources Ltd. Tenements in Guinea are held by two subsidiary companies, KB Gold SARLU and Novo Mines SARLU.

<b>Project</b>	<b>Location</b>	<b>Tenement Number</b>	<b>Change in Holding Status During the Quarter</b>	<b>VRC Beneficial Interest</b>
Zavalievsky Graphite	Ukraine - Zavallya	Special Permit No.430	None	70%
Volt Tanzania Graphite Plc - Bunyu Graphite Project	Tanzania – Masasi District	ML 591/2018	None	100%
	Tanzania – Masasi District	ML 592/2018	None	100%
	Tanzania - Nachingwea, Ruangwa & Masasi Districts	PL 10643/2015	None	100%
	Tanzania - Ruangwa & Masasi Districts	PL 10644/2015	None	100%
	Tanzania - Newala & Masasi Districts	PL 10667/2015	None	100%
	Tanzania - Newala, Ruangwa & Masasi Districts	PL 10668/2015	None	100%
	Tanzania - Ruangwa & Lindi Districts	PL 10717/2015	None	100%
	Tanzania - Masasi District	PL 10788/2016	None	100%
	Tanzania – Masasi District	PL 13207/2018	None	100%
	Tanzania – Masasi District	PL 13208/2018	None	100%

KB Gold SARLU – Kourouss and Mandiana Projects	Guinea - Nzima	EP 22980	None	100%
	Guinea - Monebo	EP 23058	None	100%
	Guinea - Kouroussa	EP 22982	None	100%
	Guinea - Fadougou	EP 22981	None	100%
	Guinea - Kouroussa West	EP 23057	None	100%
Novo Mines SARLU - Konsolon Project	Guinea - Konsolon	EP 22800	None	100%

The Company is not a party to any farm-in or farm-out agreements.

**-ENDS-**

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

**For further information please contact**

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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.

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 291km<sup>2</sup>, located in Serbia and are west and south-west of the Serbian capital, Belgrade<sup>2</sup>.

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

<sup>1</sup> 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.

<sup>2</sup> Refer to Volt’s ASX announcement titled “Strategic European Lithium Acquisition – Jadar North” dated 18 November 2021.

400,000 tonnes of ore to produce on average 23,700tpa of graphite products<sup>3</sup>. 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.

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<sup>3</sup> 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.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

VOLT RESOURCES LIMITED

ABN

28 106 353 253

Quarter ended ("current quarter")

31 December, 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(30)	(30)
(e) administration and corporate costs	(1,313)	(2,142)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(3)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (details below)	-	-
Acquisition legal fees and associated costs	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,346)</b>	<b>(2,176)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(265)	(377)
(e) investments	(1,820)	(2,689)



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,085)</b>	<b>(3,026)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	9,704	11,057
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(547)	(650)
3.5	Proceeds from borrowings	-	203
3.6	Repayment of borrowings	(221)	(248)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>8,936</b>	<b>10,362</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	13	358
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,346)	(2,176)
986	Net cash from / (used in) investing activities (item 2.6 above)	(2,085)	(3,026)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,936	10,362

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,518</b>	<b>5,518</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,518	5,518
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,518</b>	<b>5,518</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	471
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

6.1 Payment of non-executive director fees and consulting charges, and 10 months of accrued executive director consulting charges of \$317k .

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,176)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(337)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,513)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,518
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,518
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>2.20</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2023

Authorised by: The Board of Volt Resources Limited  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.