

Quarterly Activities Report to 31 March 2024

Key Highlights

Volt Progresses with Four Non-Dilutive Funding Programs

- Volt successfully submitted four non-dilutive funding program proposals which have the potential to deliver over A\$150 million to the Company.
- These programs are a part Volt's strategy to build a graphite ecosystem by becoming a global producer and supplier of flake and processed graphite to customers in North America and Europe.
- Due to Chinese export control restrictions on graphite, need for localisation, and anticipated demand vs supply gap, graphite is one of the priority critical minerals for lawmakers.

Volt Identifies Alabama, US Site for Natural Graphite Anode Production Facility

- Volt Energy Materials LLC ("VEM") has identified a suitable 33-acre industrial site in Alabama for locating the planned 10,250 tpa natural graphite anode powder production plant.
- VEM has received a Letter of Support from of the site owner (a local authority) which was included in the US Department of Energy battery anode facility grant proposal.

Bunyu Graphite Concentrate Delivered to Customer for Evaluation

- Volt is negotiating commercial terms with a large customer to enable financing for Bunyu
- 113 tonnes of Bunyu ore were mined in 2023, and a portion of this was recently processed into graphite concentrate for customer product samples.
- The graphite concentrate met requirements specified by the customer.
- This concentrate has now been delivered to the customer for evaluation.

Graphite producer and natural graphite anode developer Volt Resources Limited (**ASX: VRC**) ("**Volt**" or the "**Company**") is pleased to report on the Company's activities for the quarter ending 31 March 2024.

Volt's Managing Director and Chief Executive Officer, Prashant Chintawar, commented:

"During this quarter, significant progress was made in building a strong and diverse non-dilutive funding pipeline for both US and Europe operations. The pipeline includes development and scale-up of differentiated and value added

products such as high purity graphite and natural graphite anode. In light of flake graphite price sluggishness (price for graphite 94-95% C, -100 mesh, cif Europe, is projected to be US\$ 661-793 /t in 2024 and 2025), our ability to produce and sell high purity graphite at over €2,000/t is an advantage for us.

Bunyu graphite concentrate evaluation continues with a customer designated partner and discussion with additional funding partner has been initiated.

Lastly, we are maintaining strict fiscal discipline. The cash consumption during the March 2024 quarter was \$748,000 compared to \$1,357,000 during the December 2023 quarter. The Company ended the March 2024 quarter with \$235,000 in cash, with an additional \$200,000 (Board's participation in the last capital raise) to be received given shareholder approval at the General Meeting held on 12 March 2024”.

Graphite Market

Graphite export controls announced by China in October 2023 have been implemented. A report by S&P Global Mobility has found China's graphite exports continued to fall in the first two months of 2024 after the implementation of the export controls on certain types of graphite:

- Total exports of flake graphite (HS Code: 25041010) stood at 3,236 tonnes in the first two months of 2024, down by 78% from 14,483 tonnes in the same period in 2023, according to data from China's customs.
- Total exports of spherical graphite (HS Code: 25041091) stood at 2,567 tonnes in January and February, down by 65% from 7,240 tonnes in the same period in the previous year.

The drop in graphite exports from China, however, has not changed Benchmark Flake Graphite Price Index.

31 January 2024 – US\$662 / tonne

29 February 2024 – US\$660 / tonne

28 March 2024 – US\$640 / tonne

Despite current and expected price sluggishness in 2024 for flake graphite, price forecast beyond 2025 (Figure 1) is encouraging. Note that coarse graphite is likely to always maintain price premium over fine graphite which positively impacts Bunyu project (46% fine and 54% coarse) economics. Per our 2023 Bunyu Stage 1 Feasibility Study, average fob operating cost is US\$670 per tonne while projected fine graphite price (fob Tanzania) is about US\$700 per tonne and coarse graphite price (fob Tanzania) is about US\$1,200 per tonne in 2027.

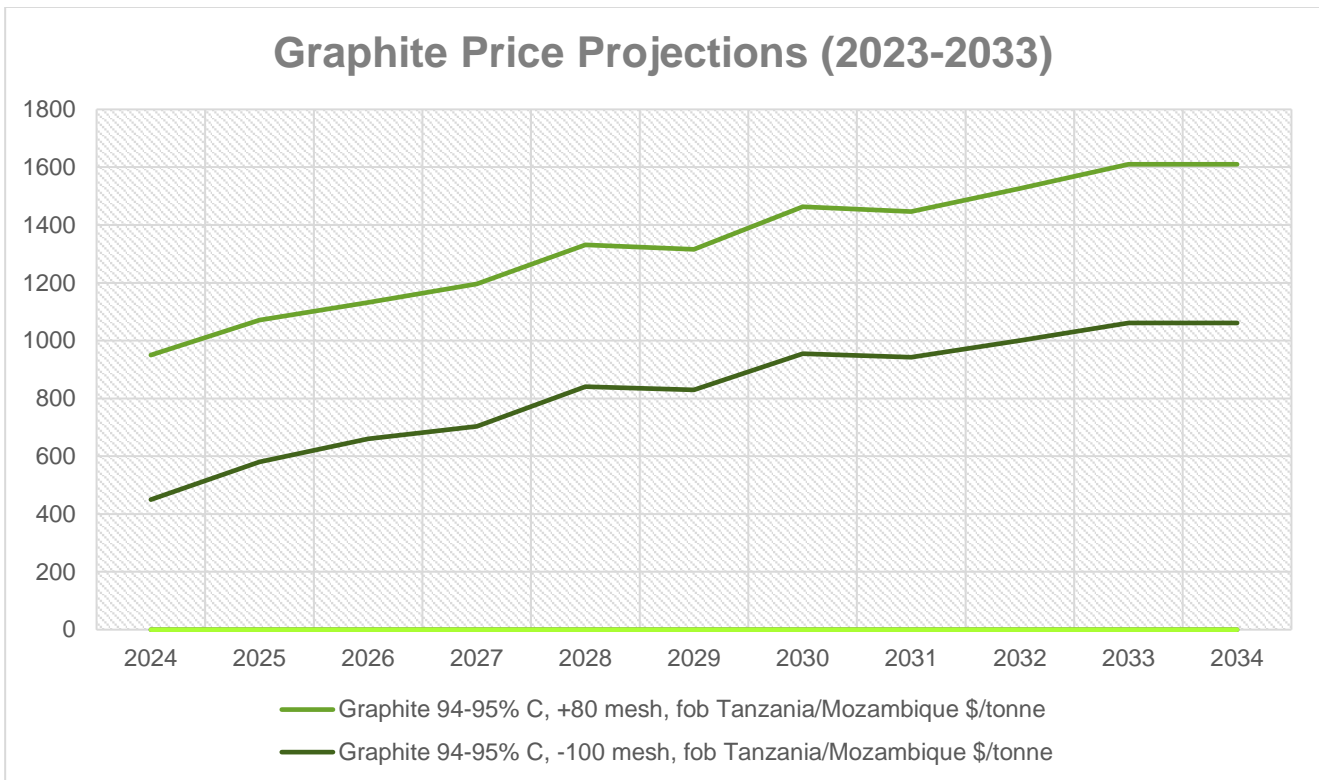


Figure 1: Graphite Price Forecast

Per Fastmarkets,

- Graphite demand in the battery sector will reach 1.2 million tonnes in 2024. Chinese xEV graphite demand will account for 57% of the global total in 2024.
- The most rapid growth in demand will be from the US, India, Japan, and RoW over the forecast period, reflecting slower initial xEV adoption in these markets relative to China, Europe, and South Korea.
- The global battery industry will remain dependent on Chinese anode material supply for the next several years.
- Africa will surpass China to become the major supply region globally in 2034 with 54% of supply. See Figure 2 for projected graphite production from Bunyu and other Tanzania based projects.

On the natural graphite anode front, a new facility recently came on-line in the US. Currently, main graphite anode suppliers to operating battery production plants in the US are Chinese companies.

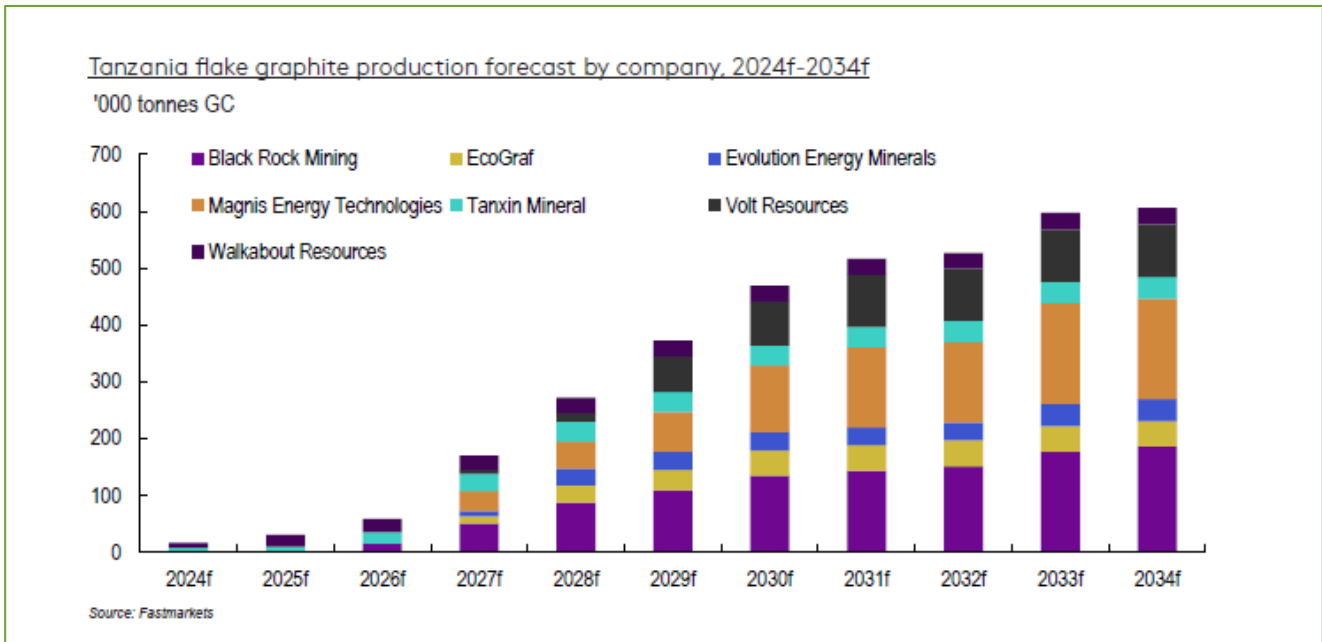


Figure 2: Tanzania Flake Graphite Production Forecast (Fastmarkets)

Downstream - Natural Graphite Anode

Transformation of Volt into an integrated high value graphite products (e.g., coated, spherodized, and purified graphite “CSPG”, purified graphite) producer is a key priority for the Company. As indicated recently (refer to ASX release of 29 April 2024), we can command higher prices for such products. As seen in Figure 3, as one gets deep into downstream business, the price, value creation for Volt, and also complexity of production increases.

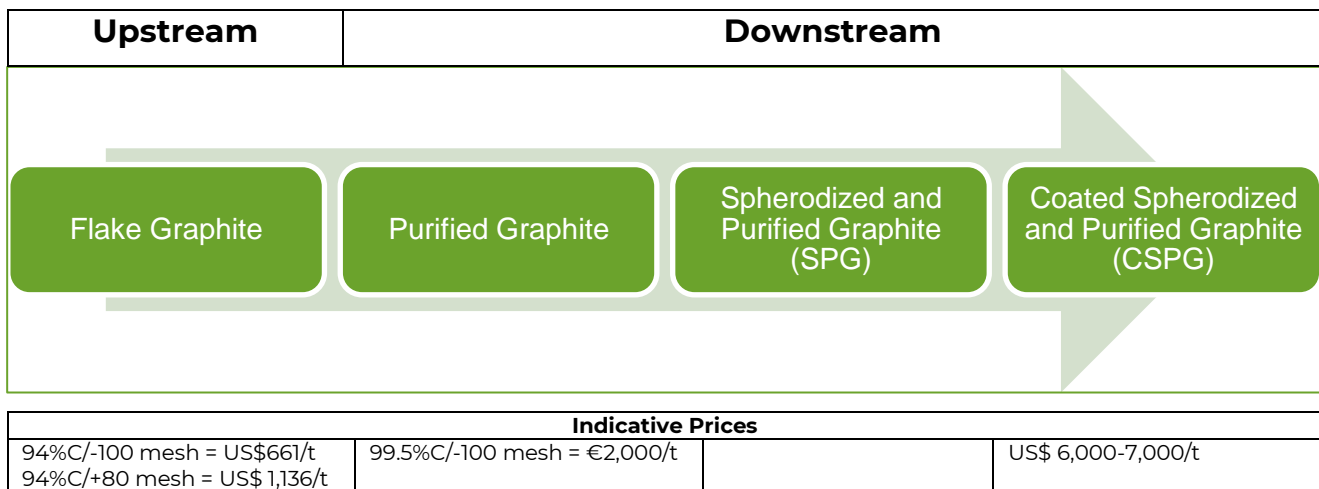


Figure 3: Graphite Processing Steps and Indicative Pricing

Due to the potential to create higher value for Volt and to leverage the current market conditions which have seen legislative and Government support to establish an electric vehicle (“EV”) and battery ecosystem in North America and Europe, the focus for the past quarter has been to build a robust (non-dilutive) funding pipeline to turn our downstream vision into reality. The Company worked collaboratively with battery producers, raw material and equipment suppliers, technology partner, community organisations, academic institutes, economic development authority, and other partners to submit high quality, complex, and multi-party bids for these competitive awards. Our non-dilutive funding pipeline now exceeds A\$150 million and has the potential to dramatically improve and accelerate the growth of the Company

#	Project	Potential Grant	Project Duration
1	Anode powder production in Tuscaloosa, Alabama, US	US\$ 103 million	4 years
2	Graphite processing, US	US\$ 1 million	18 months
4	Graphite processing and associated tasks, Europe	€2.4 million	4 years
3	Graphite processing, US	TBD	2-4 years

The Company also identified a natural graphite anode production plant site (Figure 4) strategically located in Airport Industrial Park, Tuscaloosa, Alabama, USA with access to water system, sanitary sewer system, electrical and transportation infrastructure. It also meets other site requirements (e.g.,

availability of labor, proximity to port, ease of permitting, pro industry local government, potential to secure financial incentives, etc.). This 33-acre site is owned by the Tuscaloosa County Economic Development Authority (TCEDA).



Figure 4: Identified Site for Volt's Natural Graphite Anode Production Plant

Bunyu Graphite Project

In January 2024, graphite concentrate, which meets customer specifications including particle size, particle size distribution, density, moisture, and carbon content, was delivered to the customer. The sample is being evaluated by a customer designated testing partner and the latest update was provided on 23 April 2024.

Furthermore, per customer request, Volt also shared documents on Bunyu feasibility study, cost estimate details, process plant details, implementation schedule, hydrology study, metallurgical test work, TSF report, environmental and social impact statement, etc.

For future engagement, discussions were held with law firms for negotiation of Free Carrey Interest (FCI) agreements with the Tanzanian government and with competent companies for valuation of Bunyu property for compensation purposes. The plan was also developed for building about 96 m² graphite storage facility at the site.

Following Mining Indaba conference in February 2024, there seems to be renewed interest in graphite project financing for African projects. We recently initiated a dialogue with a European financial institution for Bunyu financing.

Zavalievsky Graphite

During this quarter, the ZG team focussed on graphite sales, execution of Horizon research project, continued planning for high purity graphite production, and submission of a funding proposal to European government agency. The mine and processing plant were not in operation.

ZG team also successfully submitted a grant funding proposal seeking €2.4 million. As a part of Horizon research project, ZG team sent various graphite samples to project partners and hosted a workshop for installing the high purity graphite equipment for optimization of the high purification process.

Asena Lithium Projects, Serbia

We have three license applications of 291 km² in area with similar prospective geology and physical proximity - Jadar North (area comprising 98.75 km²), Petlovaca (area comprising 99.65 km²), and Ljig (area comprising 92.31 km²).

Recently, there has been positive coverage about lithium in Serbian media. Rio Tinto's project is adjacent to the North Jadar licence application held by Volt's subsidiary company Asena Investment. The Company believes in the potential value of the lithium licences and continues to monitor the situation in Serbia with respect to the status of our three lithium exploration licence applications.

Other Activities

Exploration and Development Activities

The Company did not undertake any substantive mineral exploration, mine development or mining production activities during the quarter at the Guinea gold projects.

Corporate

Cash Position and Summary of Expenditure Incurred on Exploration Activities

The Company ended the March 2024 quarter with \$235,000 in cash, with an additional \$200,000 (Director's participation in the last capital raise) to be received following shareholder approval at the General Meeting held on 12 March 2024. Volt's operating costs have continued to reduce as highlighted in the Half-year report released on 7 March 2024. Details regarding the use of funds during the March 2024 quarter can be found within the Appendix 5B – Quarterly Cashflow Report attached.

The Company spent \$124,000 on exploration and evaluation activities during the quarter predominantly on the Bunyu asset. A further \$105,000 was invested into Zavalievsky Graphite during the quarter to support its activities.

Business development costs during the quarter totaled \$84,000, where Volt continued to develop its downstream capabilities via its US entity Volt Energy Materials LLC.

Related Party Payments

During the quarter, payments to related parties totaled \$175,000 comprising director fees and consulting charges.

Mineral Tenements

The schedule of the Company's interest in mining tenements on 31 March 2024 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.

Project	Location	Tenement Number	Status change during quarter	Volt's Interest
Zavalievsky Graphite	Ukraine - Zavallya	Special Permit No.430	None	70%
Volt Tanzania Graphite Plc	Tanzania – Lindi Rural District	ML 591/2018	None	100%
Bunyu Graphite Project	Tanzania – Lindi Rural 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 - Ruangwa & Lindi Districts	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. This announcement was authorised for release by the Board of Volt Resources Ltd.

Contacts

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About Volt Resources Limited

Volt Resources Limited (“Volt”) is critical minerals and battery material company listed on the Australian Stock Exchange under the ASX code VRC. We are an established graphite producer and an emerging natural graphite anode (a key component of lithium-ion batteries) manufacturer. Volt has a 70% interest in the Zavalievsky Graphite (ZG) business in Ukraine. The ZG mine and processing facilities have been in operation since 1934 and are near key markets with significant developments in lithium-ion battery production. 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^[1].

Volt acquired three licence applications that are 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, Belgrade^[2].

Volt is progressing the development of its large wholly owned Bunyu Graphite Project in Tanzania. 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 August 2023, Volt reported the completion of the revised Feasibility Study (“FS”) for 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 24,780 tpa of graphite products^[3]. Key objectives of Stage 1 development are to establish Bunyu Graphite Project as a world-class supplier of graphite products, grow Volt’s existing natural flake graphite business, provide cashflow, and establish infrastructure in support of the development of the significantly larger Stage 2 expansion project.

^[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 “Feasibility Study Update for Bunyu Graphite Project Stage 1, Tanzania, delivers significantly improved economics” dated 14 August 2023. 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

Quarter ended ("current quarter")

28 106 353 253

31 March 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	6
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(84)	(361)
	(c) production	-	-
	(d) staff costs	(14)	(49)
	(e) administration and corporate costs	(426)	(1,748)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	29
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (details below)	-	-
	Acquisition legal fees and associated costs	-	-
1.9	Net cash from / (used in) operating activities.	(519)	(2,123)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) exploration & evaluation	(124)	(1,541)
	(e) investments	(105)	(279)
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(229)	(1,820)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,279
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	-	(67)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,212

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	983	2,966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(520)	(2,123)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(229)	(1,820)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,212
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	235	235

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	235	983
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	235	983

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	175
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

6.1 Payment of both executive directors and non-executive director fees as well as consulting charges, \$175k.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	-	
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. <div style="border: 1px solid black; height: 100px; width: 100%;"></div>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(519)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(124)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(643)
8.4	Cash and cash equivalents at quarter end (item 4.6)	235
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	235
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.37
<i>Note: if the entity has reported positive relevant outgoings (i.e., 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: Volt is forecasting to have similar cash flows for the next quarter.		
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?	
Answer: The Company will receive funds from Director share subscriptions of \$200,000 and announced it has entered into a funding agreement for up to \$1 million on 24 April 2024.		
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: The Company has a track record of being able to raise funds via equity or other sources when additional funds have been needed. Volt is also currently progressing with a number of opportunities for non-dilutive funding.		
<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>		
<i>Note: There has been some amendments to Volt's YTD figures, because of changes to accounting treatment)</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 April 2024

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 – e.g. 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.