

## **Quarterly Activities Report to 30 June 2024**

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 30 June 2024.

### **Key Highlights**

#### **Increased Customer Interest in Ultra High-Purity Graphite Product**

- On 17 July 2024, the Company announced that a large established lithium-ion battery (LiB) graphite anode producer expressed interest in the ultra-high purity graphite product. A sample has been sent a sample for their evaluation.
- This is a positive sign for the development of a low capital cost and high margin graphite business, leveraging our experience at producing high purity graphite products.

#### **Volt Secured Funding**

- On 2 July 2024, the Company entered into a funding agreement with three major shareholders for the provision of an aggregate loan of up to A\$500,000.

#### **Volt Started Production Trials of Patent Pending High Purity and High Value precursor Anode Active Material**

- A new chemical purification process was developed to produce a high purity active anode precursor material (pAAM) for use in lithium-ion batteries. The process leverages existing in-house purification process technology
- High value product uses an environmentally friendly process

#### **High Purity Micronized Graphite Shipment Started**

- On 31 May 2024, Company subsidiary, Zavalievsky Graphite, commenced production of high purity micronized graphite for the 40 tonnes customer order received in April 2024 and is targeting completion by July 2024. As of 31 May 2024, about 26 tonnes was produced and shipped to the customer.
- The European Critical Raw Materials Act (CRMA) officially came into force on 23 May 2024 and Volt is ready to support additional customer demand. Volt has one of the few operating graphite mines in Europe and our mine has been in operation since 1934.

## **Zavalievsky Sales and Growth Plan for High Value Purified Graphite**

- On 29 April 2024, Zavalievsky Graphite (“ZG”) received a firm order for 40 tonnes of high purity (99.5%) micronised graphite at a price exceeding €2,700 per tonne. The proceeds from the sale are not going to the Company as ZG revenues are not consolidated into Volt.

## **Volt Secured Funding**

- On 24 April 2024, Volt entered into a funding agreement with RiverFort Global Capital Ltd for the provision of an aggregate loan of up to A\$1,000,000.

## **Volt’s Managing Director and Chief Executive Officer, Prashant Chintawar, commented**

“Creation of a downstream business (with the current focus on the US) and Bunyu graphite project remain our priorities. During this quarter, the Company made progress in the product development & process evaluation of a US patent pending ultra-high purity and high value precursor Anode Active Material. We believe that our low cost (compared to conventional hydrofluoric acid (HF) and thermal purification methods) process provides competitive edge while our target customers in North America and Europe are building China independent supply chain. Such high purity graphite is also used in applications beyond lithium-ion batteries.

The Company also secured two loans and maintained fiscal discipline. The net cash outflows for operating and investing activities during the June 2024 quarter was \$563,000 compared to \$748,000 during the March 2024 quarter. The Company ended the June 2024 quarter with \$85,000 in cash”.

## **Graphite Market**

Benchmark Flake Graphite Price China Index<sup>1</sup> shows gradual improvement in flake graphite prices.

28 March 2024 - US\$ 640/t  
30 April 2024 - US\$ 688/t  
31 May 2024 – US\$ 701/t  
30 June 2024 – US\$ 738/t

## **Downstream Operations**

Due to tangible progress made and emerging customer interest, the Company

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[1]Refer to Benchmark Price Spotlight

plans to industrialize the ultra-high purity product. Furthermore, battery supply chain decoupling from China is showing signs of progress - Panasonic and SK One have signed agreements with North America based graphite anode companies which have partially established industrial production facilities with dozens of workers.

Contingent upon securing the funding, our tentative industrialization plan is as follows:

1. Capacity – 20 ktpa
2. Product – Ultra-high Purity Graphite or Uncoated Spherical Purified Graphite (USPG)
3. Site – Tuscaloosa, Alabama, USA
4. Start of Production – 2027 (contingent upon securing funds)

The US Government continues to provide funding opportunities and implement policies in favor of critical minerals and battery materials. The US Department of Energy released its second round 48C program (which provides up to 30% investment tax credit) solicitation wherein the US Government anticipates allocating approximately US\$6 billion of 48C credits. In response to this solicitation, the Company recently submitted a Concept Paper under the topic “Critical Materials Processing, Refining, and Recycling”. The Concept Paper focus was on the design, construction, and commissioning of a graphite refinery to produce high purity and ultra-high purity graphite products in the US. The Board is confident of winning one or more non-dilutive grant(s) over the next year.

### **Bunyu Graphite Project**

Discussions with Bunyu customer are ongoing with indications of preliminary interest in our new product offering (ultra-high purity graphite)

The August 2023 Feasibility Study was submitted to the Mining Commission and discussions were held with Namangale Village leaders on the ownership of land for constructing a 96 m<sup>2</sup> large building. Contingent upon financing, a storage facility and office will be built at the site.

There was no reportable safety incident during this period.

### **Asena Lithium Projects, Serbia**

Volt acquired the rights to three lithium license applications in Serbia through the acquisition of Asena Investments d.o.o. Beograd-Stari grad (“Asena”). Asena has license applications of 291 km<sup>2</sup> in area with similar prospective geology and physical proximity to Rio Tinto Jadar North (area comprising 98.75 km<sup>2</sup>), Petlovaca (area comprising 99.65 km<sup>2</sup>), and Ljig (area comprising 92.31 km<sup>2</sup>).

At the session held on 11 July 2024, the Serbian Constitutional Court issued Decision IUo-39/2022. The court said in a ruling that Decree on the Termination of

the Decree on Establishing the Spatial Plan of the Special Purpose Area for the Implementation of the Jadarite Mineral Exploration and Processing Project "Jadar" is not in accordance with the Constitution <sup>[1]</sup> and the law. Rio Tinto has welcomed the decision of the Constitutional Court in Serbia, the company said in an emailed statement to Reuters <sup>[2]</sup>.

If completed, the Jadar project would be Europe's biggest lithium mine with a production of 58,000 tonnes of refined battery-grade lithium carbonate per year, enough to power one million electric vehicles and supply 90% of the continent's current lithium needs.

We believe that this is also positive news for other companies which operate in Serbia. Volt is pleased to report that our applications remain in good standing, having been submitted and registered with the Ministry of Mining. The Company believes in the potential value of the lithium licenses and continues to monitor the situation in Serbia with respect to the status of our three lithium exploration license 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.

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[1] Refer to <https://www.mining.com/serbian-court-says-govt-decision-to-revoke-jadar-lithium-project-permit-unconstitutional/>

[2] Refer to <https://riotintoserbia.com/en/communications/press-releases/2024/2024-07-16-Reinstatement-of-the-Decree-on-determination-of-the-Jadar-Project-Spatial-Plan-of-the-Special-Purpose-Area-SPSPA>.

## **Corporate**

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

The Company ended the June 2024 quarter with \$85,000 in cash. 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 June 2024 quarter can be found within the Appendix 5B – Quarterly Cashflow Report attached.

The Company spent \$51,000 on exploration and evaluation activities during the quarter predominantly on the Bunyu asset. A further \$43,000 was invested into Zavalievsky Graphite Group during the quarter to support its activities.

Business development costs during the quarter totaled \$145,000, 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 \$128,000 comprising director fees and consulting charges.

## Mineral Tenements

The schedule of the Company's interest in mining tenements on 30 June 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
Zavalivskiy Graphite Kombinate	Ukraine - Zavallya	Special Permit No.430	None	70%
Volt Graphite Tanzania Plc Bunyu Graphite Project	Tanzania – Lindi Rural District	ML 591/2018	None	100%
	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 12448/2023	None	100%
	Tanzania – Masasi District	PL 11715/2021	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.

In 2021, Volt acquired 70% interest in each of the companies comprising the ZG Group, namely - Zavalievsky Graphite LLC (processing plant buildings, processing plant, mining equipment, power sub-station, and distribution), Stone Found LLC (crushed granite operations), and Graphite Invest LLC (holds a 79% interest in PJC Zavalievsky Graphite Kombinat – mine, land, main administration office building. It is this entity that holds the 636 hectares of freehold land on which the Zavalievsky mine, and other related buildings and facilities are located)<sup>[1]</sup>.

Volt acquired three licence applications that are 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. 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<sup>[3]</sup>. 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.

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

<sup>[3]</sup> 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		30 June 2024
Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	6
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	(145)	(506)
(c) production	-	-
(d) staff costs	(12)	(61)
(e) administration and corporate costs	(312)	(2,060)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	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	-	-
<b>1.9 Net cash from / (used in) operating activities.</b>	<b>(469)</b>	<b>(2,592)</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	(51)	(1,592)
(e) investments	(43)	(322)
(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>(94)</b>	<b>(1,914)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	1,479
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	(9)	(76)
3.5	Proceeds from borrowings	250	250
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(28)	(28)
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>413</b>	<b>1,625</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	235	2,966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(469)	(2,592)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(94)	(1,914)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	413	1,625

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>85</b>	<b>85</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	85	235
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>85</b>	<b>235</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	128
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 both executive directors and non-executive director fees as well as consulting charges, \$128k.

<b>7.</b>	<b>Financing facilities</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>	<b>Total facility amount at quarter end \$A’000</b>	<b>Amount drawn at quarter end \$A’000</b>
7.1	Loan facilities	1,000	250
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		750
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.		

The Company has entered into a funding agreement with RiverFort Global Capital Ltd (RiverFort) for the provision of an aggregate loan of up to A\$1,000,000 (Loan). The loan term is for four months from the Execution Date ("Maturity Date") being 24 April 2024. The loan attracts a 10% fixed coupon paid in cash on the Maturity date. A first ranking general security over all present and after acquired property of the Company. The Principal and Interest shall be repaid in cash on or before the Maturity Date. If the Company elects not to repay any outstanding Principal and/or Interest balances in cash on or before the Maturity Date, Extension Terms shall apply thereafter.

The Company") announced on 2 July 2024 that it has entered into a funding agreement with three major shareholders (Investors) for the provision of an aggregate loan of up to A\$500,000 (Loan). The Investors will advance A\$250,000 to the Company on or soon after the Execution Date. Any amounts drawn and outstanding shall be known as "Principal". Further drawdowns in the aggregate up to the Headline Amount shall be by mutual decision between the Investors and the Company. The loan term is for four months from the Execution Date ("Maturity Date") being 2 July 2024. The loan attracts a 10% fixed coupon paid in cash on the Maturity date. 5% of the Drawdown paid in cash and deducted from gross proceeds. The loans are unsecured. The Principal and Interest shall be repaid in cash on or before the Maturity Date.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(469)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(51)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(520)
8.4	Cash and cash equivalents at quarter end (item 4.6)	85
8.5	Unused finance facilities available at quarter end (item 7.5)	750
8.6	Total available funding (item 8.4 + item 8.5)	835
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>1.61</b>
<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: Yes, 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: Yes. The Company is evaluating funding options for further working capital which may be equity, debt, or a combination of the two and expects to be successful based on the Company's history of sourcing capital.
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: Yes. The Company has a track record of being able to raise funds via equity when additional funds have been needed. Volt is also currently progressing with opportunities around 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>

## 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: 31 July 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.