



VOLT
RESOURCES

**FAST-TRACKING A
GLOBALLY
SIGNIFICANT
GRAPHITE PROJECT**

Investor Presentation

Trevor Matthews | Chief Executive Officer

September 2017

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Competent Person’s Statement

The information in this report that relates to Exploration Targets, Exploration Results is based on information compiled by Mr Matt Bull, a Competent Person who is a member of Australian Institute of Geoscientists. Mr Bull is a Director of Volt Resources. Mr Bull has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Matt Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mark Biggs, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mark Biggs is a Director of ROM Resources Pty Ltd. Mark Biggs has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mark Biggs consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Andrew Law, a Competent Person who is a Fellow and Chartered Professional of the Australian Institute of Mining and Metallurgy. Mr Law is a Director of Optiro. Mr Law has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Mineral Resources and Ore Reserves’. Mr Law consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Investment Highlights

- ▶ **Volt Resources Limited** (ASX:VRC) is a flake graphite exploration and development company focused on fast-tracking the development of its 100% owned world-class Namangale Graphite Project in Tanzania
- ▶ **Prime Location** – Situated in the highly endowed East Africa graphite belt and only 140km by sealed road from the Port of Mtwara
- ▶ **Globally Significant Resource** – The Namangale Project is the largest JORC Mineral Resource in Tanzania with 461Mt at 4.9% Total Graphite Carbon (TGC)
- ▶ **Near-term Production Potential** – Volt is executing a plan to commence production and generate cash-flows late 2018 by expediting a smaller Stage 1 Development to generate 20,000tpa of graphite products with a low development cost estimated at circa US\$30m
- ▶ **Exceptional Product Characteristics** – Good flake distribution and exceptional metallurgy makes Volt's graphite suitable for all high growth graphite markets including expandable, battery anode and graphene
- ▶ **Binding and Indicative commitments for 100% of Stage 1 Capacity** – 5 agreements signed with strategic partners for total indicative and binding commitments for a minimum 36,000tpa of graphite product
- ▶ **Good liquidity relative to market capitalisation** – Capitalised at \$17m Volt has had more than \$40m worth of shares change hands over the last 12 months
- ▶ **Large Shareholder Base and Aligned Board** – Volt has more than 3,310 shareholders with its largest shareholder being Kabunga Holdings Pty Ltd (circa 14.92%), an entity associated with Volt's Chairman, who has extensive in-country experience

Corporate Snapshot



Capital Structure

Shares on Issue	976,784,189
Listed Options	236,314,931
Share Price (31 August 2017)	1.7¢
52 week high / low	9.5¢ / 1.5¢
Undiluted Market Cap (31 August 2017)	\$16.6m

Top Shareholders

	%
Kabunga Holdings Pty Ltd	14.9
Board and Management	2.6
HSBC Custody Nominees	2.0
CS Fourth Nominees	1.3
Citicorp Nominees	1.9
Total	22.9

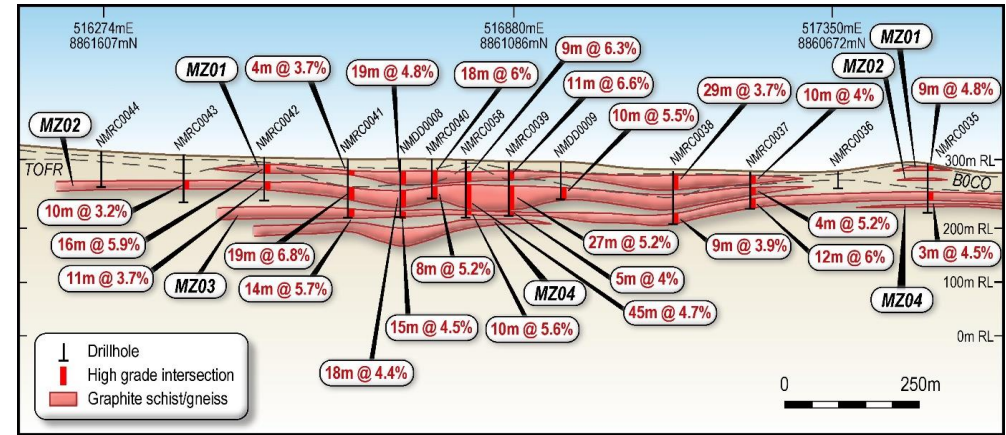
Board and Management

Trevor Matthews	Chief Executive Officer
Asimwe Kabunga	Non-Executive Chairman
Stephen Hunt	Non-Executive Director
Alwyn Vorster	Non-Executive Director
Matt Bull	Non-Executive Director

The Namangale Project

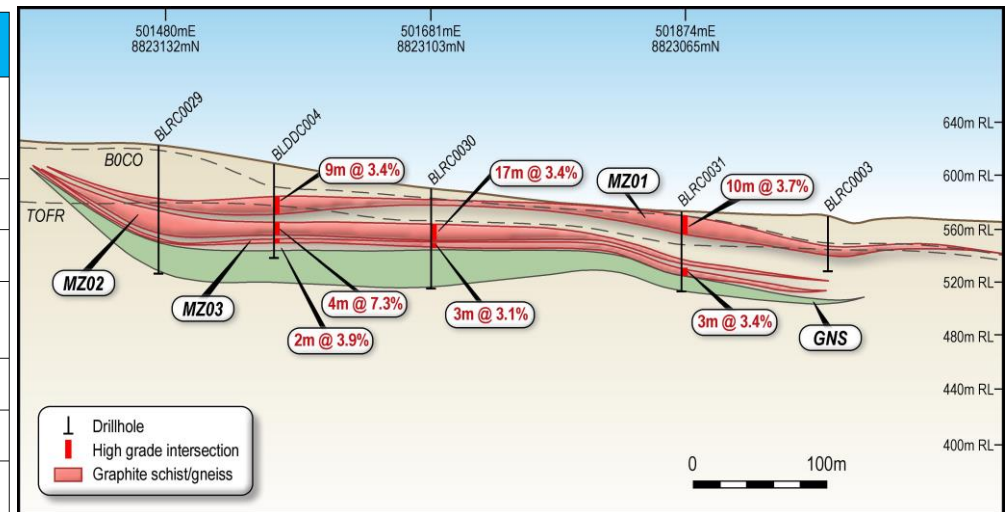
- ▶ 100% owned by Volt
- ▶ Flake distribution skewed towards jumbo, large and medium size
- ▶ Largest ore reserve amongst ASX listed peers of 127 Mt @ 4.4% TGC
- ▶ Largest mineral resource in Tanzania of 461Mt @ 4.9% TGC
- ▶ Huge exploration upside with only 6% of Volt's tenement area having been effectively explored

Cross sections through Nam North and South deposits showing typical mineralised units and general topography



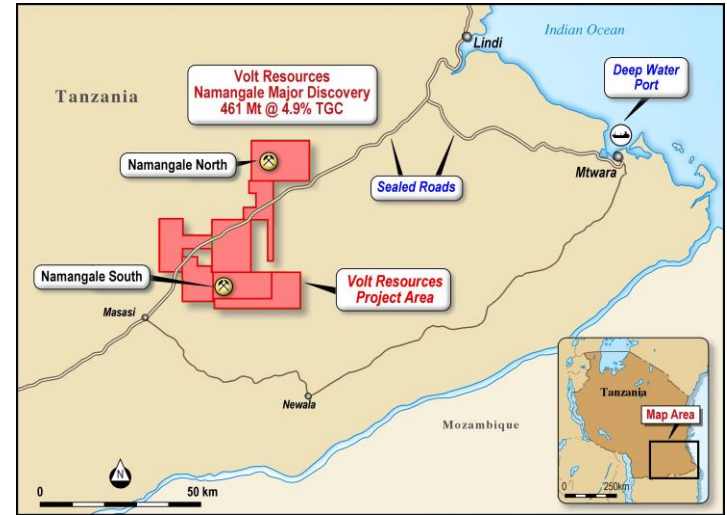
Current tenements

Project	Location	Tenement Number	Status	Beneficial Interest
Tanzania Graphite	Tanzania - Nachingwea, Ruangwa & Masasi Districts	PL 10643	Live	100%
	Tanzania - Ruangwa & Masasi Districts	PL 10644	Live	100%
	Tanzania - Newala & Masasi Districts	PL 10667	Live	100%
	Tanzania - Newala, Ruangwa & Masasi Districts	PL 10668	Live	100%
	Tanzania - Masasi District	PL 10718	Live	100%
	Tanzania - Ruangwa & Lindi Districts	PL 10717	Live	100%
	Tanzania - Masasi District	PL 10788	Live	100%



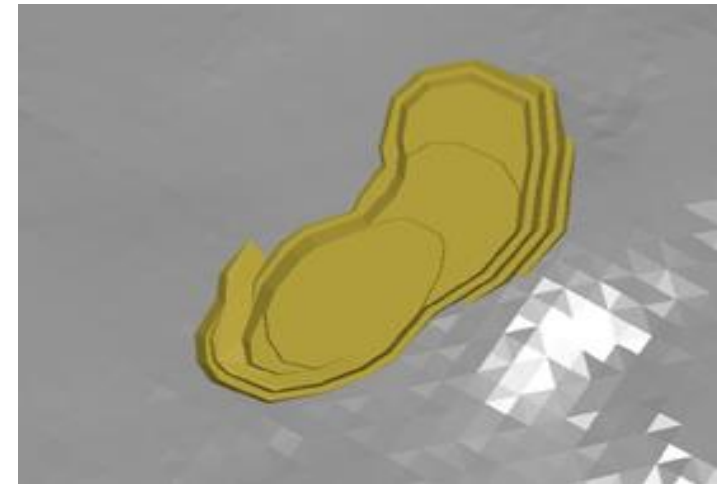
Strategic Location and Excellent Infrastructure

- ▶ Located in south-east Tanzania 140km from Mtwara Port
- ▶ Sealed road from Project to Port
- ▶ Deep water port at Mtwara
- ▶ Port land available for product storage
- ▶ Safe to export concentrate product
- ▶ Situated in highly endowed East African graphite belt
- ▶ Support of local villagers and their leadership

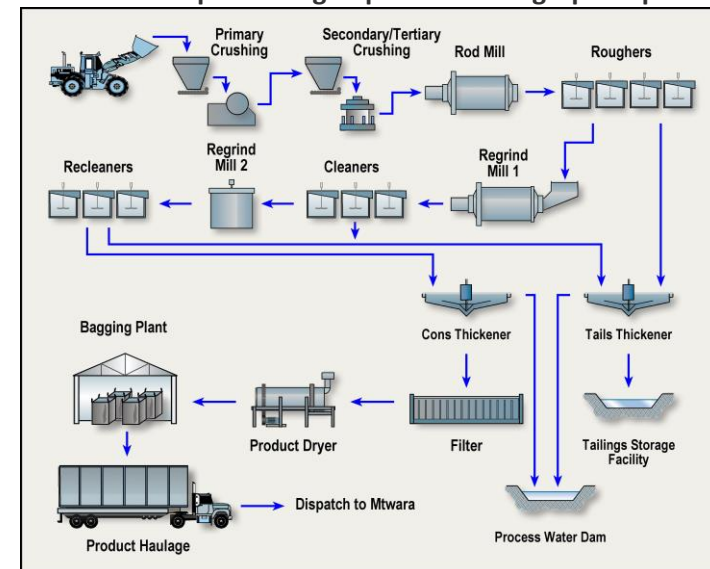


Fast-Tracking Smaller Stage 1 Production

- ▶ **PFS Completed** in December 2016 confirmed robust project economics (refer to Appendix 1)
- ▶ Strategic plan recently implemented to fast-track smaller **Stage 1 Development** and generate cash-flows by 2018 by concentrating on smaller initial development:
 - 20,000tpa of graphite concentrate
 - Low anticipated development capital requirements of US\$30m based on preliminary work
 - Indicative and binding commitments for 100% Stage 1 offtake in place
 - Mine plan based on a higher grading, near surface zone
 - First cash-flows anticipated Q4 2018
 - Low strip ratio
 - Open pit with depth of 100 metres
 - Simple mining using conventional drill and blast, load and haul method
 - Flotation testwork has demonstrated that high grade graphite concentrates, at coarse flake sizes, can be produced using a relatively simple flotation process
 - Initial 5 year LOM with potential to expand to 20+ year LOM via Stage 2 Development
 - Stage 1 DFS to define final scope and project economics



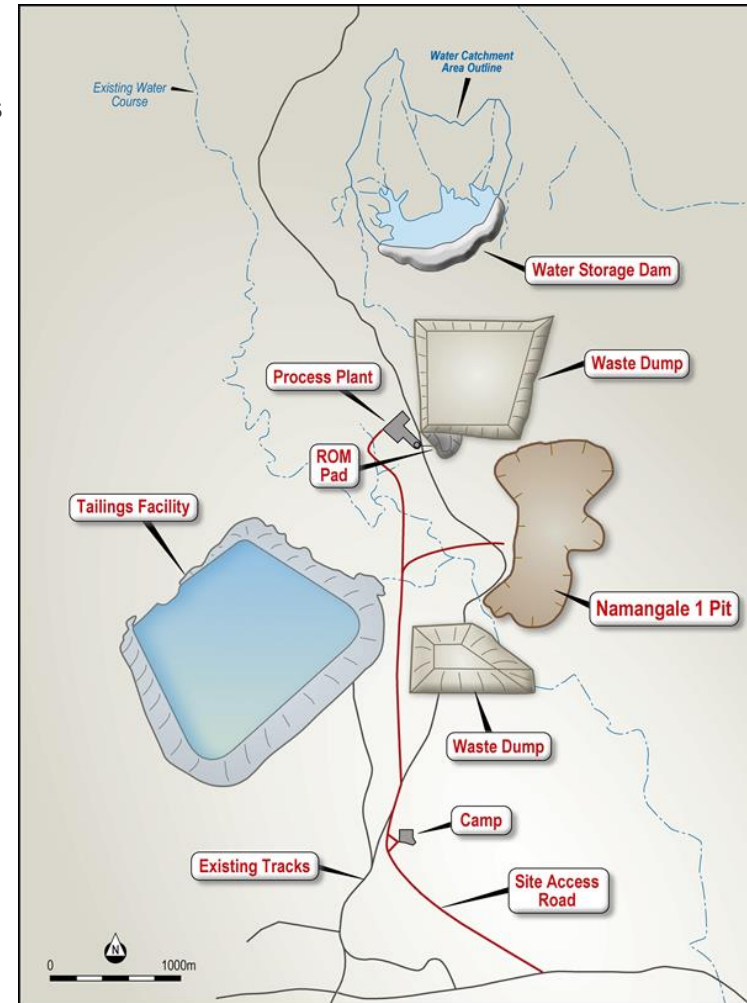
Outline of ore processing to produce final graphite product



Fast-Tracking Smaller Stage 1 Production

- ▶ Expedite Stage 1 DFS by completing:
 - 1,500 metres of infill reverse circulation drilling and 400 metres of wide diameter diamond cord drilling to facilitate further flow sheet refinements
 - Water bore programme to assist in hydrogeological studies
 - Geotechnical study to define Stage 1 pit wall angles
 - Hydrogeological study to assist in providing data for the site's water mass balance and potential pit dewatering requirements
 - Mine plan studies to assist project commissioning and scheduling
 - Further metallurgical testwork to complete processing flow sheet design
- ▶ Finalise Stage 1 development funding
- ▶ Negotiate Stage 1 Engineering, Procurement and Construction contract and other material contracts

Namangale North Project Layout



Considerable Expansion Potential

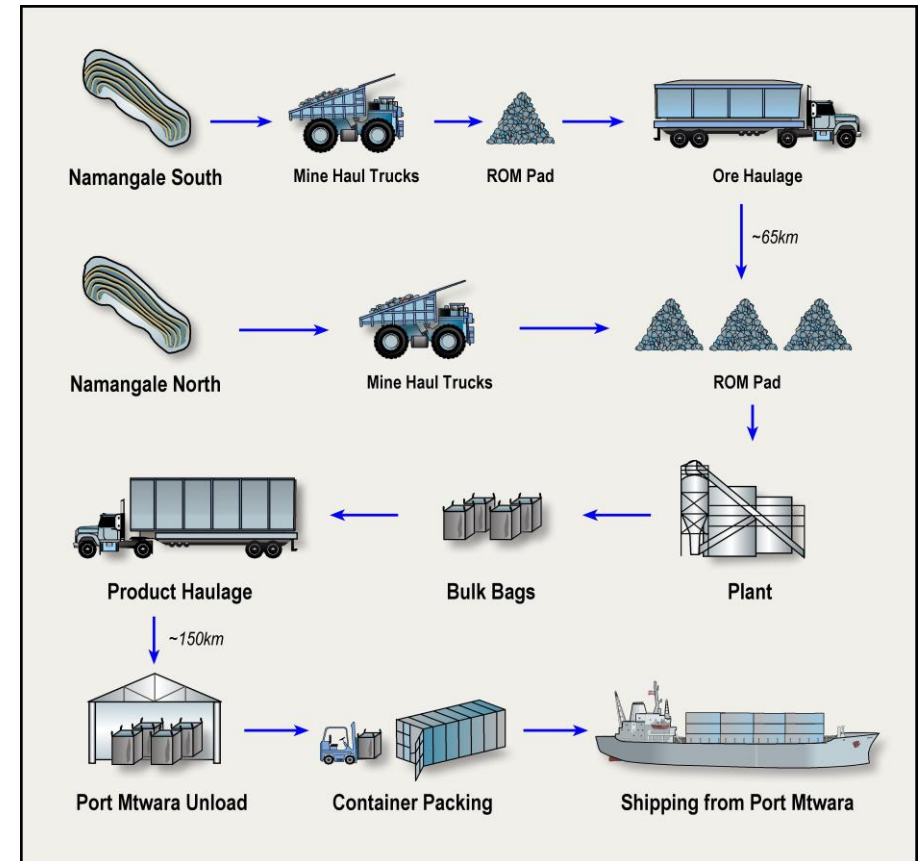
► Stage 2 Development:

- Strategic plan will see capacity expand in tandem with the anticipated increase in global demand for graphite with the enlarged facility planned for completion by 2020
- PFS based on 170,000tpa of graphite products with very strong economics
- PFS economics - 1.4 year payback, post tax NPV of US\$890m, average annual EBITDA US\$195m
- Feasibility Study for expansion to be completed in 2018
- Plan to be commissioned and in production by 2020

► Exploration Upside:

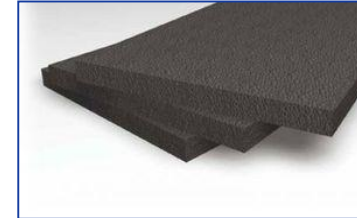
- Only approximately 65km² of Volt's 1,113km² has been effectively explored representing 6% of Volt's tenement area
- Free cash flow generated from Stage 1 Development to be allocated to a comprehensive drill program as part of the expansion of the Namangale Project
- By June 2020, Volt will be one of the top three global suppliers of natural graphite

Outline of ore movement from pit to market



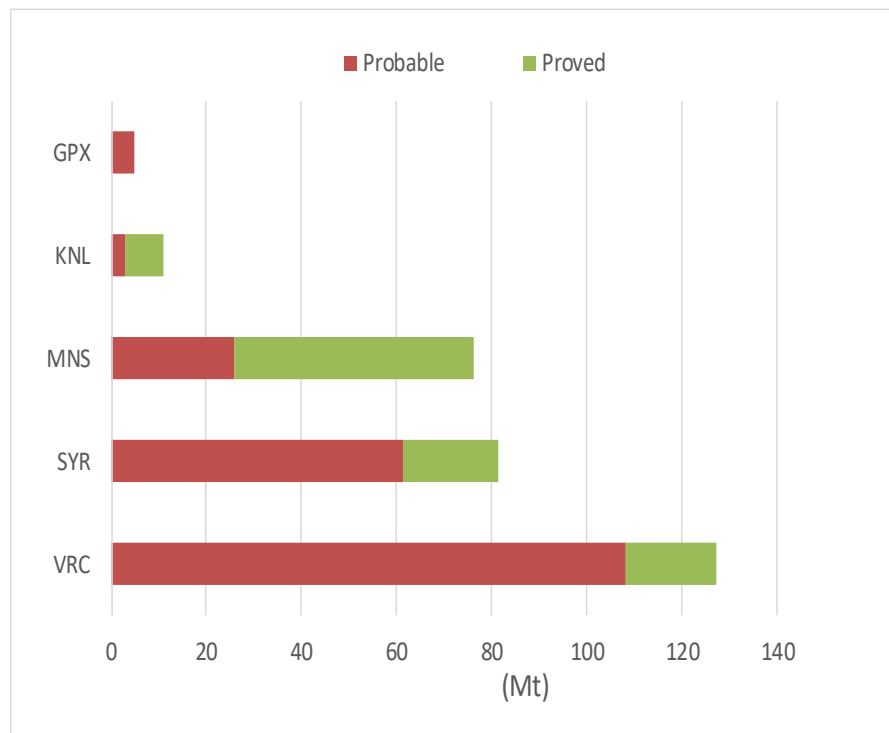
Exceptional Product Characteristics

- ▶ Flake distribution skewed towards jumbo, large and medium flake size making Namangale graphite suitable for expandable, battery anode and graphene application
- ▶ Independent German metallurgical lab has confirmed excellent metallurgy
- ▶ Good product quality with no deleterious elements or quartz veins within graphite flakes
- ▶ Namangale graphite can be readily upgraded to 99.99% TGC which exceeds the general spherical graphite feed requirement of 99.95% TGC purity representing a major step in end-user qualification, specifically, for prospective end-users in the lithium-ion market
- ▶ No calcium carbonate detected which is crucially important for many applications but especially in the refractory industry
- ▶ Excellent expansion results from testwork program. Compared with rival samples from China, the expandability results for Volt's flake are superior
- ▶ Testwork demonstrated that flake graphite from Namangale can produce high quality expandable graphite for multiple downstream applications

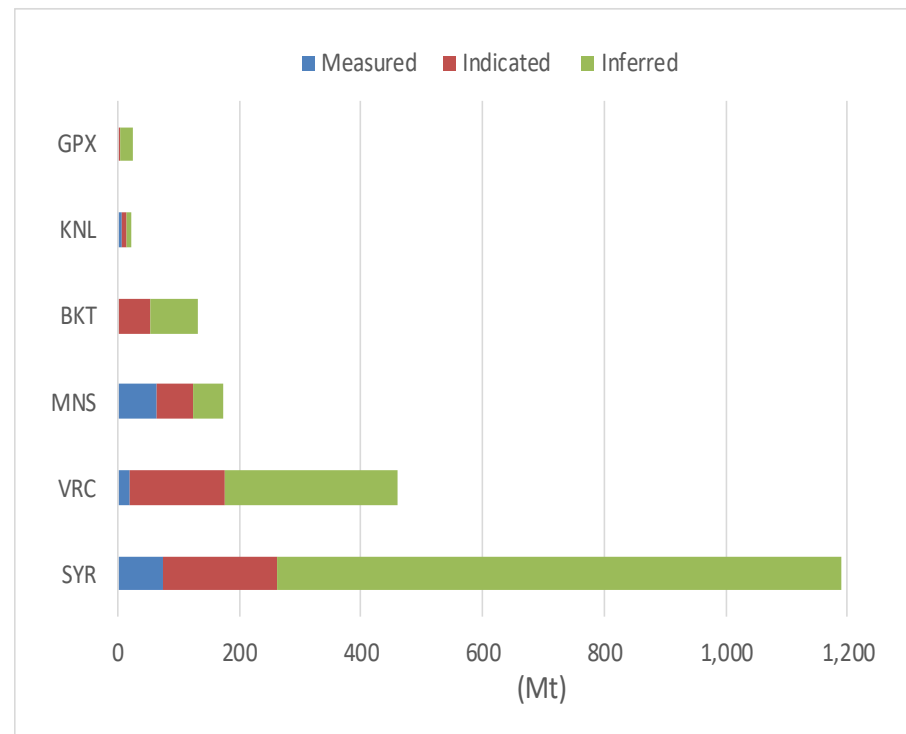


Graphite Peer Comparison

Largest Ore Reserve



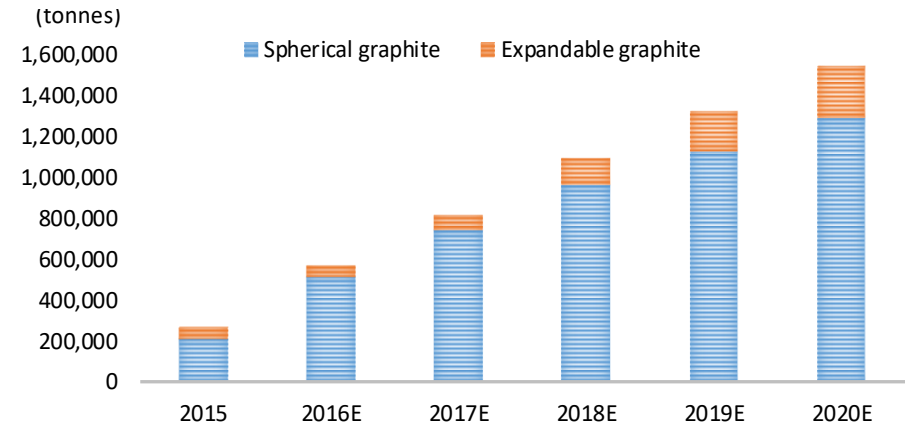
2nd Largest Mineral Resource



Graphite Market 2017 and Beyond

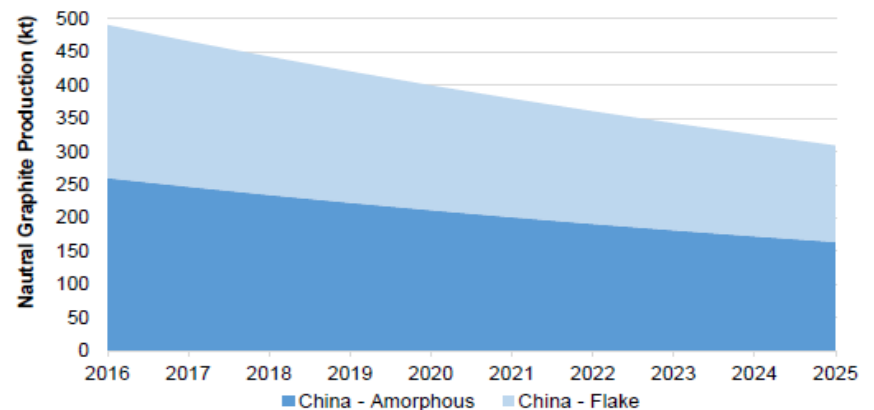
- ▶ **Current indicative prices of US\$700-US\$1,700 per tonne** for Volt's graphite concentrate (average 95% TGC) is forecast to materially increase due to lack of new supply and demand growth in two distinct markets
- ▶ **Strong demand** underpinned by:
 - **Graphite anodes** for use in lithium-ion batteries as governments and corporations mandate use of EV's (e.g. UK and France 100% EV by 2040, Volvo 100% EV or Hybrid by 2019)
 - **Expandable graphite** for use in flame retardant building materials driven by government regulation requiring the use of flame retardant materials in building codes and/or banning brominated and asbestos based fire retardants
- ▶ **Constrained supply** of flake graphite in China due to environmental concerns resulting in mine closures combined with reducing grades, higher costs and declining flake size

Forecast growth in natural flake concentrate demand for spherical and expandable graphite



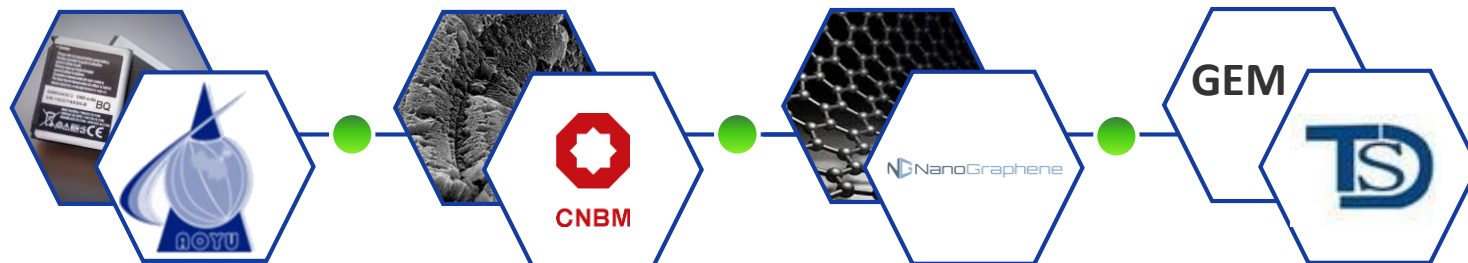
Source: Lithium-ion manufacturers, Industry publications & Volt Resources estimates

Projected China Natural Graphite Production



Source: Industrial Minerals, Canaccord Genuity Estimates

Indicative Commitments for all Stage 1 Capacity



Agreement

One of China's leading graphite groups

China's largest building materials group. Net assets US\$79bn.

Fixed price binding 5 year offtake agreement

Two of China's largest graphite processors and distributors



Product

Battery anode material processing and product offtake

Expandable focused product offtake, construction support and financing

Graphene: flake graphite product offtake

Value add graphite products, mainly expandable graphite



Quantity

10,000-20,000tpa

10,000 -15,000tpa

1,000tpa (average)

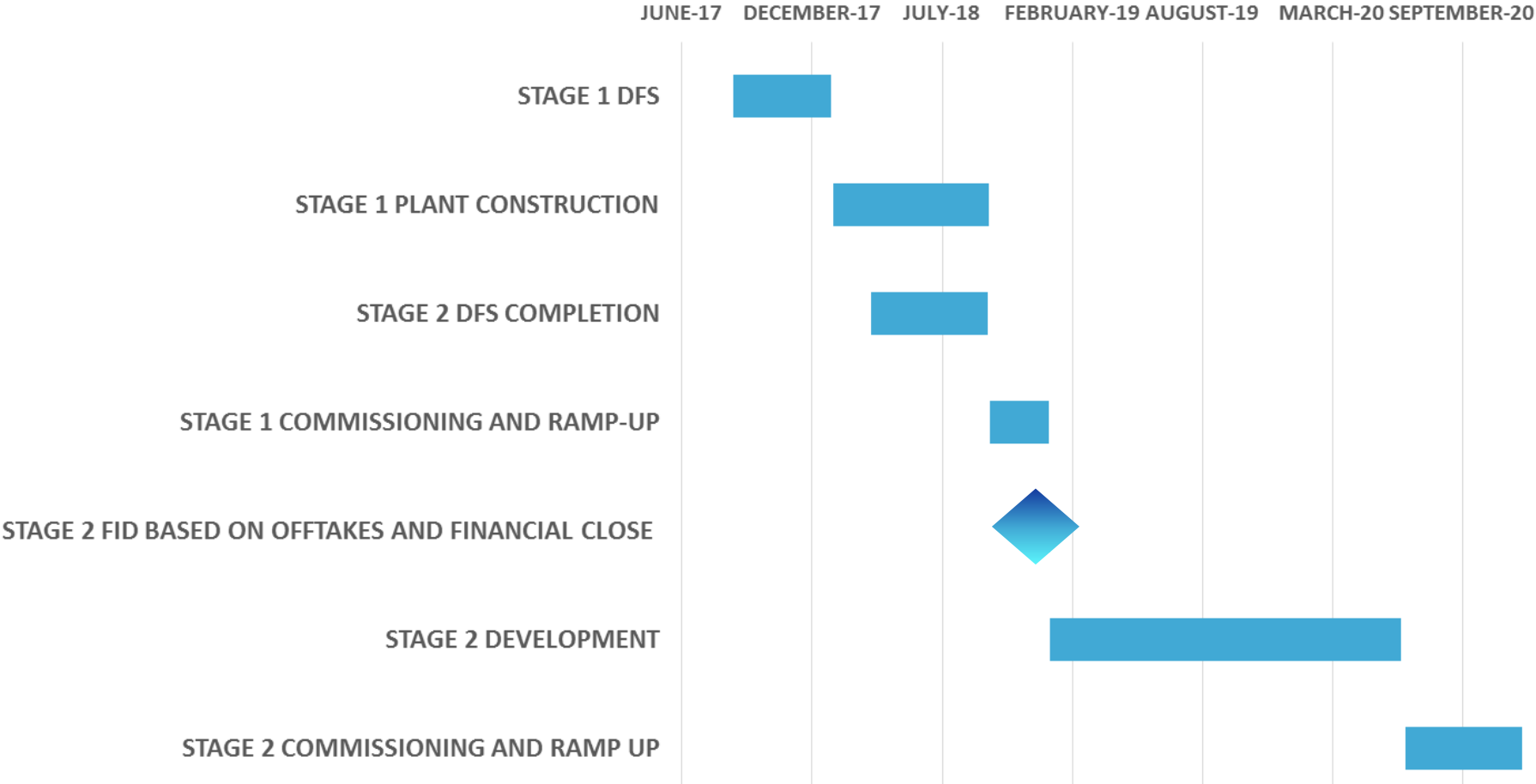
GEM: 5,000tpa
TSD: 10,000tpa

Refer to Volt's ASX announcements titled "Binding Off-take Agreement with US Group" dated 3 March 2017; "Cooperation Agreement with Leading Chinese Graphite Group" dated 22 May 2017; "Cooperation Agreement with CNBM" dated 16 June 2017; "Offtake Agreement with Major Graphite Distributor" dated 23 June 2017; "Offtake Agreement Fills Stage 1 Capacity" dated 17 July 2017.

Tanzanian Legislation Changes are Manageable

Recent Changes	Impact for Volt
Increased non-dilutable free carried interest	16% in Volt's Tanzanian subsidiary
Reporting and compliance provisions	Negligible
Royalty rate of 3%	Nil
Introduction of Beneficiation of minerals, metallic and precious minerals warehouses, concentrate liens and related provisions	Nil
Review and Re-negotiation of Unconscionable Terms Act	Nil

Development Timeline



Why Volt?

- ▶ Largest JORC compliant graphite resource in Tanzania
- ▶ Clear strategy to become a near term graphite producer leading to a globally significant natural flake graphite supplier
- ▶ Potential to be generating cash-flows in 2018 with low CAPEX of US\$30m to produce 20,000tpa of graphite concentrate
- ▶ Indicative and binding commitments for 100% of Stage 1 capacity
- ▶ Scalable project through expansion to 170,000tpa graphite products with excellent economics
- ▶ Located only 140km by sealed road from Port of Mtwara
- ▶ Aligned Board with in-country experience
- ▶ Significant activity and news flow expected

Appendix 1

PFS Demonstrated Project Economics

- ▶ PFS concluded Namangale project is financially attractive to progress – US\$1.3B pre-tax NPV and 1.4 year Payback
- ▶ Average annual EBITDA of US\$195m
- ▶ Based on 3.8Mt ore processed annually @ 4.7% TGC with LOM 1.4:1 strip ratio
- ▶ PFS average graphite production rate is 170,000tpa
- ▶ Good graphite recovery performance at 93% with 95% TGC graphite product

Parameter	Units	Metric
IRR - before tax	(%, real)	86.9%
IRR - after tax	(%, real)	66.5%
NPV @ 10.0% - before tax	(US\$ M, real)	1,310
NPV @ 10.0% - after tax	(US\$ M, real)	890
Payback period	(years)	1.4
Mine life	y	22
Nominal ore feed tonnes	Mt	83.4
Average grade TGC	%	4.7
Oxide ore	%	40
Fresh and transition ore	%	60
Nominal strip ratio	Waste : Ore	1.4
Process throughput	Mt/y	3.8
Recovery	%	93
Concentrate grade TGC (average)	%	95
Average graphite production	Kt/y	170

** Refer to Volt's ASX announcement titled "Pre-feasibility Study Completed" dated 15 December 2016. 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 2 Strategic Location and Excellent Infrastructure

