



ASX ANNOUNCEMENT

By e-lodgement

20 November 2019

ENTITLEMENT OFFER BOOKLET NON-RENOUNCEABLE RIGHTS ISSUE

Tanzanian-focused flake graphite developer **Volt Resources Limited (ASX: VRC) (Volt or the Company)** is pleased provide the attached Entitlement Offer Booklet for the Non-renounceable Rights Issue announced to the ASX on Tuesday 19 November 2019. The Entitlement Offer Booklet and the Entitlement and Acceptance Form will be mailed to Eligible Shareholders next Tuesday 26 November 2019 in accordance with the below Indicative Rights Issue Timetable.

The Company advises a change in the Indicative Timetable with the Ex Date changed to Friday 22 November 2019 and the Record Date for determining Rights changed to 5.00pm (AEDT) Monday 25 November 2019. This change is recorded in the below Indicative Timetable and is included in the attached Entitlement Offer Booklet. There are no further changes to the previously advised Indicative Timetable.

Indicative Rights Issue Timetable

Announcement of the Rights Issue	19 November 2019
Ex date – the date on which Shares commence trading without the entitlement to participate in the Offer	Friday, 22 November 2019
Record Date to determine Rights	5.00pm (AEDT) on Monday 25 November 2019
Offer Document and Entitlement and Acceptance Form dispatched	Tuesday 26 November 2019
Opening date of the Rights Issue	
Closing Date – last date for lodgement of Entitlement and Acceptance Forms and Application Money	5.00pm (AEDT) on Wednesday 11 December 2019
Trading of New Shares commences on a deferred settlement basis	Thursday 12 December 2019
ASX notified of shortfall	Thursday 12 December 2019
Allotment of New Shares	Friday 13 December 2019
Normal trading of New Shares expected to commence on ASX	Monday 16 December 2019
Despatch of holding statements for the New Shares	Monday 16 December 2019

Subject to the Corporations Act and Listing Rules, the Company reserves the right to vary the timetable without prior notice, including by extending the Closing Date, closing the Rights Issue early, accepting late Applications or by withdrawing the Rights Issue. The Company also reserves the right not to proceed with the whole or part of the Rights Issue at any time prior to allotment. In that event, Application Money will be returned without interest

-ENDS-

For and on behalf of Volt Resources Limited

Trevor Matthews
Chief Executive Officer

For further information please contact:

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About Volt Resources Limited

Volt Resources Limited ("Volt") is a graphite exploration and development company listed on the Australian Stock Exchange under the ASX code VRC. Volt is currently focused on the exploration and development of its 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 away.

In 2018, Volt reported the completion of the Feasibility Study ("FS") into the Stage 1 development of the Bunyu Graphite Project. The Stage 1 development is based on a mining and processing plant annual throughput rate of 400,000 tonnes of ore to produce on average 23,700tpa of graphite products¹. 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.

¹ 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.



Volt Resources Limited

ACN 106 353 253

Entitlement Offer Booklet

Non-renounceable Rights Issue

**One (1) New share for every Twelve point Nine (12.9)
shares held**

at an offer price of \$0.01 (1.0 cent) per New Share

The Rights Issue closes at 5.00pm (AEDT) on

Wednesday 11 December 2019

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Offer Booklet is not a prospectus and does not contain all the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares.

You should read this Offer Booklet in its entirety before deciding whether to accept the offer of New Shares. If you do not understand any part of this Offer Booklet or are in doubt as to what you should do, you should consult your stockbroker, accountant, financial or other professional adviser immediately.

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Important information

This document and the accompanying information (**Information**) has been prepared by Volt Resources Limited ACN 106 353 253 (**Company**).

The Offer to which this Information relates complies with the requirements of sections 708AA of the Corporations Act as notionally modified by the ASIC Corporations Instruments 2016/73 and 2016/84. The Information is not a prospectus under the Corporations Act and has not been lodged with ASIC.

The Information relates to a one (1) New share for every twelve point nine (12.9) existing shares held, pro rata non-renounceable Rights Issue to subscribe for New Shares at the Issue Price set out in this Offer Booklet and the Entitlement and Acceptance Form, and as announced to ASX by the Company on Tuesday, 19 November 2019 (**Rights Issue**).

Not investment or financial product advice

The Information is not investment or financial product advice, does not purport to contain all the information that you may require in evaluating a possible acquisition of New Shares in the Company and has been prepared without taking into account the investment objectives, financial situation, tax position and needs of you or any particular investor.

Before deciding whether to apply for New Shares, you should conduct your own independent review, investigation and analysis of the Company and the New Shares in light of your personal circumstances (including financial and taxation issues). You should obtain any professional advice you require to evaluate the merits and risks of an investment in the Company before making any investment decision based on your investment objectives.

Information about the Company

The Information included in this Offer Booklet provides information about the Company's activities current as at Wednesday, 20 November 2019. It is information in a summary form and does not purport to be complete. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements, the Company's annual report for the year ended 30 June 2019 and the Company's other announcements to ASX available at www.asx.com.au or on the Company's website at www.voltresources.com.

Foreign jurisdictions

The information in this Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been

taken to register or qualify this Offer Booklet, the Rights, the New Shares, or otherwise permit a public offering of the New Shares, in any jurisdiction outside of Australia.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Eligible Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Governing law

The Information, the Rights Issue and the contracts formed on receipt of your Application are governed by the law applicable in Western Australia. Each Shareholder who applies for New Shares submits to the jurisdiction of the courts of Western Australia.

Future performance

The Information may contain certain forward-looking statements.

The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors (many of which are beyond the control of the Company) that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should also have regard to **Part D** 'Risk factors'.

Past performance

Past performance information given in this Information is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Financial data

All dollar values are in Australian dollars (A\$).

Disclaimer of representatives

No person is authorised to give any information, or to make any representation, in connection with the Rights Issue that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by the Company or its related bodies corporate in connection with the Rights Issue.

Except as required by law, and only to the extent so required, none of the Company, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Offer Booklet.

Defined terms

Terms used in this Offer Booklet are defined in the glossary on page 27.



Wednesday 20 November 2019

Dear Shareholder,

Volt Resources Limited – Pro-Rata Non-Renounceable Rights Issue

On behalf of the Directors of Volt Resources Limited (**Volt** or the **Company**), I am pleased to offer you the opportunity to participate in the Company's Pro-Rata Non-renounceable Rights Issue (**Rights Issue**). The Rights Issue will be conducted on the basis of 1 fully paid ordinary share in the capital of the Company (**New Share**) for every 12.9 fully paid ordinary shares (**Shares**) in the capital of the Company held to raise \$1,250,962 (**Offer**). The price of New Shares under the Offer is \$0.01 (1.0 cent) each (**Issue Price**).

I will be underwriting the Rights Issue up to an amount of \$600,000, in addition to participating in the Rights Issue.

The Company has been advancing a strategy to develop a graphite mining and processing project to produce flake graphite from the Bunyu Graphite Project (the Project). Based on a two-stage development plan, the aim is for Volt to become one of the three largest natural flake graphite producers in the world. The Stage 1 development is beneficial in establishing local relationships, project development and logistics paths, provide commercial quantities of graphite products for product marketing, better define downstream processing options and will assist the negotiation of offtake contracts for the main Stage 2 development.

Since the strategy was developed, Volt has:

- completed the Stage 1 Feasibility Study based on a 400,000tpa mining and processing operation to produce on average 23,700 tonnes of graphite products annually,
- received its Environmental Impact Certificate and two Mining Licences covering the footprint for the Stage 1 and Stage 2 Expansion developments,
- completed and received approvals for the resettlement compensation plan, and
- entered into two binding offtake agreements and a number of other cooperation agreements and term sheets with potential offtake customers.

Volt's aim is to complete the funding to enable the commencement of construction of the Stage 1 Bunyu Graphite Project. Volt's Tanzanian subsidiary, Volt Graphite Tanzania Plc, is currently seeking approval to issue and list interest bearing notes on the Stock Exchange of Mauritius (SEM)'s Development and Enterprise Market (DEM) in Mauritius, in addition to the issue and listing of interest bearing notes on the Dar es Salaam Stock Exchange (DSE) in Tanzania. The Notes will be used to raise the funds required to construct the Stage 1 mine, plant and infrastructure and bring the Bunyu project into production.

Funds raised from the Rights Issue will be used to continue to progress the Stage 1 project development funding approvals and the fund raising activities following approval, meet Bunyu Project tenement holding costs, fund interest due on the Company's loan facility and for general working capital and corporate purposes.

Eligible Shareholders will also have the right to apply for New Shares in excess of their Entitlement under the Rights Issue (**Oversubscription Facility**). The number of New Shares available under the Oversubscription Facility will be determined by the shortfall arising from Shareholders who do not exercise their rights (**Oversubscription Shares**). Further information regarding the application process for Oversubscription Shares is provided in section 7 of Part B of this Entitlement Offer Booklet.

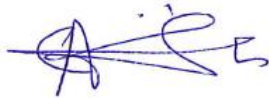
Participation in the Rights Issue is optional and is open to shareholders who were registered as holders of Shares at 5.00pm (AEDT) on Monday, 25 November 2019 and whose registered address is in Australia or New Zealand. New Zealand shareholders must still be a shareholder on the date the offer opens (i.e. Tuesday, 26 November 2019).

The offer to participate in the Rights Issue will open on Tuesday, 26 November 2019 and will remain open until 5.00pm (AEDT) on Wednesday, 11 December 2019.

Full details of the Rights Issue and how to participate are contained in the Terms and Conditions accompanying this document which I encourage you to read and consider carefully.

Thank you for your continued support of the Company.

Yours sincerely,



Asimwe Kabunga
Chairman
Volt Resources Limited

A Rights Issue at a glance

1 Summary of Rights Issue offer

Issue Price per New Share	\$0.01 (1.0 cent)
Rights	One (1) New Share for every Twelve point Nine (12.9) existing Shares held at 5.00pm (AEDT) on the Record Date offered to Eligible Shareholders.
Maximum number of New Shares to be issued under the Rights Issue¹	125,096,172
Amount to be raised	Up to \$1,250,962 (before costs of the Rights Issue)

2 Indicative Timetable

Announcement of the Rights Issue	Tuesday 19 November 2019
Ex-date – the date on which Shares commence trading without the entitlement to participate in the Offer	Friday 22 November 2019
Record Date to determine Rights	5.00pm (AEDT) on Monday 25 November 2019
Offer Document and Entitlement and Acceptance Form dispatched	Tuesday 26 November 2019
Opening date of the Rights Issue	
Closing Date – last date for lodgement of Entitlement and Acceptance Forms and Application Money	5.00pm (AEDT) on Wednesday 11 December 2019
Trading of New Shares commences on a deferred settlement basis	Thursday 12 December 2019
ASX notified of under-subscriptions	Thursday 12 December 2019
Allotment of New Shares	Friday 13 December 2019
Normal trading of New Shares expected to commence on ASX	Monday 16 December 2019
Despatch of holding statements for the New Shares	Monday 16 December 2019

Subject to the Corporations Act and Listing Rules, the Company reserves the right to vary the timetable without prior notice, including by extending the Closing Date, closing the Rights Issue early, accepting late Applications or by withdrawing the Rights Issue. The Company also reserves the right not to proceed with the whole or part of the Rights Issue at any time prior to allotment. In that event, Application Money will be returned without interest. See **section 11** of **Part C** of this Offer Booklet for further details.

¹ This assumes no options or performance rights are converted into Shares prior to the Record Date.

B Details of the Rights Issue

1 Overview

Eligible Shareholders are invited to participate in a pro-rata non-renounceable Rights Issue of 125,096,172 New Shares. The Rights Issue will be conducted on the basis of One (1) New Share for every Twelve point Nine (12.9) existing Shares held at 5.00pm (AEDT) on the Record Date, at an issue price of \$0.01 (1.0 cent) per New Share, payable in full on application.

Your Rights to subscribe for New Shares is shown on your personalised Entitlement and Acceptance Form which accompanies this Offer Booklet.

The Rights Issue is non-renounceable, which means that if you do not accept all or part of your Rights, you will not be able to trade your Rights and they will lapse. If you take up your Entitlement in full, you may also apply for Oversubscription Shares not taken up by other Eligible Shareholders under the Oversubscription Facility.

New Shares will rank equally in all respects with existing Shares.

The Rights Issue is underwritten to the amount of \$600,000 by Kabunga Holdings Pty Ltd, a company controlled by the Chairman Mr Asimwe Kabunga. All directors, including Mr Kabunga and his associates, are ineligible to participate in the Oversubscription Facility without shareholder approval.

The Rights Issue is being undertaken by the Company under section 708AA of the Corporations Act without a prospectus.

You have a number of decisions to make in respect of your Rights. These decisions may materially affect the value (if any) that may be received in respect of your Rights. You should read this Offer Booklet carefully before making any decisions in relation to your Rights.

Further details on the Retail Issue are set out below.

2 Why a Rights Issue?

The Rights Issue is intended to raise approximately \$1,250,962 (before costs of the Rights Issue) and was first announced by the Company on Tuesday, 19 November 2019.

The structure of the Rights Issue is the result of an investigation by the Company into the best available alternatives to meet the Company's ongoing financing needs. This included the consideration of alternative funding structures and counterparties.

In reaching the decision to propose the Rights Issue, the Board had regard to the quantum needed to be raised to meet the Company's objectives, the structure that would best guarantee the delivery of that amount and structure that could be implemented in a timely manner.

The terms of the Rights Issue were in the Board's view superior to any other proposal that the Company was capable of securing within an acceptable timeframe.

3 Use of funds

The Rights Issue is being undertaken to provide the Company with funding to undertake the following:

- (a) continue the progress towards Stage 1 development funding approvals and the fund raising activities that follow;
- (b) maintain the Bunyu Project tenements in good standing including the payment of rents, comply with approval conditions and meet annual expenditure commitments; and
- (c) continue our community engagement and social investment programmes.

In addition, funds will also be applied to Rights Issue related costs, debt servicing costs and general working capital purposes.

The Rights Issue seeks to raise a maximum of up to \$1,250,962 (before costs).

Assuming the maximum amount is raised under the Rights Issue, the following table sets out the Company's proposed use of those funds:

Proposed Use of Proceeds	Approximate Amount
Current payable obligations, working capital and costs of the Offer	\$850,000
To progress approvals of DSE and SEM note listings and Stage 1 development funding raising activities	\$100,000
Fund tenement annual rents and expenditure commitments in Tanzania	\$200,000
Interest payment due in late December 2019	\$100,000
Total	\$1,250,000

To the extent that funds raised under the Rights Issue are less than the maximum amount of \$1,250,962 before casts, the Company proposes to apply those funds in the following order of priority:

- (a) expenses of the Rights Issue and existing creditors;
- (b) the interest payment due on the debt facility;
- (c) tenement annual rents and expenditure commitments; and
- (d) approvals for note issues and Stage 1 development funding activities.

The Company does not seek to raise a minimum amount under the Rights Issue but notes it does have an Underwriting Agreement in place with Kabunga Holdings Pty Ltd for up to \$600,000. If the Rights Issue does not raise the maximum amount the planned expenditure will be re-evaluated. The table and statements above are statements of the Company's current intentions as at the date of this Offer Booklet. However, Shareholders should note that, as with any budget, the allocation of funds may change depending on a number of factors including outcome of development activities, regulatory developments, market and general economic conditions and environmental factors. The Board therefore reserves the right to alter the way the funds are applied.

4 Eligible Shareholders

The Rights Issue is being extended to Eligible Shareholders being Shareholders on the Register as at 5.00pm (AEDT) on the Record Date with a registered address in Australia and New Zealand only.

The Company is not extending the Rights Issue to Ineligible Shareholders having regard to:

- (a) the cost of complying with legal and regulatory requirements outside Australia and New Zealand.
- (b) the number of Ineligible Shareholders; and
- (c) the number and value of New Shares which could be offered to Ineligible Shareholders.

Where the Offer Booklet has been despatched to Ineligible Shareholders, the Offer Booklet is provided for information purposes only.

In limited circumstances the Company may elect to treat as Eligible Shareholders certain Shareholders who would otherwise be Ineligible Shareholders, provided the Company is satisfied that it is not precluded from lawfully issuing New Shares to such Shareholders either unconditionally or after compliance with conditions which the board of Directors, in its sole discretion, regards as acceptable and not unduly onerous.

For further details on Eligible Shareholders, refer to **section 3 of Part E**.

5 Issue Price

The Issue Price is \$0.01 (1.0 cent) for each New Share representing a 23% discount to the closing Share price on the ASX of \$0.013 (1.3 cents) on 18 November 2019 being the last trading day before the date of the Announcement and a 24.5% discount to the 5 day VWAP on the same day.

6 Minimum subscription

There is no minimum subscription under the Rights Issue.

7 Shortfall and Oversubscription Facility

New shares not taken up by Eligible Shareholders will become available as Shortfall under the Oversubscription facility (Oversubscription Facility). Eligible Shareholders who subscribe for their Entitlement in full may apply for additional New Shares under the Oversubscription Facility (Oversubscription Shares).

There is no guarantee regarding the number of Oversubscription Shares (if any) that will be available to Eligible Shareholders under the Oversubscription Facility. This will depend on the extent to which Eligible Shareholders take up their Entitlement. If all rights are taken up under the Rights Issue then there will be no Oversubscription Shares available under the Oversubscription Facility.

In the event that demand for Oversubscription Shares under the Oversubscription Facility exceeds the number of Oversubscription Shares that are available, then there will be a scale back on a pro rata basis.

Decisions regarding the operation of the Oversubscription Facility and any necessary scale back will be made by the Board in its absolute discretion.

The Directors reserve the right, subject to the Listing Rules and the Corporations Act, to place any Oversubscription Shares under the Oversubscription Facility at their discretion within 3 months after the Closing Date, and further reserves the right to engage one or more brokers to act as lead manager(s) to the placement of the Oversubscription Shares. Oversubscription Shares offered pursuant to the Oversubscription Facility will be issued at the same issue price as the New Shares offered to Eligible Shareholders under the Rights Issue.

8 Opening and Closing Date for Applications

The Rights Issue opens for acceptances on Tuesday 26 November 2019 and all Entitlement and Acceptance Forms and payments of Application Money must be received by no later than 5.00pm (AEDT) on Wednesday 11 December 2019, subject to the Directors being able to vary the Closing Date in accordance with the Corporations Act and the Listing Rules.

9 Rounding of Rights

Fractional Rights to New Shares will be rounded up to the nearest whole New Share. Where the Company considers that holdings have been split in order to take advantage of this rounding, the Company reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Rights.

C How to participate

1 Read the Offer Booklet

Read the whole of this Offer Booklet including the Announcement, the Entitlement and Acceptance Form and other information made available

The Rights Issue is not being made under a disclosure document or prospectus. Accordingly, it is important for Shareholders to read and understand the publicly available information on the Company and the Rights Issue prior to accepting their Rights.

2 Consider the Rights Issue in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant, financial or other professional adviser if you have any queries or are uncertain about any aspect of the Rights Issue. In particular, please refer to **Part D** 'Risk factors', which describe some of the key risks in relation to an investment in the Company.

3 What you may do – choices available

The number of New Shares to which Eligible Shareholders are entitled is shown on the Entitlement and Acceptance Form. If you are an Eligible Shareholder you may:

Option	Further information
Take up your Rights in full or in part	Section 4 of Part C
Take up your Rights in full and apply for Oversubscription Shares under the Oversubscription Facility	Section 5 of Part C
Allow some or all of your Rights to lapse	Section 8 of Part C

4 If you wish to accept your Rights in full or in part

Either:

- (a) Complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up in accordance with the instructions on the form. Return your completed form together with the Application Money to the Share Registry at the address set out in **section 7 of Part C**. It must be received by no later than 5.00pm (AEDT) on Wednesday 11 December 2019.

or:

- (b) Make a payment of \$0.01 (1.0 cent) for each New Share you wish to apply for by BPAY® in accordance with the instructions on the Entitlement and Acceptance Form by no later than 5.00pm (AEDT) on Wednesday 11 December 2019. You are not required to return the Entitlement and Acceptance Form if you use BPAY® to pay the Application Money.

5 Applying for Oversubscription Shares under the Oversubscription Facility

Eligible Shareholders who have subscribed for their Entitlement in full may apply for Oversubscription Shares under the Oversubscription Facility by either:

- a) Completing the Entitlement and Acceptance Form for your full Entitlement and insert the Oversubscription Shares you wish to apply for in accordance with the instructions on the form.

Return the completed form in the enclosed reply paid envelope, together with the Application Money to the Share Registry at the address set out in section 7 of Part C. It must be received by no later than 5.00pm (AEDT) on Wednesday 11 December 2019.

OR

- b) Make a payment on the full number of New Shares under your Entitlement plus the number of Oversubscription Shares you wish to apply for, multiplied by \$0.01 per New Share, by BPAY® in accordance with the instructions on the Entitlement and Acceptance Form by no later than 5.00pm (AEDT) on Wednesday 11 December 2019. You are not required to return the Entitlement and Acceptance Form if you use BPAY® to pay the Application Money.

It is possible that there will be few or no Oversubscription Shares available, depending on the level of take up by Eligible Shareholders of their Entitlement. There is therefore no guarantee that in the event that Oversubscription Shares are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

The Directors reserve the right to allocate Oversubscription Shares at their absolute discretion. The Company may issue to an Eligible Shareholder a lesser number of Oversubscription Shares than the number applied for, reject an application for Oversubscription Shares or not proceed with the issuing of all or part of the Oversubscription Shares. If the number of Oversubscription Shares allocated and issued is less than the number applied for, surplus application monies will be refunded without interest.

6 Payment for New Shares

The issue price of \$0.01 (1.0 cent) per New Share is payable in full on application.

All payments are to be made in Australian currency by cheque, bank draft or money order drawn on and payable at any Australian bank or by BPAY®.

Cheques, bank drafts and money orders should be made payable to **"Volt Resources Limited – Share Issue Account"** and crossed "Not Negotiable".

Applicants are asked not to forward cash. Receipts for payments will not be issued.

BPAY® payments should be made in accordance with the instructions on the Entitlement and Acceptance Form using the BPAY® Biller Code and unique Customer Reference Number shown on the form. **You are not required to return the Entitlement and Acceptance Form if you use BPAY® to pay the Application Money.**

If you have multiple holdings you will receive multiple BPAY® reference numbers. To ensure you receive your Entitlement you must use the customer reference number shown on each personalised Entitlement and Acceptance Form.

7 Address details and enquiries

Completed Entitlement and Acceptance Forms (including payment of Application Money) should be forwarded to the Company's Share Registry by mail or couriered to the following addresses:

By hand/courier:

Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009

By mail:

Advanced Share Registry Services
or PO Box 1156
Nedlands WA 6009

For further information on your Rights or what your choices are in relation to it, please contact the Company Secretary on +61 (0)8 9486 7788.

8 If you do not wish to accept all or any part of your Rights

To the extent you do not accept all or part of your Rights, it will lapse. As the Rights Issue is non-renounceable, your Rights are not tradeable on ASX or otherwise transferable or able to be sold.

Shareholders who do not take up their Rights in full will not receive any payment or value for those Rights they do not take up. Shareholders who do not take up their Rights in full will have their proportionate interest in the Company diluted.

9 Consequences of accepting all or part of your Rights

Submitting an Application constitutes a binding offer by you to acquire New Shares on the terms and conditions set out in this Offer Booklet and, once lodged, cannot be withdrawn. The Entitlement and Acceptance Form does not need to be signed to be binding on you.

It is a term of the Rights Issue that if an Application is not completed or submitted correctly it may still be treated as a valid Application for New Shares. The Company's decision whether to treat an Application as valid and how to construe, amend, complete or submit the Application is final. By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Money or making a payment by BPAY®, you:

- (a) confirm that you have received a copy of this Offer Booklet accompanying the Entitlement and Acceptance Form, and read it in its entirety;
- (b) agree to be bound by the terms of this Offer Booklet and the provisions of the Company's constitution;
- (c) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (d) declare that all details and statements made in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare that you are not associated (as that term is defined in sections 12 and 16 of the Corporations Act) with any existing Shareholder of the Company;
- (f) declare that you will not acquire a relevant interest in issued voting shares in the Company that increases your, or someone else's, voting power in the Company either: (i) from 20% or below to more than 20%, or (ii) from a starting point that is above 20% and below 90% to a higher percentage (for the purposes of this clause the terms, 'voting shares', 'voting power' and 'relevant interest' have the meanings given in the Corporations Act);
- (g) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Rights Issue and the Entitlement and Acceptance Form;
- (h) acknowledge that once the Company receives the Entitlement and Acceptance Form or your payment by BPAY®, you may not vary or withdraw it (including if the Underwriting Agreement is terminated) except as allowed by law;
- (i) agree to apply for, and be issued with up to, the number of New Shares that you apply for at the Issue Price of \$0.010 (1.0 cents) per New Share;
- (j) authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (k) declare that you are the current registered holder(s) of the Shares in your name at the Record Date as indicated on the Entitlement and Acceptance Form and are resident in Australia or New Zealand;
- (l) acknowledge that the information contained in this Offer Booklet and the Entitlement and Acceptance Form is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs, and that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (m) acknowledge, represent and warrant that the law of any other place does not prohibit you from being given this Offer Booklet and the Entitlement and Acceptance Form and does not prohibit you from making an application for New Shares;
- (n) acknowledge the statement of risks in **Part D** of this Offer Booklet and that investments in the Company are subject to investment risk;

- (o) acknowledge that none of the Company or any of its respective directors, officers, employees, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital from the Company;
- (p) you agree not to send this Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Rights Issue to any person in the United States or any jurisdiction other than Australia or New Zealand;
- (q) acknowledge, represent and warrant that you are an Eligible Shareholder and have read and understood this Offer Booklet and the Entitlement and Acceptance Form and that you acknowledge the matters, and make the warranties and representations and agreements, contained in this Offer Booklet and the Entitlement and Acceptance Form;
- (r) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Rights Issue and/or of your holding of Shares on the Record Date; and
- (s) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand (or other jurisdictions approved by the Company) and is not in the United States and is not acting on behalf of a person in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Rights Issue to any such person.

10 Lost or misplaced Entitlement and Acceptance Forms

If you have lost or misplaced your Entitlement and Acceptance form, you may access a personalised copy by following the below instructions:

Enter the following web address <https://www.advancedshare.com.au/Investor-Login>

Once logged in Eligible Shareholders should follow the below procedure:

- Simple Login
- HIN/SRN /Company/Postcode
- Document Print
- Corporate Action Form

11 Brokerage and stamp duty

No brokerage fee is payable by Eligible Shareholders who accept their Rights. No stamp duty is payable for subscribing for New Shares under the Rights Issue.

11 Allotment of New Shares and ASX quotation

It is expected that allotment of the New Shares will take place as soon as practicable after the Closing Date. It is expected that the New Shares will be allotted on Friday, 13 December 2019 and that transaction confirmation statements will be dispatched on or before Monday, 16 December 2019. However, if the Closing Date is extended, the date for allotment and posting may also be extended.

No allotment of New Shares will be made until permission is granted for their quotation by ASX.

It is the responsibility of each Applicant applying for New Shares to confirm their holding before trading in those New Shares. Any person who sells New Shares before receiving confirmation of their holding in the form of the confirmation statement will do so at their own risk. The Company and the Share Registry disclaim all liability, whether in negligence or otherwise, to any person who trades in New Shares before receiving their confirmation statement.

Application Money will be held in trust in a subscription account until allotment. Any interest earned on Application Money will be retained by the Company, irrespective of whether allotment takes place.

The Directors may at any time decide to withdraw this Offer Booklet and the offers made under the Rights Issue, in which case the Company will return all Application Money (without interest) as soon as practicable.

D Risk factors

Prior to deciding whether to apply for New Shares under the Rights Issue, Eligible Shareholders should read this Offer Booklet in its entirety and review all announcements made to the ASX in order to gain an understanding of the Company, its activities, operations, financial position and prospects. The risks included in this section are specific to the Company and its operations and are not exhaustive.

As the risks described in this section may impact upon the Company's future performance, the Company and its Directors have taken steps to safeguard the Company from, and to mitigate the Company's exposure, to these risks.

Risk Related To The Graphite Market and the Volt Group's Activities

General Economic and Political Risks

Changes in the general economic and political climate in the jurisdictions in which the Volt Group and its assets are located, or on a global basis that could impact on economic growth, the graphite price, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any mining activity that may be conducted by the Volt Group.

Title Risk

All licenses are subject to compliance with certain requirements, including but not limited to meeting the minimum exploration work commitments, lodgement of reports, payment of royalties and compliance with environmental conditions and environmental legislation. Consequently, the Volt Group could lose title to or its interest in any of the licenses to any of its assets if these requirements are not met.

Risks of Foreign Operations

The Volt Group operates in areas that may be considered politically unstable and is subject to the laws of foreign jurisdictions. The Volt Group's operations and related assets are located in Tanzania, ranking in the lowest quartile of both the Human Development Index (World Bank) and the Ease of Doing Business Index (World Bank), may be considered to be politically and/or economically unstable. Risks exist in terms of the relevant governmental approval for the various activities which mining licenses require and the timetable associated with obtaining such approvals.

Volt is subject to extensive laws and regulations governing prices, taxes, royalties, production, transport, pollution control, export of graphite and many other aspects of its business in its country of operations. There can be no assurance that the actions of present or future national governments will not materially and adversely affect the business, financial condition or results of operations of the Volt Group.

Through its operations in foreign jurisdictions, the Volt Group may become subject to economic and political risks, such as:

- the renegotiation, cancellation or forced modification of existing contracts and product sharing agreements;
- expropriation or nationalization of property;
- changes in laws or policies or increasing legal and regulatory requirements, including those relating to tax, royalties, imports, exports, duties, currency or other claims by government entities (including retroactive claims or changes in administration of laws, policies and practices);
- uncertain political and economic environments, war, terrorism, sabotage and civil disturbances;
- delays or inability to obtain or maintain necessary government permits or to operate in accordance with such permits or regulatory requirements; and
- currency fluctuations.

Exploration, development or production activities in Tanzania may require protracted negotiations with host governments and third parties and there is no guarantee that results of these negotiations will be favourable.

In addition, if a dispute arises with regards to any of Volt's operations, Volt will be subject to the exclusive jurisdiction of the courts of Tanzania. Tanzania's legal system, developing since independence in 1961, is relatively emergent compared to for instance the 800 year old UK legal system, therefore Volt may have difficulty in obtaining effective legal redress in the national courts. These risks may limit or disrupt Volt operations, restrict the movement of funds, or result in the deprivation of contract rights or the taking

of property by nationalization or expropriation without fair compensation and may materially adversely affect Volt's financial position and results of operations. Volt operates in a region that may be subject to a higher degree of political, social and economic risks than more developed regions.

The occurrence of these several factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company. The Company has made its investment and strategic decisions based on the information currently available to its directors, however should there be any material change in the political, economic, legal and social environments in Tanzania, the directors may re-assess investment decisions and commitments to assets in the country.

Regulatory

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

The Tanzanian government exercises significant influence over Tanzania's mining industry

In Tanzania, the state retains ownership of the minerals and consequently retains control of the exploration and production of mineral resources. Accordingly, these operations may be materially affected by the government through royalty payments, export taxes and regulations, surcharges, value added taxes, production bonuses and other charges.

The Company has operated in Tanzania for a number of years and management believes the Company has reasonably good relations with the current Tanzanian government. However, there can be no assurance that present or future administrations or governmental regulations in Tanzania will not materially adversely affect the operations or future cash flows of the Company.

Risks Associated with Changes in Legislation

Changes to mineral exploration or investment policies and legislation or a shift in political attitude within the jurisdiction in which the Volt operates may adversely affect the Volt's proposed operations and profitability. Government action or policy change in relation to access to lands and infrastructure, compliance with environmental regulations, export restrictions, taxation, royalties and subsidies may adversely affect Volt's operations and financial performance. Volt is governed by a series of national laws and regulations. Breaches or non-compliance with these laws and regulations can result in penalties and other liabilities. These may have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price of the Company.

These laws and regulations may be amended from time to time, which may also have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price for the Company. The legal and political conditions in Tanzania and any changes thereto are outside the control of Volt.

The introduction of new legislation or amendments to existing legislation by the national government, developments in existing common law, or the interpretation of the legal requirements which govern Volt's operations or contractual obligations, could adversely affect the assets, operations and, ultimately, the financial performance of the Company and the value of its securities. In addition, there is a commercial risk that legal action may be taken against or by Volt in relation to commercial matters.

The evolution and interpretation of Tanzanian legislation is uncertain and may impose restrictions on Volt

Volt's business is subject to various levels of government controls and regulations which are revised from time to time. The Company is unable to predict what legislation may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes could require increased capital and operating expenditures and could prevent or delay certain operations by Volt. To the extent Volt is unable to comply with any such legislation, whether in the future or past, the Company may be unable to continue to successfully operate.

The 'Natural Wealth Resources' Regulations

The introduction of new legislation such as the introduction in Tanzania of the Natural Wealth and Resources (Permanent Sovereignty) Act, 2017 and the Natural Wealth and Resources (Review and Renegotiation of Unconscionable Terms), 2017 which govern the Company's operations or contractual

obligations, may adversely affect the assets, operations and, ultimately the financial performance of the Company and the value of its securities.

Risks Related to the Issuer

General Operational Risks

Developing mineral resources inherently involves a high degree of risk. The business of Volt is subject to all of the operating risks normally associated with the exploration for, and the production, storage, transportation and marketing of graphite. These risks include explosions, fire, migration of harmful substances and waste production spills, any of which could cause personal injury, result in damage to, or destruction of, production facilities and other property, equipment and the environment, as well as interrupt operations. In addition, Volt will be subject to the risks normally incident to the construction of graphite mines and the operation and development of graphite properties, including encountering unexpected mining conditions, premature declines of resources, equipment failures and other accidents, adverse weather conditions, pollution and other environmental risks.

Ore Reserves and Mineral Resources Risks

Uncertainties in Estimating Reserves and Future Net Cash Flows

Ore reserve and mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates may change. This may result in alterations to development and production plans which may in turn, adversely affect the operations of Volt.

There are numerous uncertainties inherent in estimating quantities of proved and probable reserves and cash flows to be derived therefrom, including many factors beyond the control of the Company. These evaluations include a number of assumptions relating to factors such as initial production rates, ultimate recovery of reserves, timing and amount of capital expenditures, marketability of production, graphite price differentials to forecasts, operating costs, transportation costs, cost recovery provisions and royalties, governmental “back-in” methodology and other government levies that may be imposed over the producing life of the reserves.

Estimates of the economically recoverable graphite reserves attributable to the project properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves may vary from actual results, and those variations could be material. The process of estimating reserves requires interpretations and judgments on the part of mining engineers, resulting in imprecise determinations, particularly with respect to new discoveries. Different engineers may make different estimates of reserve quantities and revenues attributable thereto based on the same data.

The reserve evaluation is based in part on the assumed success of activities Volt intends to undertake in future years. The reserves and estimated cash flows to be derived therefrom and contained in the reserve evaluation will be reduced to the extent that such activities do not achieve the level of success assumed in the reserve evaluation. The reserve evaluation is effective as of a specific effective date and, except as may be specifically stated, has not been updated and therefore does not reflect changes in the reserves of Volt since that date.

The estimation of proved reserves that may be developed and produced in the future are often based upon probabilistic calculations and upon analogy to similar types of reserves rather than upon actual production history. Estimates based on these methods generally are less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history may result in variation or revisions in the estimates reserves, and any such variations or revisions could be material. Market driven fluctuations of commodity prices may render the recovery of certain reserves uneconomic.

Risk of Inability to Maintain or Replace Reserve Levels

Volt's ore reserves and production and, therefore, its cash flows and earnings are highly dependent upon Volt developing and increasing its current reserve base and discovering or acquiring additional reserves or resources. Without the addition of reserves through exploration, acquisition or development activities, the Volt Group's reserves and production will decline over time as they are depleted. To the extent that

cash flow from operations is insufficient and external sources of capital become limited or unavailable, the ability of Volt to make the necessary capital investments to maintain and expand its graphite reserves will be impaired. There can be no assurance that Volt will be able to find and develop or acquire additional reserves to replace production at commercially feasible costs.

Environmental Risk

Risks Relating to Environmental and Other Regulations

Extensive environmental laws and regulations will affect Volt operations. These laws and regulations set various standards regulating certain aspects of health and environmental quality, provide for penalties and other liabilities for the violation of such standards and establish in certain circumstances obligations to remediate current and former facilities and locations where operations are or were conducted. In addition, special provisions may be appropriate or required in environmentally sensitive areas of operation. There can be no assurance that Volt will not incur substantial financial obligations relating to environmental compliance. Significant liability could be imposed on Volt for damages, clean-up costs or penalties in the event of certain discharges into the environment or non-compliance with environmental laws or regulations. Such liability could have a material adverse effect on Volt. Moreover, Volt cannot predict what environmental legislation or regulations will be enacted in the future or how existing or future laws or regulations will be administered or enforced. Compliance with more stringent laws or regulations, or more vigorous enforcement policies of any regulatory authority, could in the future require material expenditures by Volt for the installation and operation of systems and equipment for remedial measures, any or all of which may have a material adverse effect on Volt.

While management believes that Volt is currently in compliance with environmental laws and regulations applicable to its operations in Tanzania, no assurances can be given that it will be able to continue to comply with such environmental laws and regulations without incurring substantial costs.

Volt's planned operations are subject to extensive governmental legislation and regulation and increased public awareness concerning environmental protection. The introduction of more stringent regulations and conditions may also adversely affect Volt.

The Company expects that the cost of complying with environmental legislation and regulations will increase in the future. Compliance with existing environmental legislation and regulations has not had a material effect on capital expenditures, earnings or competitive position of Volt to date. Although management believes that Volt's operations and facilities are in compliance with such laws and regulations in all material respects, future changes in these laws, regulations or interpretations thereof or the nature of its operations may require Volt to make significant additional capital expenditures to ensure compliance the future.

Personnel Risks

Reliance on Key Personnel

The Company is highly dependent upon its executive officers and key personnel (including contractors). The unexpected loss of the services of any of these individuals could have a detrimental effect on the Company. There is no guarantee that the Company will retain members of its management team, and if the Company were to lose a member of its management team unexpectedly, its business, prospects, financial condition and results of operations may be adversely affected.

Volt may not be able to attract and retain qualified personnel

Volt may have difficulty attracting and retaining qualified local personnel to work on its projects due to shortages of qualified, experienced workers and competition for their services. It may also be difficult to attract, employ and retain qualified expatriate workers as a result of legal restrictions, socio-economic issues and security concerns in the jurisdictions in which the Company operates. In the event of a labour shortage, Volt could be forced to increase wages in order to attract and retain employees, which may result in higher operating costs and reduced profitability. A failure by Volt to attract and retain a sufficient number of qualified workers could have a material adverse effect.

Competition Risks

Competition from other mining companies

The graphite industry is competitive in all its phases. The Company competes with numerous other organizations in the search for, and the acquisition of, graphite properties and in the marketing of graphite products.

The Company's competitors include graphite companies that have substantially greater financial resources, staff and facilities than those of the Company. The Company's ability to increase its reserves in the future will depend on its ability to explore and develop its present properties. Competitive factors in the distribution and marketing of graphite include product quality, graphite flake size, price and methods and reliability of delivery and storage.

Increased competition in Tanzania may pose a threat to the Company's ability to market its products

There has been an increase in exploration activity in Tanzania, which has yielded significant discoveries of graphite that could, when developed, lead to increased competition for graphite markets and lower graphite prices in the future. In addition, various factors, including the effect of foreign regulation of production and transportation, general economic conditions, changes in supply due to mining by other producers and changes in demand may adversely affect the Company's ability to market its graphite production.

The Company may be affected by the inability to respond to changing technical development

The mineral resource industry is characterized by rapid and significant technological advancements and introductions of new products and services utilizing new technologies. Other companies may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before the Company. There can be no assurance that the Company will be able to respond to such competitive pressures and implement such technologies on a timely basis or at an acceptable cost. One or more of the technologies currently utilized by the Company or implemented in the future may become obsolete. If the Company is unable to utilize the most advanced commercially available technology, its business, financial condition and results of operations could also be adversely affected in a material way.

Insurance

Insurance against all risks associated with graphite development and production is not always available or justifiable on a cost-benefit basis. The Company will maintain insurance where it is considered appropriate for its needs, however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Risks relating to Corruption and Bribery

Corruption remains an issue in Tanzania. Tanzania ranks 116 out of 176 on the 2016 Transparency International Corruption Index, and 132 out of 190 on the World Bank's 2016 Ease of Doing Business Index.

Having assessed the Company's exposure to corruption in Tanzania, it was concluded that the risk of the Company and/or its subsidiaries violating applicable laws prohibiting corrupt activities are mitigated or unlikely given the Company's controls relating to such risks and their effective operation. There can be no assurance, however that corruption may not directly or indirectly affect or otherwise impair the Company's ability to operate in Tanzania and effectively pursue its business plan in either country.

Information Technology Systems and Cyber-Security

The Company has become increasingly dependent upon the availability, capacity, reliability and security of our information technology infrastructure and our ability to expand and continually update this infrastructure, to conduct daily operations. The Company depends on various information technology systems to store and collate geological information, estimate resource and reserve quantities, process and record financial data, manage our land base, administer our contracts with our service providers and lessees and communicate with employees. Further, the Company is subject to a variety of information technology and system risks as a part of its normal course of operations, including potential breakdown,

invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to our business activities or our competitive position. Further, disruption of critical information technology services, or breaches of information security, could have a negative effect on our performance and earnings, as well as on our reputation. The Company applies technical and process controls in line with industry-accepted standards to protect our information assets and systems; however, these controls may not adequately prevent cyber-security breaches. The significance of any such event is difficult to quantify, but may in certain circumstances be material and could have a material adverse effect on the Company's business, financial condition and results of future operations.

Reputational Risk

Due to the Company's asset concentration, the Company's operations are dependent on positive relationships with a small number of organizations (including the government of Tanzania). Damage to the Company's reputation within Tanzania due to the actual or perceived occurrence of any number of events could negatively impact the Company. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence, and the impediment of the Company's overall ability to advance its project development, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Litigation and Dispute Risks

The Company may become involved in disputes with other parties in the future which may result in arbitration or litigation. The results of any future disputes cannot be predicted, and the Company may be subject to the exclusive jurisdiction of foreign bodies in settling these disputes. The costs of defending or settling these disputes may be significant. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on the Company's financial performance, cash flow and results of future operations.

Although the agreements in relation to the Company's assets all require international arbitration if there is a dispute in connection with its operations, the Company could still become subject to the jurisdiction of courts or arbitration tribunals in any country of operation or may not be successful in subjecting persons or government entities to the jurisdiction of the arbitrators or another country. There can be no assurance that if the Company becomes involved in a dispute that it will be dealt with in a satisfactory manner or in a way in which the Company expects. The delay or results of such dispute settlement could have a material adverse effect on the Company, its business, prospects, results of future operations and financial condition.

Risks Relating to the Availability of Additional Financing

Currently there exists no material indebtedness with regard to Volt. Future capital expenditures will be financed out of funds generated from operations, borrowings and possible future equity sales. The Company's ability to do so is dependent on, among other factors, the performance of its investments, the overall state of capital markets and investor appetite for investments in the Company's securities. From time to time the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed partially or wholly with debt, which may temporarily increase the Volt Group's debt levels above industry standards. To develop the productive capacity of its assets, depending on the timing, the Company may require significant additional capital. In addition, if capital costs for these projects exceed current estimates, or if the Company incurs major unanticipated expenses related to development or maintenance of its existing properties, it may be required to seek further additional capital to maintain its capital expenditures at planned levels.

Failure to obtain any financing necessary for the Company's capital expenditure plans may result in a delay in development or production on the Volt properties. There can be no assurance that the Company will be successful in its efforts to arrange additional financing in amounts sufficient to meet the Company's goals or requirements, or on terms that are acceptable to the Company. If additional financing is raised by the issuance of shares, control of the Company may change, and shareholders may suffer additional dilution.

External Influences on the Trading Price of Securities

The trading price of securities of mineral commodities issuers is subject to substantial volatility often based on factors related and unrelated to the financial performance or prospects of the issuers involved. Factors unrelated to the Company's performance could include macroeconomic developments, domestic and global commodity prices or current perceptions of the graphite market. Similarly, the market price of any securities of the Company could be subject to significant fluctuations in response to variations in the Company's operating results, financial condition, liquidity and other internal factors.

Lower commodity prices may also affect the value of the Volt Group's ore reserves as certain reserves may become uneconomic. In addition, lower commodity prices may restrict the Volt Group's cash flow resulting in a reduced capital expenditure budget. As a result, the Volt Group may not be able to replace its production with additional reserves and both the production and reserves of the Volt Group could be reduced on a year over year basis. Any decrease in value of its reserves may reduce the borrowing base under future credit facilities, which, depending on the level of indebtedness, could result in the Volt Group having to repay a portion of its indebtedness. If market conditions were to decline resulting in a lack of confidence in the graphite industry, the Volt Group may have difficulty raising additional funds or if it is able to do so, it may be on unfavourable and highly dilutive terms. Any substantial decline in the prices of graphite could have a material adverse effect on the Volt Group and the level of its graphite reserves. Additionally, the economics of producing from some deposits may change as a result of lower prices, which could result in a suspension of production by the Volt Group.

Accordingly, the price at which any securities of the Company will trade cannot be accurately predicted.

Going Concern Risk

As advised in the Volt Resources Limited consolidated entities annual audited financial statements for the year ended 30 June 2019, dated 24 September 2019, there are risks with the Company continuing as a going concern as follows:

"The Directors are of the opinion that the Consolidated Entity is a going concern due to the following factors:

- (i) The Consolidated Entity is in the process of obtaining regulatory approval in Tanzania to issue a Prospectus or Information Memorandum to raise debt funding through the issue of listed Notes on the Dar es Salaam Stock Exchange for the equivalent of US\$30 to US\$40 million. Simultaneously the Consolidated Entity is progressing alternative funding options including a Note issue and listing on the Stock Exchange of Mauritius. Assuming a successful Note issue, all expenditures relating to the Bunyu Graphite project and Tanzanian activities will be met out of these funds in Tanzania. The corporate costs to be incurred in Australia are expected to approximate A\$2.5 million per annum;
- (ii) The Company has the ability to raise additional working capital in the shorter term from:
 - a capital raising;
 - issue of convertible loan notes; and
- (iii) The Company has the ability to sell assets, or an interest in assets.

Whilst the Directors are confident that the above initiatives will generate sufficient funds to enable the Consolidated Entity to continue as a going concern for at least the period of 12 months from the date of signing this financial report, should these initiatives be unsuccessful, there exists a material uncertainty that may cast significant doubt on the ability of the Consolidated Entity to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

General economic and market conditions

The operating and financial position of the Company is influenced by a range of general domestic and global economic and business conditions that are outside the control of the Company. These conditions may include, but are not limited to, political movements, stock market movements, interest rates, industrial disruption, environmental impacts, natural disasters, taxation changes and legislative or regulatory changes. A prolonged deterioration in market, business or economic conditions may potentially have an adverse impact on the Company and its operations.

Investment in capital markets

As with all stock market investments, there are risks associated with an investment in the Company. Securities listed on the stock market, and in particular securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of Shares regardless of the Company's performance. The price of Shares might trade below or above the Issue Price for the New Shares.

E Other important information

1 Underwriting

The Company has entered into an underwriting agreement dated 18 November 2019 (**Underwriting Agreement**) with the Underwriter who has agreed to underwrite the Rights Issue for up to \$600,000.

Background

The Rights Issue is a culmination of an extensive search by the Company for alternative funding options for the ongoing development of the Company.

Having considered a range of alternatives and taking into consideration the difficult current market conditions including alternative means of raising funds, cost reductions, reviewing funding requirements and non-core asset sales, the Directors determined that proceeding by way of a rights issue (preferably underwritten) was the most achievable and advantageous to all Shareholders.

The Company then entered into discussions with the Underwriter which, after considerable discussion and investigation, culminated in the proposal that has resulted in the Rights Issue.

When it became apparent that the Rights Issue required a level of underwriting support from one or a number of the Company's Directors (or entities associated with or related to them), the Company immediately put in place appropriate corporate governance arrangements to ensure the process of agreeing the structure of the Rights Issue did not involve any interested Directors. Mr Asimwe Kabunga therefore abstained from voting on the resolution to approve the final structure of the Rights Issue (including approving the terms of the underwriting arrangements).

In reaching their decision to proceed with the Rights Issue (including the Underwriting Agreement), the independent Directors took into account a number of considerations including the alternative funding arrangements available to the Company at this stage of its development, the timing for the need for funds, the certainty that an underwritten raising brings and the positive impact it has on the Company's ability to proceed with its stated strategy and the fact that a pro-rata issue enables existing Shareholders who so wish to either maintain or increase their existing ownership percentage or otherwise choose to minimise the dilution they may suffer.

Fee

The fee payable to the Underwriter will be 6% of the total amount underwritten. There are no sub-underwriters.

Representations and warranties

The Company has agreed to give representations and warranties customary for an underwriting of this kind.

Undertakings

The Company has agreed to provide a number of undertakings customary for an agreement of this nature.

Unqualified termination events

As is customary for these types of arrangements, the Underwriter may terminate the Underwriting Agreement (and its obligation to underwrite the Rights Issue) on the occurrence of the following termination events at any time before the allotment and issue of New Shares in accordance with the Rights Issue (currently expected to be Friday 13 December 2019):

- (a) (share price fall) The closing price of Shares on ASX is at any time after the date of this document is below the Offer Price for two or more consecutive Business Days;
- (b) (indices fall) Any of the All Ordinaries Index or the Standard and Poors ASX Small Resources Index as published by ASX is for two consecutive Business Days after the date of this document, 10.0% or more below its respective level as at the close of business on the Business Day prior to the date of this document;
- (c) (Debt Facility) Any existing Debt Facility is breached by any party to the agreement or is revoked, rescinded, avoided, amended (including by way of any standstill arrangements), varied, superseded or replaced in any way; the lender under any Debt Facility seeks to enforce any security granted in connection with, or accelerate or otherwise require repayment of any amounts under, the Debt Facility; or an event of default or potential event of default (however defined) occurs under any Debt Facility, in each case without the prior written consent of the Underwriter (in the Underwriter's absolute discretion);
- (d) (Entitlement Offer Booklet) The Company does not lodge the Entitlement Offer Booklet on the Announcement Date or the Entitlement Offer is withdrawn by the Company without the prior written consent of the Underwriter;
- (e) (breach of material contracts) Any of the contracts described in the Entitlement Offer Booklet (other than this document) are breached, not complied with according to their terms, terminated or substantially modified other than as disclosed in the Entitlement Offer Booklet;
- (f) (Offer Materials) A statement contained in the Offer Materials is or becomes false, misleading or deceptive (including by omission) or likely to mislead or deceive or the Offer Materials omit any information they are required to contain (having regard to section 708AA of the Corporations Act and any other applicable requirements), or there are no reasonable grounds for the making of any statement in the Offer Materials relating to future matters;
- (g) (listing) ASX announces or informs the Company (including verbally) that the Company will be removed from the official list or that the Shares will be delisted or suspended from quotation by ASX for any reason. For the avoidance of doubt, this does not include any voluntary suspension or trading halt that has been obtained by the Company with the Underwriter's prior written consent;
- (h) (notification) Any of the following notifications are made:
 - (i) an application is made by ASIC or another person for an order under Part 9.5 of the Corporations Act, or to any other Government Agency, in relation to the Offer Materials or the Entitlement Offer; or
 - (ii) ASIC or any other Government Agency or any other party makes an application to commence, commences, or gives notice of an intention to hold any investigation, proceedings or hearing in relation to the Entitlement Offer or any of the Offer Materials, or prosecutes or commences proceedings against, or gives notice of an intention to prosecute or commence proceedings against a Group Member,
 and in either case:
 - (iii) where the Government Agency is the Takeovers Panel, the application is not withdrawn or the Takeovers Panel has not declined to conduct proceedings or declined to make a declaration of unacceptable circumstances within five Business Days of the date of the application or by the Allotment Date; or
 - (iv) where the Government Agency is not the Takeovers Panel, such application, notice or proceeding becomes public or is not withdrawn within two Business Days after it is made or by the Allotment Date;
- (i) (Authorisation) Any Authorisation which is material to anything referred to in the Entitlement Offer Booklet is repealed, revoked, or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- (j) (quotation) ASX announces or informs the Company (including verbally) that unconditional approval (or approval subject to customary listing conditions) by the ASX for Official Quotation of the Offer Shares will be refused, or not granted by the Allotment Date or, if granted, such approval is withdrawn on or before the Allotment Date;
- (k) (unable to issue Offer Shares) The Company is prevented from allotting and issuing the Offer Shares in accordance with this document and the Timetable;
- (l) (ASIC, ASX or Government Agency action) The Offer is prevented from proceeding (without amendment on terms acceptable to the Underwriter) by reason of:

- (i) or in accordance with, the Listing Rules, the Corporations Act or any Applicable Laws;
 - (ii) an order made by ASIC, ASX, any other Government Agency or a court of competent jurisdiction; or
 - (iii) an investigation, inquiry or proceedings initiated by either ASIC or ASX into the conduct of a Group Member;
- (m) (certificate) Any certificate which is required to be delivered by the Company under this document (including a Closing Certificate) is not delivered when required (other than as permitted under (o)(i) above) or is untrue, incorrect or misleading in a material respect;
- (n) (suspension of debt payments) A Group Member suspends payment of its debts generally;
- (o) (insolvency) Any one of the following occurs:
 - (i) the Company (or any of its Subsidiaries):
 - (A) being or stating that it is unable to pay its debts as and when they fall due; or
 - (B) failing to comply with a statutory demand; or
 - (ii) any step being taken which will or is likely to result in any of the following:
 - (A) the appointment of a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other similar official in relation to, or to any property of, the Company (or any of its Subsidiaries);
 - (B) the Company (or any of its Subsidiaries) being wound up or dissolved or entering into a scheme, moratorium, composition or other arrangement with, or to obtain protection from, its creditors or any class of them or an assignment for the benefit of its creditors or any class of them;
 - (iii) circumstances existing which would permit a presumption of insolvency in relation to the Company (or any of its Subsidiaries) under section 459C(2) of the Corporations Act; or
 - (iv) anything analogous or having a substantially similar effect occurring in relation to the Company (or any of its Subsidiaries);
- (p) (ASIC Modifications and ASX Waivers) Approval for any ASIC Modifications or ASX Waivers is subsequently withdrawn, or is varied in a way that, in the reasonable opinion of the Underwriter, would have a material adverse effect on the success of the Entitlement Offer;
- (q) (conduct) Any director or officer (as that term is defined in the Corporations Act) of any Group Member engages in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- (r) (adverse change) In the reasonable opinion of the Underwriter, there is a material adverse change, or any one or more matters, events or circumstances occur, are announced or disclosed, or become known to the Underwriter (whether or not it becomes public) which individually or when aggregated with any other such matters, events or circumstances are likely to give rise to a material adverse change in the financial position or performance, shareholder's equity, profits, losses, results, condition, operations or prospects of the Group taken as a whole, or are likely to have a material adverse effect on the marketing, settlement or outcome of the Entitlement Offer;
- (s) (certain resolutions passed) Any Group Member passes or takes any steps to pass a resolution under sections 254N, 257A or 260B of the Corporations Act, or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (t) (compliance) Any aspect of the Entitlement Offer, including the Entitlement Offer Booklet or the underwriting and any sub-underwriting of the Entitlement Offer, does not comply with the Corporations Act, the Listing Rules, the ASIC Modifications or the ASX Waivers or any other Applicable Law or regulation, or requires an approval or other authorisation that has not been obtained at the date of this document.

Qualified termination events

Other termination events only occur if in the reasonable opinion of the Underwriter the event:

- (i) has had, or could be expected to have, individually or in aggregate, a material adverse effect on:
 - (A) the financial position or performance, shareholder's equity, profits, losses, results, condition, operations or prospects of the Company or a Subsidiary either individually or taken as a whole; or

- (B) the success or outcome of the Entitlement Offer, the market price of Offer Shares or the Shares, or the ability of the Underwriter to market, promote or settle the Entitlement Offer (including matters likely to have an effect on a decision of an investor to invest in Offer Shares or Shares); or
- (ii) leads (or is, in the Underwriter's opinion, reasonably likely to lead) to the Underwriter's obligations under this document becoming materially more onerous than those which exist at the date of this document;
- (iii) has had, or could be expected to have, individually or in aggregate a material adverse effect on the tax position of:
 - (A) the Company or its Subsidiaries either individually or taken as a whole; or
 - (B) an Australian resident shareholder of the Company; or
- (iv) leads (or is, in the Underwriter's opinion, reasonably likely to lead) to:
 - (A) a material liability for the Underwriter (when assessed in the context of the fees payable to the Underwriter under this document); or
 - (B) the contravention, or involvement in a contravention of, or a liability under the Corporations Act or any other Applicable Law.

These qualified termination events are:

- (a) (board and senior management composition) Other than in relation to Mr Asimwe Kabunga (who is an Associate of the Underwriter), there is a change in the composition of the board or a change in the senior management of the any Group Member before Completion without the prior written consent of the Underwriter (which consent is not to be unreasonably withheld) except as announced to ASX or fully and fairly disclosed to the Underwriter in writing prior to the date of this document;
- (b) (change in shareholdings) Other than as a result of the Entitlement Offer or in relation to the shareholdings affiliated with the Underwriter, there is a change in the major or controlling shareholdings of a Group Member or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Group Member;
- (c) (market conditions) A suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, commercial banking activities or political or economic conditions of Australia, New Zealand, the United Kingdom, the United States of America, Tanzania or any other international financial markets;
- (d) (hostilities) There is an outbreak of hostilities (whether or not war has been declared) not presently existing, or a major escalation in existing hostilities occurs (whether or not war has been declared) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, the People's Republic of China, any member of the European Union, Japan or Tanzania or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (e) (Timetable):
 - (i) subject to schedule 3(o)(ii) below, any event specified in the Timetable is delayed by the Company for more than one Business Day without the prior written consent of the Underwriter (such consent not to be unreasonably withheld); or
 - (ii) the Announcement Date or the Allotment Date is delayed by the Company, in any way, without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- (f) (judgment against a Group Member) A judgment in an amount exceeding \$100,000 is obtained against a Group Member and is not set aside or satisfied within 7 days;
- (g) (director):
 - (i) a director or senior manager of any Group Member (in that capacity) is charged with an indictable offence, or any Government Agency or regulatory body commences any public action against a director or senior manager of any Group Member (in that capacity) or announces that it intends to take any such action; or
 - (ii) a director of any Group Member is disqualified from managing a corporation under sections 206B, 206C, 206D, 206E, 206F, or 206G of the Corporations Act;

- (h) (notice) An obligation arises on the Company to give ASX a notice in accordance with section 708AA(12)(a) (as modified);
- (i) (Litigation) Litigation, arbitration, administrative or regulatory investigations (including an ASIC investigation), or industrial proceedings are after the date of this document commenced or threatened against a Group Member (other than any claims foreshadowed in the Entitlement Offer Booklet or otherwise disclosed to the Underwriter in writing prior to the date of this document), or in respect of those disclosed matters there is in the opinion of the Underwriter (acting reasonably in accordance with legal advice) a material escalation or material change in the nature of those current or threatened investigations or proceedings;
- (j) (breach of obligations) The Company is in breach of any terms and conditions of this document (other than with respect to compliance with the Timetable);
- (k) (breach of representations) Any of the representations or warranties made or given by the Company in schedule 1 are or become incorrect, untrue or misleading;
- (l) (change in law) There is introduced, or there is an official public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law; or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new, or any major change in existing, monetary, taxation, exchange or fiscal policy (other than a law or policy which has been announced prior to the date of this document);
- (m) (investigation) Any person is appointed under any legislation in respect of companies to investigate the affairs of any Group Member;
- (n) (capital structure) Any Group Member alters its capital structure in any manner not contemplated by the Offer Entitlement Booklet or as announced by the Company to ASX on or before the date of this document;
- (o) (Force Majeure) A Force Majeure affecting the Company's business or any obligation under this document lasting in excess of 7 days occurs;
- (p) (Prescribed Occurrence) A Prescribed Occurrence occurs;
- (q) (contravention of law) Any Group Member contravenes its constitution, any Applicable Law, or an order or request made by or on behalf of ASIC, ASX or any Government Agency.

Consequences of termination

If the Underwriter is entitled to, and does, terminate the Underwriting Agreement, the Company reserves the right to continue with the Rights Issue. Eligible Shareholders who have returned their Entitlement and Acceptance Form or made a BPAY® payment before the Underwriting Agreement has been terminated will not be able to withdraw their acceptance.

Refer to **section 4 of Part E** for details on the potential effect on control of the Company.

2 Nominees and custodians

The Offer Booklet is being made to all Eligible Shareholders. Nominees with registered addresses in the eligible jurisdictions may be able to participate in the Rights Issue in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided the applicable beneficiary would satisfy the criteria for an Eligible Shareholder.

Nominees and custodians who hold Shares as nominee or custodian will have received, or will shortly receive, an e-mail from the Share Registry. Nominees and custodians should consider carefully the contents of that e-mail and note in particular that the Rights Issue is not available to:

- (a) beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for an Eligible Shareholder; or
- (b) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Rights Issue.

Nominees and custodians may not distribute any part of this Offer Booklet, and may not permit any beneficial shareholder to participate in the Rights Issue, in any country outside Australia and New Zealand except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Rights Issue.

The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Rights Issue is compatible with the applicable foreign laws. For further information, see **section 3 of Part E** this Offer Booklet.

3 Foreign selling restrictions

This Offer Booklet and accompanying Entitlement and Acceptance Form do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify the New Shares, or to otherwise permit a public offering of New Shares outside Australia and New Zealand.

The distribution of this Offer Booklet in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this document outside Australia and New Zealand should observe any such restrictions. A failure to comply with these restrictions may constitute a violation of applicable securities laws.

It is the responsibility of any Applicant to ensure compliance with any laws of the country relevant to their application. Return of a duly completed Entitlement and Acceptance Form and/or payment of Application Money will be taken by the Company to constitute a representation that there has been no breach of such laws.

4 Potential effect on control

Current capital structure

The capital structure of the Company after the Rights Issue will be as follows (assuming none of the 25,536,000 options currently on issue are exercised, and none of the 20,000,000 performance rights currently on issue vest, before the Record Date and subject to rounding of any fractional Entitlements under the Rights Issue):

Shares currently on issue	1,605,407,291
To be issued subject to shareholder approval at the AGM on 20 November 2019	8,333,334
Maximum number of New Shares offered under the Rights Issue	125,096,172
Total Shares on issue on completion of the Rights Issue, assuming the maximum number of New Shares that are offered are issued	1,738,836,797

Current Substantial Shareholders

As at the date of this document and based on information made available to the Company, the current substantial shareholders of the Company are:

Substantial shareholder	Shareholding	Shareholding %
Kabunga Holdings Pty Ltd	169,725,351	10.52%

Potential effect of the Rights Issue

The Rights Issue may have the following impact on Shareholders and the substantial shareholders of the Company:

- (a) Eligible Shareholders who take up their full Entitlement should maintain their existing percentage interest in the total issued share capital of the Company;
- (b) Eligible Shareholders who do not take up their full Entitlement may be diluted;
- (c) the table below sets out each substantial Shareholders' relevant interest, voting power as at the date of the Offer Booklet, entitlement to New Shares under the Rights Issue and voting power if the substantial Shareholder subscribes for their Rights in full, no other Eligible Shareholders take up any of their Rights and no other New Shares are issued:

Substantial shareholder	Shareholding as at the date of this Offer Booklet	Shareholding % as at the date of this Offer Booklet	Rights	Shareholding % if full Entitlement subscribed for and no other Eligible Shareholders take up any of their Rights
Kabunga Holdings Pty Ltd	169,725,351	10.52%	13,157,004	11.24%

- (d) Mr Asimwe Kabunga and his associates (**Kabunga Entities**) have a relevant interest in 169,725,350 Shares equating to approximately 10.52% of the issued capital in the Company. The Kabunga Entities are entitled to subscribe for 13,157,004 New Shares under the Rights Issue. The Underwriter (whom is a Kabunga Entity) has agreed to underwrite up to 60,000,000 New Shares pursuant to the Underwriting Agreement. The Kabunga Entities have indicated their intention to participate in the Rights Issue. If the Kabunga Entities take up their rights in full, no other Eligible Shareholders take up any of their Rights, the Underwriter acquires 60,000,000 New Shares pursuant to the Underwriting Agreement and no other New Shares are issued, the Kabunga Entities will have a relevant interest in 242,882,355 Shares, equating to approximately 14.40% of the issued capital of the Company upon completion of the Rights Issue; and
- (e) so far as the Company is aware, no one Shareholder will as a result of the Rights Issue increase its voting power from below 20% to above a 20% interest in the Company.

These numbers assume the Underwriting Agreement is not terminated and no options are exercised.

5 Reconciliation

The Rights Issue is a complex process and in some instances Shareholders may believe they own more existing Shares than they actually do or are otherwise entitled to more New Shares than initially offered to them. These matters may result in a need for reconciliation. If reconciliation is required, it is possible that the Company may need to issue additional New Shares to ensure that the relevant Shareholders receive their appropriate allocation of New Shares. The price at which these additional New Shares would be issued is not known but would be no lower than the Issue Price.

The Company reserves the right to reduce the size of Rights or the number of New Shares allocated to Shareholders, or persons claiming to be Shareholders or other applicable investors, if the Company believes in its complete discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims. In that case, the Company may, in its discretion, require the relevant Shareholder to transfer excess New Shares to the Underwriter at the Issue Price per New Share. If necessary, the relevant Shareholder may need to transfer existing Shares held by them or to purchase additional Shares on-market to meet this obligation. The relevant Shareholder will bear any and all losses caused by subscribing for New Shares in excess of their Rights and any actions they are required to take in this regard.

By applying under the Rights Issue, those doing so irrevocably acknowledge and agree to do the above as required by the Company. Those applying acknowledge that there is no time limit on the ability of the Company to require any of the actions set out above.

Where fractions arise in the calculation of Rights, they will be rounded up to the nearest whole number of New Shares.

It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving written confirmation of their holdings will do so at their own risk. The Company and the Share Registry disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Shares before receiving their confirmations, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry.

6 Withdrawal of the Rights Issue

The Company reserves the right to withdraw the Rights Issue at any time before the issue of New Shares to Shareholders, in which case the Company will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest.

7 Ranking of New Shares

New Shares issued under the Rights Issue will on issue rank equally with existing Shares. New Shares will be entitled to any dividends on ordinary shares with a record date after the date of issue.

8 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot, in most circumstances, withdraw your Application once it has been accepted. Further, Rights cannot be traded on ASX or any other exchange, nor can they be privately transferred.

9 Taxation consequences

The taxation consequences of any investment in New Shares will depend upon your particular circumstances.

Potential investors must make their own enquiries concerning the taxation consequences of an investment in the Company. Applicants should consult their tax adviser for advice applicable to their individual needs and circumstances.

10 Privacy

The information about Applicants included on an Entitlement and Acceptance Form is used for the purposes of processing the Entitlement and Acceptance Form and to administer the Applicant's holding of New Shares. By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the form for the purposes set out in this privacy statement and may disclose it for those purposes to the Underwriter, the Share Registry and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses and professional advisers, and to ASX and other regulatory authorities.

The Corporations Act requires the Company to include information about each Shareholder (including name, address and details of the Shares held) in the Register. The information contained in the Register must remain there even if that person ceases to be a Shareholder. Information contained in the Register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. A fee may be charged for access. You can request access to your personal information by emailing, telephoning or writing to the Share Registry as follows:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Tel: +61 8 9389 8033
Email: admin@advancedshare.com.au

11 Not investment advice

The Rights Issue to which this information relates complies with the requirements of section 708AA of the Corporations Act as notionally modified by ASIC Corporations Instruments 2016/84 and 2016/73.

This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not investment advice and does not take into account your investment objectives, financial situation, tax position and particular needs. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your personal circumstances (including financial and taxation issues) and seek professional guidance before deciding whether to invest.

F Glossary

AEDT	Australian Eastern Daylight (Savings) Time
Announcement	The ASX announcement relating to the Rights Issue, as announced by the Company on Tuesday, 19 November 2019
Applicant	A person who makes an Application
Application	An application to subscribe for New Shares under this Offer Booklet
Application Money	Money payable by Applicants in respect of Applications
ASIC	The Australian Securities and Investments Commission
Associate	The meaning given in the Corporations Act
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as applicable
Board	The board of directors of the Company
Closing Date	5.00pm (AEDT) on Wednesday 11 December 2019
Company	Volt Resources Limited ACN 106 353 253
Constitution	The constitution of the Company as amended or varied from time to time
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Director	A director of the Company
Eligible Shareholder	A Shareholder as recorded on the Register as at 5.00pm (AEDT) on the Record Date who is resident in Australia or New Zealand
Entitlement	The entitlement of each Eligible Shareholder as shown on the Entitlement and Acceptance Form, which reflects their Rights under the Rights Issue.
Entitlement and Acceptance Form	The Entitlement and Acceptance Form accompanying this Offer Booklet
Ineligible Shareholder	A Shareholder who is not an Eligible Shareholder
Information	The Offer Booklet the accompanying information
Issue Price	\$0.01 (1.0 cent) per New Share
Listing Rules	The official listing rules of ASX, as amended or waived by ASX from time to time
New Shares	Shares offered under Rights Issue
Offer Booklet	This Offer Booklet
Opening Date	Tuesday 26 November 2019

Oversubscription Facility	The offer to be made by the Company to Eligible Shareholders to apply for Offer Shares in excess of their Entitlement, with any determination as to scale back required to occur in accordance with the terms and conditions contained in the Entitlement Offer Booklet.
Oversubscription Shares	The Offer Shares applied for by an Eligible Shareholder under the Oversubscription Facility.
Record Date	5.00pm (AEDT) Monday 25 November 2019
Register	The register of Shareholders required to be kept under the Corporations Act
Rights	The rights to One (1) New Shares for every Twelve point Nine (12.9) existing Shares held at 5.00pm (AEDT) on the Record Date
Rights Issue	The pro-rata non-renounceable offer of One (1) New Shares for every Twelve point Nine (12.9) existing Shares registered and entitled to participate at 7.00 pm (AEDT) on the Record Date at the Issue Price
Share	A fully paid ordinary share in the Company
Share Registry	Advance Share Registry Services
Shareholder	A holder of Shares
VWAP	Volume weighted average price

Corporate Directory

Directors

Mr Trevor Matthews (Chief Executive Officer)

Mr Asimwe Kabunga (Non-Executive Chairman)

Mr Giacomo Fazio (Non-Executive Director)

Mr Stephen Brian Hunt (Non-Executive Director)

Company Secretary

Ms Susan Hunter

Registered Office

Level 25, Suite 10
108 St Georges Terrace
Perth, WA 6000

Share Registry

Advanced Share Registry Services
110 Stirling Highway
Nedlands, WA 6009

Website

www.voltresources.com