



ASX ANNOUNCEMENT

By e-lodgement
29 January 2019

Bunyu Development Funding Update

Tanzanian-focused flake graphite developer **Volt Resources Limited (ASX: VRC)** ("**Volt**" or "**the Company**") provides the following update on its Bunyu Project development funding activities.

Volt announced to ASX on 14 December 2017 that it is seeking to raise US\$40 million by way of the issue of Tanzanian Bonds or Loan Notes ("**Notes**") to fund the development of Stage 1 of the Bunyu Graphite Project. The Note Offer is by Volt's wholly-owned subsidiary Volt Graphite Tanzania plc ("VGT") through the issue of a Prospectus to potential investors in East Africa. The issue of the Prospectus to investors requires the approval of Tanzania's corporate regulator the Capital Markets and Securities Authority (CMSA). In addition, the Notes are to be listed on the Dar es Salaam Stock Exchange (DSE) which required the approval of the DSE. The DSE approval was received and announced to the market on 13 December 2018.

The Company has been engaged in ongoing discussions and exchange of correspondence with the CMSA. Correspondence received from the CMSA on Friday 25 January 2019 unfortunately set unrealistic commercial terms for the Note Issue to proceed. Volt will therefore continue to discuss the Note Issue with the CMSA in the short term, to ensure an appropriate commercial balance is reached. In parallel, Volt will continue to advance alternative funding options including, but not limited to a Note Issue and Listing on the Stock Exchange of Mauritius ("SEM") using principally the same Tanzanian Note Prospectus, and US based institutional funds participation in the Stage 1 development funding.

Further information on the funding options progress will be announced to the market at the appropriate time.

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For and on behalf of Volt Resources Limited

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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 July 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.