



Financial Report

For the Half Year Ended 31 December 2022

DIRECTORS

Asimwe Kabunga	Non-Executive Chairman
Giacomo Fazio	Non-Executive Director
Trevor Matthews	Executive Director

COMPANY SECRETARY

Mr Robbie Featherby

REGISTERED AND PRINCIPAL OFFICE

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Perth WA 6000
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POSTAL ADDRESS

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AUDITORS

HLB Mann Judd (WA Partnership)
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SHARE REGISTER

Link Market Services
Level 12/680 George Street
Sydney NSW 2000

Volt Resources Limited shares are listed on the Australian Securities Exchange (ASX code: VRC)

ACN	106 353 253
ABN	28 106 353 253
ASX Code	VRC

In this report, the following definitions apply:

“**Board**” means the Board of Directors of Volt Resources Limited

“**Volt Resources**” or the “**Company**” means Volt Resources Limited ABN 28 106 353 253

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Your Directors submit the interim financial report of the consolidated entity consisting of Volt Resources Limited (the Company) and its controlled entities (the Group or Consolidated Entity) for the half-year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows.

DIRECTORS

The following persons were directors of Volt Resources Limited ("**Volt**") during the whole of the half-year and up to the date of this report, unless otherwise stated:

Director	Position
Asimwe Kabunga	Non-Executive Chairman
Giacomo Fazio	Non-Executive Director
Trevor Matthews	Executive Director

PRINCIPAL ACTIVITIES

During the half-year ended 31 December 2022 the Company's primary focus was to further its development of spheroinised purified graphite technology. The company also continued to support its investment on Zavalievsky Graphite Group (ZG Group) located in the Ukraine, update the feasibility study for the Bunyu Stage 1 project, and undertake a feasibility study for the development of a lithium ion battery (LIB) Active Anode Material production facility.

REVIEW OF OPERATIONS

Over the past six months, Volt entered into a Joint Development Agreement (JDA) with 24M Technologies, Inc. and American Energy Technologies Co (AETC). This will focus on coated spheroinised purified graphite and also non-spherical graphite products to enhance LIB performance. 24M has a renowned customer base including license agreements with Kyocera Corporation, FREYR AS, Lucas TVS Ltd., Volkswagen Group and Fujifilm Corporation. The ongoing testwork is being undertaken by Volt's technology partner in the United States.

The JDA reinforces our strategy of focusing on applications and customers where we have a strong value proposition. We are looking forward to continuing our battery anode material qualification work with 24M and its licensees. Following the announcement of the Joint Development Agreement, Volt and 24M entered into a Memorandum of Understanding to collaborate and qualify Volt's graphite for anode and/or cathode use in 24M's SemiSolid™ manufacturing platform. The two companies have outlined initial indicative pricing for LIB anode material and Volt has agreed to meet future volume requirements for 24M's licensees. 24M will evaluate a potential investment in Volt's US subsidiary, Volt Energy Materials LLC.

This leverages AETC's inverted LIB anode materials flowsheet design to produce graphite products.

GRAPHITE

Zavaliievsky Graphite – Ukraine

On 26 July 2021, the Company completed the acquisition of a 70% interest in the Zavaliievsky Graphite business to become a graphite producer. The Zavaliievsky Graphite (“ZG”) business is located in Ukraine.

ZG is a long-life graphite business that has been in operation for 88 years. The graphite mine and processing facilities are located adjacent to the town of Zavallya, approximately 280 kilometres south of the Ukrainian capital Kyiv and 230 kilometres north of the main port of Odessa.

In early August 2022, Volt announced the recommencement of production at the Zavaliievsky graphite mine and processing plant. Over an initial 2-week period of production, 846 tonnes were produced, for an average of 60.5 tonnes of graphite product per day. In November 2022, energy supply disruptions commenced due to Russian missile attacks on power generation facilities affecting the entire Ukrainian energy grid. Combined with the continuation of supply disruptions and working capital shortfalls, this has resulted in ZG management being unable to recommence production prior to the Ukraine winter. Volt and ZG management continue to monitor the situation, address the issues, and define the best way forward.

Foreign and Historical Graphite Mineralisation Estimate

The Company announced the foreign and historical graphite mineralisation estimate for part of the Zavaliievsky Graphite deposit. The foreign and historical estimate of tonnage of graphite mineralisation (above 2% carbon) at the Zavaliievsky Graphite Project for the south-eastern area of the Zavaliievsky site totals 22.913M tonnes at a grade of 6.8% carbon¹.

Volt has partnered with geological and mining consultants, K-Mine, to review ZG’s historical resource information to identify the work to be undertaken to meet the requirements of the JORC 2012 code for the reporting of ZG Mineral Resource Estimate and Ore Reserves. Feedback and the way forward are expected early in Q2 2023.

Bunyu Graphite Project – Tanzania

The Company remains focused on the two-stage development of its wholly owned Bunyu Graphite Project in Tanzania. The Bunyu Graphite Project is ideally located near to critical transport infrastructure with sealed roads running through the project area and ready access to the deep-water port of Mtwara 140km to the southeast.

Stage 1 has low development capital requirements and benefits from a low strip ratio, near surface, higher grade graphite ore zone. A simple mining method will be used with an open pit of 40m depth, using a conventional drill and blast, load and haul mining method. Flotation test work has demonstrated that high grade graphite products, at coarse flake sizes, can be produced using a relatively simple flotation process.

The strategy of staging the project development provides a low-cost, lower risk path to get the Bunyu Project into production and deliver consistent representative product to customers. Once in production Stage 1 will facilitate product validation and assist in securing long-term offtake agreements to support development of the large-scale Stage 2 project. The Stage 1 development will have the added benefit of de-risking the full-scale Stage 2 project, improving the ability to finance the expansion, reducing the risks of commissioning and production ramp up delays, cost and schedule overruns.

¹ Refer to ASX announcement dated 18 October 2021 and titled “Expansion Potential for Zavaliievsky Graphite”

During the first half of this year, the Company commenced a Feasibility Study update for Bunyu Stage 1 project, appointing Perth-based GR Engineering Services Limited to undertake updates on capital and operating cost estimates, combined with processing, infrastructure and logistics updates for the Bunyu Stage 1 feasibility study delivered in 2018. Volt will re-examine other study aspects including regulatory requirements, marketing and sales, financial analysis, project risks and opportunities, as well as requirements relating to environmental, social and community impacts and human resources.

Offtake Agreements

While the Company has existing graphite offtake agreements in place for the Bunyu Stage 1 development, predominantly with private Chinese graphite processors, the Company has been requested by financiers to enter into graphite offtake agreements with companies or groups that provide audited financial information in accordance with international reporting standards to assist in the financier's internal credit assessment processes prior to an offer of financing.

As previously announced, the Company has entered into an LOI with Graphex Technologies LLC and continues to negotiate the terms of a definitive offtake agreement. Volt is also in discussions with additional potential customers – both graphite end users and automotive companies.

Exploration Activities

The Company did not undertake any substantive graphite mineral exploration, mine development or mining production activities in Tanzania during the first half of this financial year apart from payment of annual tenement rents.

Lithium

On 18th November 2021 the Company announced the proposed acquisition of three licence applications that are considered to be prospective for lithium-borate mineralisation. The licence applications are in respect to a total area of 291km², located in Serbia and are west and south-west of the Serbian capital, Belgrade. Volt will acquire 100% of the issued share capital in Asena Investments d.o.o. Beograd-Stari grad (**Asena**), a Serbian company which holds the rights in relation to the three licence applications. Key features of the Asena transaction include:

- The proposed acquisition of lithium licence applications in Serbia – Jadar North, Petlovaca and Ljig
- The transaction forms part of a long term strategy to position Volt as a multi-commodity battery minerals company
- Jadar North licence application over ground adjacent to Rio's world-class Jadar lithium-borate project in Serbia
- Anomalous intersections of lithium and borate identified on Jadar North from limited historical diamond drilling
- Jadar basin 100% occupied by Rio and Asena – subject to Asena being granted the Jadar North licence
- Volt will acquire Serbian company Asena Investments d.o.o. which holds the rights to the three licence applications
- Subject to the licence applications being granted, Phase 1 drilling program expected to commence in late 2023 or early 2024 across all three licences

Currently the Company is waiting for the granting of the Exploration licenses. Once the licenses are granted to Asena, the acquisition can be finalised, and Volt will then evaluate the best way forward in order to maximise the value in the asset for the group.

Gold

The Guinea Gold Projects comprise six permits in Guinea, West Africa having a total area of 348km². The Projects are located in the prolific Siguiiri Basin which forms part of the richly mineralised West African Birimian Gold Belt.

The Company is focussed on executing its graphite and battery minerals strategy and has been actively pursuing and reviewing various options that would provide value for Volt shareholders and continue the evaluation of the exploration potential that exists in the three gold projects without the need for further material investment by the Company.

Mineral Tenements

The schedule of the Company's interest in tenements as of 31 December 2022 follows. Zavalievsky Graphite LLC (Volt has a 70% interest in Zavalievsky Graphite) holds the Zavallya tenement in the Ukraine. All tenements within Tanzania are held by Volt Graphite Tanzania Plc, a wholly owned subsidiary of Volt Resources Ltd. Tenements in Guinea are held by two subsidiary companies, KB Gold SARLU and Novo Mines SARLU.

Project	Location	Tenement Number	Change in Holding Status	VRC Beneficial Interest
Zavalievsky Graphite	Ukraine - Zavallya	Special Permit No.430	None	70%
Volt Tanzania Graphite Plc (Bunyu Graphite Project)	Tanzania – Masasi District	ML 591/2018	None	100%
	Tanzania – Masasi District	ML 592/2018	None	100%
	Tanzania - Nachingwea, Ruangwa & Masasi Districts	PL 10643/2015	Pending Renewal	100%
	Tanzania - Ruangwa & Masasi Districts	PL 10644/2015	Pending Renewal	100%
	Tanzania - Newala & Masasi Districts	PL 10667/2015	Pending Renewal	100%
	Tanzania - Newala, Ruangwa & Masasi Districts	PL 10668/2015	Pending Renewal	100%
	Tanzania - Ruangwa & Lindi Districts	PL 10717/2015	Pending Renewal	100%
	Tanzania - Masasi District	PL 10788/2016	Pending Renewal	100%
	Tanzania – Masasi District	PL 13207/2018	Not Granted	100%
	Tanzania – Masasi District	PL 11715/2021	Nona	100%
KB Gold SARLU – Kourouss and Mandiana Projects	Guinea - Nzima	EP 22980	None	100%
	Guinea - Monebo	EP 23058	None	100%
	Guinea - Kouroussa	EP 22982	None	100%
	Guinea - Fadougou	EP 22981	None	100%
	Guinea - Kouroussa West	EP 23057	None	100%
Novo Mines SARLU - Konsolon Project	Guinea - Konsolon	EP 22800	None	100%

FINANCIAL POSITION

The company made a loss for the half year of \$5,261,411 (31 December 2021: loss \$13,742,161). Cash reserves were \$5,518,250 (30 June 2022: \$358,496) representing an increase of \$5,159,754.

CORPORATE ACTIVITIES

On 11 July 2022, the Company successfully raised \$1.716 million (before costs) through the issue of 107,250,000 fully paid ordinary shares at \$0.016 per share (representing a 5.9% discount to the closing trading price prior to the Placement) plus 53,625,000 unlisted options with an exercise price of 2.4 cents and a maturity date 36 months from the date of issue (with each investor to receive one option for every two shares subscribed for under the Placement).

In addition, Volt's Chairman, Asimwe Kabunga, subscribed for 17,750,000 fully paid ordinary shares and 8,875,000 unlisted options for an additional \$284,000 on the same terms as the Placement securities, subject to shareholder approval received 19 October 2022, for a total of \$2.0 million.

On 15 November 2022, the Company successfully raised \$10 million (before costs) through the issue of 555,555,556 fully paid ordinary shares at \$0.018 per share (representing a 5.3% discount to the closing trading price prior to the Placement) plus 555,555,556 listed options with an exercise price of 2.4 cents with a maturity date of 30 June 2025 (with each investor to receive one option for every one share subscribed for under the Placement).

Of this raising, the following director participations were subject to shareholder approval which was received 30 January 2023. The director participations were on the same terms as the Placement raising \$1.08 million of the \$10 million.

- Volt's Chairman, Asimwe Kabunga, subscribed for 55,555,556 fully paid ordinary shares and 55,555,556 listed options;
- Volt's Managing Director Trevor Matthews subscribe for 2,777,777 fully paid ordinary shares and 2,777,777 listed options; and
- Volt Non-Executive Director Giacomo Fazio subscribed for 1,666,667 fully paid ordinary shares and 1,666,667 listed options.

Proceeds from the Placement will be utilised to advance Volt's integrated graphite battery materials business plans including:

- Preparation of a feasibility study for a commercial scale LIB active anode material production facility that can be used as a template design for facilities in the US and Europe,
- Continuing production of samples for customer testwork and offtake discussions,
- Completion of the update of the Bunyu Stage 1 Feasibility Study focused on capital and operating costs and approvals,
- Further working capital to assist in stabilising graphite production from the Zavalievsky mine and processing plant and the export of graphite products to customers in Europe,
- Ongoing business development, Bunyu graphite offtakes and Bunyu financing discussions and negotiations, and
- Corporate expenditure and working capital.

All resolutions presented to shareholders at the Company's General Meeting held on 19 October 2022 and Annual General Meeting held on 30 November 2022 and General meeting held 30 January 2023, were passed by a poll.

Board and Management Changes

During the period, Prashant S. Chintawar, who has served as Senior Advisor - Battery Minerals, was appointed to the role of Chief Executive Officer as of 1 January 2023. Prashant joined Volt on 1 September 2022, having led the US industrialisation strategy for a top ten global EV and ESS battery producer, as well as previously serving as Director, Global Business Development & Sales for leading global chemical company BASF.

Since joining Volt, Mr Chintawar has focused on scaling the downstream business, assessment of Battery Anode Material business activities in the US and Europe, organisation structure, development plans and planning for small scale, producer level Battery Anode Material facilities.

While mining and processing of raw materials is the foundation of the Company, Volt anticipates significantly greater future value creation will be derived from the manufacturing of graphite based battery materials within the US and European markets. In line with this view, the promotion of US based Prashant marks a key milestone in the work we have done in positioning Volt to become a benchmark-setting Company in this industry.

Trevor Matthews transitioned to Executive Director – Finance and Commercial on 1 January 2023 and continues to work closely with the Volt team. Chief Operating Officer, Justine MacDonald, who joined Volt in 2021 after 22 years in the African mining industry working across resource geology, project management and business improvement, will take on a greater role in the operation and advancement of the Company's graphite mining and mineral processing assets.

EVENTS SUBSEQUENT TO REPORTING DATE

On 30 January 2023 all resolutions presented to shareholders at the Company's General Meeting were passed by a poll, including the approval for the Director Placements.

On the 31 January 2023 the company issued free-attaching options associated with the 15 November 2022 Placement. The company issued 555,555,556 listed options ("Placement Options") to participants in the Placement (being one listed option for every share subscribed for under the Placement) after shareholder approval was received on 30 January 2023. The listed options issued are in the same class as Volt's existing listed options, having an exercise price of 2.4 cents and an expiry date of 30 June 2025.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

ENVIRONMENTAL REGULATION

The economic entity holds participating interests in a number of mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There were no breaches of these regulations during the half year to 31 December 2022.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 forms part of the Directors' Report and is included on page 12. This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors,



Asimwe Kabunga | Non-Executive Chairman

16 March 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Volt Resources Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
16 March 2023

B G McVeigh
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME**

		31 Dec 2022	31 Dec 2021
	Notes	\$	\$
Interest revenue		2	489
Expenses			
Corporate compliance costs		(566,738)	(656,068)
Corporate management costs		(977,641)	(963,088)
Marketing and investor relations costs		(757,624)	(504,712)
Occupancy expenses		(26,511)	(20,022)
Interest expenses	10	-	(994,038)
Foreign exchange gain/(loss)		(187,498)	620,626
Share based payments	13	(483,681)	11,151
Share of losses in associate	6	-	(1,083,260)
Impairment of investment	6	(2,099,222)	(10,068,826)
Other expenses		(162,498)	(84,413)
Loss before income tax expense		(5,261,411)	(13,742,161)
Income tax expense		-	-
Loss after income tax expense		(5,261,411)	(13,742,161)
Other comprehensive income for the period, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		212,150	417,076
Total comprehensive loss for the period		(5,049,261)	(13,325,085)
Loss attributable to:			
Owners of Volt Resources		(5,261,411)	(13,749,019)
Non-controlling interests		-	6,858
		(5,261,411)	(13,742,161)
Total comprehensive loss attributable to:			
Owners of Volt Resources		(5,049,261)	(13,325,085)
Non-controlling interests		-	-
Basic and diluted loss per share (cents)		(0.16)	(0.53)

The above condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 Dec 2022	30 Jun 2022
	Notes	\$	\$
Assets			
Current assets			
Cash and cash equivalents	4	5,518,250	358,496
Trade and other receivables	5	165,502	90,401
Prepayment		50,271	29,373
Total current assets		5,734,023	478,270
Non-current assets			
Investment in Associate	6	-	-
Plant and equipment		6,042	40,988
Exploration and evaluation	7	28,616,809	28,140,314
Total non-current assets		28,622,851	28,181,302
Total assets		34,356,874	28,659,572
Liabilities			
Current liabilities			
Trade and other payables	8	641,068	814,760
Other Payables	9	5,608,856	5,516,040
Total current liabilities		6,249,924	6,330,800
Non-current liabilities			
Borrowings	10	-	-
Total Non-current liabilities		-	-
Total liabilities		6,249,924	6,330,800
Net assets		28,106,950	22,328,772
Equity			
Issued capital	11	96,866,265	86,403,507
Reserves		2,248,071	1,671,240
Accumulated losses		(70,797,726)	(65,536,315)
Parent entity interest		28,316,610	22,538,432
Non-controlling interests		(209,660)	(209,660)
Total equity		28,106,950	22,328,772

The above condensed consolidated statement of financial position and other comprehensive income is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31 Dec 2022	31 Dec 2021
Notes	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(2,698,119)	(2,426,199)
Trade and other receivables	95	-
Interest (paid)/received	(1,996)	489
Finance costs	(1,746)	-
Net cash flows used in operating activities	(2,701,766)	(2,425,710)
Cash flows from investing activities		
Payments for exploration expenditure	(336,952)	(318,529)
Payments for plant and equipment	(458)	-
Payment for investment in associate	-	(5,987,818)
Payment of loans to associate	(2,099,222)	-
Net cash flows used in investing activities	(2,436,632)	(6,306,347)
Cash flows from financing activities		
Proceeds from share issue	11,056,500	5,421,694
Proceeds from borrowings	-	5,704,104
Repayment of borrowings	(45,607)	(1,494,182)
Share issue costs	(712,742)	(392,614)
Net cash flows from financing activities	10,298,151	9,239,002
Net increase in cash and cash equivalents	5,159,753	506,945
Cash and cash equivalents at beginning of period	358,496	254,521
Cash and cash equivalents at end of period	5,518,249	761,466

The above condensed consolidated statement of changes in cashflows is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Reserves	Accumulated Losses	Parent Entity Interest	Non- Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	75,505,006	5,162	(49,122,208)	26,387,960	(209,660)	26,178,300
Profit/(loss) for the period	-	-	(13,749,019)	(13,749,019)	6,858	(13,742,161)
Other comprehensive loss for the period	-	423,934	-	423,934	(6,858)	417,076
Total comprehensive loss for the period	-	423,934	(13,749,019)	(13,325,085)	-	(13,325,085)
<i>Transactions with owners in their capacity as owners</i>						
Placement shares	5,750,000	-	-	5,750,000	-	5,750,000
Share based payments	68,139	(118,487)	-	(50,348)	-	(50,348)
Options issued	12,700	-	-	12,700	-	12,700
Performance shares expired	-	39,197	-	39,197	-	39,197
Convertible note	-	489,000	-	489,000	-	489,000
Cost of shares issued	(324,475)	-	-	(324,475)	-	(324,475)
Balance at 31 December 2021	81,011,370	838,806	(62,871,227)	18,978,949	(209,660)	18,769,289
Balance at 1 July 2022	86,403,507	1,671,240	(65,536,315)	22,538,432	(209,660)	22,328,772
Loss for the period	-	-	(5,261,411)	(5,261,411)	-	(5,261,411)
Other comprehensive income for the period	-	212,150	-	212,150	-	212,150
Total comprehensive loss for the period	-	212,150	(5,261,411)	(5,049,261)	-	(5,049,261)
<i>Transactions with owners in their capacity as owners</i>						
Shares issued	11,056,500	-	-	11,056,500	-	11,056,500
Share based payments	119,000	364,681	-	483,681	-	483,681
Options issued	-	-	-	-	-	-
Performance shares expired	-	-	-	-	-	-
Convertible note	-	-	-	-	-	-
Cost of shares issued	(712,742)	-	-	(712,742)	-	(712,742)
Balance at 31 December 2022	96,866,265	2,248,071	(70,797,726)	28,316,610	(209,660)	28,106,950

The above condensed consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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1. CORPORATE INFORMATION

Volt Resources Limited (“Volt” or the “Company”) is a company domiciled in Australia. The address of the Company’s registered office is Level 25, 108 St Georges Terrace, Perth WA 6000. The Company is a for-profit entity and is primarily involved in identifying and investing in mineral exploration assets, conducting exploration activities on those assets, and an emerging integrated producer of battery materials.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general-purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards (“AASBs”) adopted by the Australian Accounting Standards Board (“AASB”).

The financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

2.1. *Basis of Preparation*

These general-purpose financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard 134: Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with IAS 34 Interim Financial Reporting.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules.

The half-year report has been prepared on an accruals basis and is based on historical costs. Cost is based on the fair value of the consideration given in exchange for assets. For the purpose to preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial statements unless otherwise stated. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Board of Directors authorised these half-year financial statements for issue on 16 March 2023.

2.2. *New or Amended Accounting Standards and Interpretations Adopted*

The consolidated entity has adopted all of the new, revised or amending Australian Accounting Standards (AASs) and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have a material impact on group accounting policies.

2.3. *Going Concern Basis*

The interim financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

At 31 December 2022 the Consolidated Entity had cash of \$5,518,250, working capital deficiency of \$515,901, and net assets of \$28,106,950 primarily represented by deferred exploration expenditure of \$28,616,809 on its Graphite prospecting tenements in Tanzania and Guinea gold exploration. During the period, net cash outflows from operating activities totalled \$2,701,766 primarily in relation to corporate compliance, management, marketing and investor relations costs of the listed parent entity.

US \$3.8 mil was due to be paid on 26 July 2022 for the second and final consideration payment for the ZG Group acquisition. Volt is currently in the process of preparing warranty claims under the SPA's which the Directors believe will materially decrease the liability. Refer to note 9 for further details.

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

- (i) The Company has the ability to raise additional working capital in the shorter term from:
 - a. a capital raising;
 - b. issue of convertible securities; and
- (ii) 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 a period of 12 months from the date of signing this interim 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.

2.4. *Critical Accounting Judgements and key sources of estimation uncertainty*

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidate entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022, except for the impact of the new standards and interpretations effective from 1 July 2022 as described above.



3. OPERATING SEGMENTS

Identification of reportable operating segments

	Corporate	ZG Group	Volt Resources Tanzania	Guinea Gold	Total
Segment Performance	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-
Interest revenue	2	-	-	-	2
Total segment revenue	2	-	-	-	2
Expenditure					
Corporate compliance costs	(534,564)	-	(32,174)	-	(566,738)
Corporate management costs	(876,409)	-	(101,232)	-	(977,641)
Marketing and investor relations costs	(757,624)	-	-	-	(757,624)
Occupancy costs	(16,634)	-	(9,877)	-	(26,511)
Forex (gain)/loss	(94,086)	-	(93,412)	-	(187,498)
Share based payments	(483,681)	-	-	-	(483,681)
Impairment of investments	(2,099,222)	-	-	-	(2,099,222)
Other expenses	(119,776)	-	(42,722)	-	(162,498)
Total segment expenditure	(4,981,996)	-	(279,417)	-	(5,261,413)
Loss before income tax	(4,981,994)		(279,417)		(5,261,411)
Segment assets					
Total operating assets	5,685,806	-	24,456,150	4,214,918	34,356,874
Segment Liabilities					
Total operating Liabilities	6,272,546	-	(22,622)	-	6,249,924

4. CASH AND CASH EQUIVALENTS

	31 Dec 2022	30 Jun 2022
	\$	\$
Cash at bank and in hand	5,518,250	358,496
	5,518,250	358,496

Reconciliation to cash flow statement

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

Cash at bank and in hand	5,518,250	358,496
	5,518,250	358,496

5. TRADE AND OTHER RECEIVABLES

	31 Dec 2022	30 Jun 2022
	\$	\$
Current		
GST receivables	118,913	37,653
Sundry receivables	1,678	-
Loans to associate ¹	-	-
Other receivable	44,911	52,748
	165,502	90,401

¹ During the half year, the Company made loans to ZG group totalling \$2,099,222. Due to current uncertainty of future cashflow from the Ukraine base ZG group, management have impaired this balance to \$0.

6. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

On 26 July 2021, the Company completed the acquisition of a 70% interest in the ZG Group. Given the joint control of the ZG Group, the Company's 70% interest is accounted for using the equity method in the consolidated financial statements. ZG Group is governed by the three shareholders and a three-member Supervisory Board where key decisions require unanimous approval of all shareholders or Supervisory Board members.

	31 Dec 2022	31 Dec 2021
	\$	\$
Revenue	754,510	1,542,710
Interest revenue	132,192	149,034
Cost of Sales	(1,173,278)	(2,269,173)
Gross Profit	(286,575)	(577,429)
Foreign exchange gain/(loss)	(1,424,630)	(85,148)
Other expenses	(912,914)	(609,415)
Finance cost	(127,194)	(331,305)
Loss before income tax	(2,751,313)	(1,603,297)
Income tax (expense)/benefit	344,617	55,783
Loss after income tax	(2,406,697)	(1,547,514)
Current Assets	1,492,181	1,871,629
Non-current Assets	5,975,271	8,553,904
Current Liabilities	6,632,662	(3,770,788)
Non-current Liabilities	3,227,811	(7,634,539)
Net Assets	(2,393,021)	(979,794)

	2022	2021
	\$	\$
Reconciliation of share of Associate loss		
Volt Resource's share of ZG Group loss – 70% ¹	(1,684,688)	(1,083,260)
Carrying value at 1 July	-	-
Acquisition cost (Zavalievsky Graphite)	-	10,328,536
Loans to associate	2,099,222	823,549
Volt Resource's share of ZG Group loss – 70% ¹	-	(1,083,260)
Impairment of Investment in Zavalievsky Graphite	(2,099,222)	(10,068,826)
Carrying Value at 31 December	-	-

¹ No further share of associate losses have been recognised as the carrying value of the investment has been reduced to nil.

7. EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 2022	30 Jun 2022
	\$	\$
Exploration and evaluation phase – at cost		
At beginning of the year	28,140,314	26,245,694
Exploration expenditure during the year	336,952	528,125
Non-cash Acquisition	-	-
Foreign currency translation	139,543	1,366,495
Total exploration and evaluation	28,616,809	28,140,314

The write-off or impairment or carrying forward of exploration expenditure is based on a periodic assessment of the viability of an area of interest and/or the existence of economically recoverable resources. This assessment is based on pre-determined impairment indicators, taking into account the requirements of the AASB 6 accounting standard, and with the information available at the time of preparing this report. Information may come to light in subsequent periods which requires the asset to be impaired or written down for which the directors are unable to predict the outcome. The recoupment of costs carried forward is dependent on the successful development and commercial exploitation or sale of respective areas of interest.

8. TRADE PAYABLES

	31 Dec 2022	30 Jun 2022
	\$	\$
Trade payables	641,068	814,760

9. OTHER PAYABLES

	31 Dec 2022	30 Jun 2022
	\$	\$
Zavalievsky Graphite deferred consideration	5,608,856	5,516,040

Under the terms of the Share Purchase Agreements (SPA's), Volt paid the vendors the first instalment of the price of US \$3.8 million on 26 July 2021. The second and final consideration payment of USD \$3.8 million was to be paid in July 2022. This deferred payment is effectively an unsecured loan provided to Volt by the vendors. With the assistance of its Ukraine legal advisers, Avellum, Volt is currently preparing warranty claims under the SPA's, to be offset against the deferred payment. It is expected that the claims will materially reduce the deferred payment amount. Extinguishment of the deferred payment will not be made until agreement has been reached with the vendors or the matter is settled by arbitration.

10. BORROWINGS

	31 Dec 2022	30 Jun 2022
	\$	\$
Borrowings	-	-
Total Borrowings	-	-

Convertible note: On 26 July 2021 Volt Resources Ltd completed the acquisition of a 70% interest in the Zavalievsky group of companies (the ZG Group). The cost of the acquisition was US\$7.6 million, with US\$3.8 million being paid on 26 July 2021 and the remaining US\$3.8 million being due for payment on 26 July 2022. Completion of the ZG Group acquisition was funded from proceeds received from a US\$4 million convertible securities agreement entered into with SBC Global Investment Fund.



11. ISSUED CAPITAL

	31 Dec 2022	31 Dec 2022	30 Jun 2022	30 Jun 2022
	No. shares	\$	No. shares	\$
Share capital				
Opening	3,206,613,777	86,403,507	2,439,701,585	75,505,006
Share placements	666,010,102	11,056,500	395,452,382	7,340,855
Options exercised	-	-	54,850,000	552,700
Vested performance rights	-	-	5,000,000	50,000
Share based payment ^{a)}	6,800,000	119,000	6,283,751	79,280
Shares issued on debt conversion	-	-	305,326,059	3,016,119
Unissued shares capital	-	-	-	363,500
Share issue costs	-	(712,742)	-	(503,953)
Ordinary shares fully paid	3,879,423,879	96,866,265	3,206,613,777	86,403,507

a) Share based payment

6,800,000 shares were issued to Peak Asset Management as consideration for brokerage services provided for the 11 July 2022 equity placement. The shares were fair valued using the share price on the date of placement.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may issue new shares in order to meet its financing requirements.

The consolidated entity is subject to certain financing arrangements and meeting these are given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.



Options

Grant Date	Details	Expiry Date	Exercise Price	Balance at 30 June 2022	Movement	Balance at 31 Dec 2022
Share Options						
23 October 2020 ^{a)}	Unlisted options	23 May 2023	\$0.22	69,450,002	-	69,450,002
26 July 2021 ^{b)}	Unlisted options	26 July 2024	\$0.05	30,000,000	-	30,000,000
9 September 2021 ^{c)}	Unlisted options	9 September 2024	\$0.05	5,000,000	-	5,000,000
9 September 2021 ^{d)}	Unlisted options	9 September 2024	\$0.0385	4,259,740	-	4,259,740
14 November 2022 ^{e)}	Listed options	30 June 2025	\$0.024	-	588,055,557	588,055,557
Total				108,709,742	588,055,557	696,765,299

^{a)} The options granted during the 2021 financial year were free attaching to the October 2020 placement. The options granted during the 2020 financial year were free attaching to the May 2020 placement.

^{b)} The options granted on the 26th July 2021 (totalling 30,000,000) were issued in direct relation to the SBC loan facility in association with the Zavalievsky Graphite acquisition.

^{c)} The options granted on the 9th September 2021 (totalling 5,000,000) were issued to brokers in relation to the November 2021 capital raising.

^{d)} The options granted on the 9th September 2021 (totalling 4,259,740) were issued in relation to the SBC convertible note fees.

^{e)} The options granted on the 14th November 2022 (totalling 588,055,557) were issued to brokers in relation to the November 2022 capital raising.

Performance rights

Grant Date	Expiry Date	Tranche	Balance at 1 July 2022	Granted during the year	Vested during the year	Expired during the year	Balance at 31 Dec 2022
Performance Rights							
	31 December 2025	Series 1	-	37,500,000	-	-	37,500,000
	31 December 2025	Series 2	-	37,500,000	-	-	37,500,000
	31 December 2025	Series 3	-	75,000,000	-	-	75,000,000
				150,000,000			150,000,000

All tranches contain market-based vesting conditions and have been valued using an up-and-in single barrier option pricing model with a Parisian barrier adjustment. The model takes into consideration that the rights will vest at any time during the performance period given that the VWAP exceeds the determined barrier over the specified number of days. The model incorporates a trinomial option pricing model. Refer to note 13 for further details of the share-based payment arrangement and a summary of key inputs to the valuation.



12. RESERVES

	31 Dec 2022	30 Jun 2022
	\$	\$
Performance rights reserve	(364,681)	-
Share based payments reserve	(178,889)	(178,889)
Convertible note reserve	(489,000)	(489,000)
Foreign currency translation reserve	(1,215,501)	(1,003,351)
	(2,248,071)	(1,671,240)

13. SHARE BASED PAYMENTS

On 19 October 2022, shareholders approved the issue of series 1, 2 and 3 performance rights to Chairman Asimwe Kabunga, Executive Director Trevor Matthews and Non-Executive Director Giacomo Fazio.

The Performance Rights proposed to be granted will have the following vesting conditions:

- Mr Matthews (or his nominee): 17,500,000 Series 1 Performance Rights, 17,500,000 Series 2 Performance Rights and 35,000,000 Series 3 Performance Rights;
 - Mr Kabunga (or his nominee): 17,500,000 Series 1 Performance Rights, 17,500,000 Series 2 Performance Rights and 35,000,000 Series 3 Performance Rights; and
 - Mr Fazio (or his nominee): 2,500,000 Series 1 Performance Rights, 2,500,000 Series 2 Performance Rights and 5,000,000 Series 3 Performance Rights
- Each Performance Right is a right to subscribe for one Share
 - No amount will be payable by the holder for any Shares issued in respect of any Performance Rights that vest and are converted.
 - The expiry date of the Performance Rights is 31 December 2025
 - The Performance Rights proposed to be granted will have the following vesting conditions:
 - Series 1 Performance Rights will be subject to the condition that:
 - the person remains as a Director as at the date that is 18 months after grant date; and
 - at any time between grant date and the date that is 30 months after grant date, the VWAP of Shares calculated over any 5 consecutive trading day period on which trades in Shares were recorded is \$0.05 or more;
 - Series 2 Performance Rights will be subject to the condition that:
 - the person remains as a Director as at the date that is 24 months after the grant date; and
 - at any time between grant date and the date that is 30 months after grant date, the VWAP of Shares calculated over any 5 consecutive trading day period on which trades in Shares were recorded is \$0.075 or more; and
 - Series 3 Performance Rights will be subject to the condition that:
 - the person remains as a Director as at the date that is 30 months after grant date; and
 - at any time between grant date and the date that is 30 months after grant date, the VWAP of Shares calculated over any 5 consecutive trading day period on which trades in Shares were recorded is \$0.10 or more



The fair value of the rights was valued using a trinomial lattice up-and-in option pricing model with a Parisian barrier adjustment. The inputs to the model were as follow:

Assumption	Series 1	Series 2	Series 3
Grant Date	19 Oct 22	19 Oct 22	19 Oct 22
Spot Price	\$0.031	\$0.031	\$0.031
Exercise Price	Nil	Nil	Nil
Vesting Date	19 Apr 25	19 Apr 25	19 Apr 25
Barrier Price	\$0.05	\$0.075	\$0.100
Expiry Date	31 Dec 25	31 Dec 25	31 Dec 25
Expected Future Volatility	100%	100%	100%
Risk Free Rate	3.50%	3.50%	3.50%
Dividend Yield	Nil	Nil	Nil

The company has determined the expected vesting period to be the life of the rights with vesting expense recognised on a straight-line basis over the vesting period. \$364,681 of vesting expense was recognised on the rights during the period.

6,800,000 shares were issued to Peak Asset Management as consideration for brokerage services provided for the 11 July 2022 equity placement. The shares were fair valued using the share price on the date of placement.

14. FINANCIAL INSTRUMENTS

The Group has a number of financial instruments which are not measured at fair value on a recurring basis. The carrying amounts of these financial instruments approximate their fair value.

15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The company had no contingent liabilities nor contingent assets at 31 December 2022.

16. EVENTS SUBSEQUENT TO REPORTING DATE

On 30 January 2023 all resolutions presented to shareholders at the Company's General Meeting were passed by a poll, including the approval for the Director Placements.

On the 31 January 2023 the company issued free-attaching options associated with the 15 November 2022 Placement. The company issued 555,555,556 listed options ("Placement Options") to participants in the Placement (being one listed option for every share subscribed for under the Placement) after shareholder approval was received on 30 January 2023. The listed options issued are in the same class as Volt's existing listed options, having an exercise price of 2.4 cents and an expiry date of 30 June 2025.



In accordance with a resolution of the Directors of Volt Resources Limited, I state that:

- (1) In the opinion of the Directors:
 - (a) the financial statements and notes set out on pages 13 to 26 and the Directors' Report are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (2) The Directors draw attention to Note 2 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.
- (3) The Directors have been given the declarations by the chief executive officer and chief financial officer (or equivalent) for the half year ended 31 December 2022 required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in blue ink, appearing to read 'Asimwe Kabunga'.

Asimwe Kabunga | Non-executive Chairman

16 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Volt Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Volt Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Volt Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to

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enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
16 March 2023



B G McVeigh
Partner