



VOLT
RESOURCES

ASX ANNOUNCEMENT

By e-lodgement

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NAMANGALE CONCENTRATE PRODUCES COMMERCIAL GRADE GRAPHITE OF 99.99% TGC PURITY

HIGHLIGHTS

- Tests by an independent German metallurgical laboratory confirm Namangale graphite flake concentrate produced battery-grade graphite of 99.99% TGC purity
- In addition, tests confirmed concentrate suitable for wide range of applications including expandable graphite, graphite foil, refractory and lubrication products
- Results confirm Volt's graphite as excellent quality with no deleterious elements or quartz veins within the graphite flakes
- End-user test work is continuing with a number of multi-national groups
- PFS progressing and is on target to be completed this quarter

INTRODUCTION

Volt Resources Limited (**ASX: VRC**) ("**Volt**" or the "**Company**") is delighted to announce that independent testing by a German laboratory has **produced battery-grade graphite of 99.99% TGC purity**. The test work also confirmed the commercial suitability of graphite flake concentrate from the Namangale deposit for a wide range of downstream applications including spherical graphite, expandable graphite, graphite foil, refractory and lubrication products.

This result is timely as it will deliver extra impetus to Volt's global marketing effort, which is targeting a wide range of end-users, including the lithium-ion battery sector. Encouragingly, several prospective customers sent samples to test in September 2016 have already indicated the quality is high and suitable for their down stream applications. The Board is optimistic these relationships will move forward positively.

INDEPENDENT TESTING CONFIRMS COMMERCIAL APPLICATIONS

Volt sent graphite flake concentrate samples from its Namangale deposit to an independent laboratory in Germany to test the potential commercial downstream applications.

In the test report, it was noted, prior to conducting conventional purification on the sample, that:

“it is a very clean flake graphite flotation concentrate.” In addition, it was stated the bulk sample contained encouraging volumes of large flakes.

Post purification, the report remarked the results “open great chances for many traditional and new high tech applications of flake graphite.” This is highly encouraging news for Volt as it further validates the strategy of marketing to a wide array of potential end-users.

Drilling down in to the results, the test report noted some specific attributes worthy of repeating:

- Firstly, verifying the purity of Namangale’s product and absence of contaminants, the report stated: “the flake graphite concentrate and purified graphite are excellent raw material” for downstream applications.
- Secondly, Namangale concentrate can be readily upgraded to 99.99% TGC which exceeds the general spherical graphite feed requirement of 99.95% TGC purity. This represents a major step in end user qualification, specifically, for prospective end-users in the lithium-ion market.
- Finally, to confirm the wide application for Namangale’s product, whereby the report referenced Volt’s product is expected to be suitable for a range of applications such as lithium-ion-batteries, expandable graphite, graphite foil, refractory and lubrication material.

Executive Chairman, Stephen Hunt commented: "Receiving independent confirmation on the high quality and wide applications for Volt’s graphite flake concentrate is extremely positive, especially its ability to produce graphite with up to 99.99%TGC for spherical graphite production. It clearly confirms the Namangale deposit is a world class resource and provides considerable impetus to the global marketing effort moving forward. More significant, however, is prospective clients that have tested Volt’s graphite confirming its suitability for their downstream applications. These relationships will be progressed with utmost priority moving forward, given a significant hurdle has been cleared."

Furthermore Phil Hearse, Managing Director of BatteryLimits, who are managing the feasibility study work for Volt, said, "concentrate from the Namangale flotation work has been tested in Germany for its downstream properties. The results of the downstream work on Namangale concentrates show that the graphite is very clean, easily treatable, of excellent quality and will be suitable for a number of traditional and high tech applications."

MARKETING UPDATE

These test results, highlighting the wide applications for Namangale’s product, vindicate management’s strategy to progress marketing its high-quality large, super and super jumbo flake to a wide array of prospective global clients. In September 2016, nine samples were sent to prospective customers in China (4), Europe (2) and the US (3) including electric vehicle and lithium-ion battery manufactures, graphite anode producers, graphite trading houses and graphene product specialists (refer ASX Announcement 9/9/16 “Super jumbo and jumbo flake samples up to 99.6% TGC prepared for prospective offtake partners”).

Preliminary feedback from prospective customers has been positive, with a number of them stating that the graphite samples are high quality and adequate for their downstream applications. This is a positive start to the global marketing effort and the team will be working hard to progress these relationships further in the new year.

PFS UPDATE – Progressing and on target to be completed this quarter

The consultants and mining engineers have been progressing the PFS compiling various complex inputs required to finalise the study. The Board has been advised that the report is on target to be completed this quarter.

CONCLUSION

The Board is delighted with confirmation from the independent laboratory and prospective customers that Volt's graphite product has demonstrable and acceptable commercial applications. This is timely and highly encouraging news flow with the PFS due for release this quarter.

For and on behalf of Volt Resources Limited



Stephen Hunt
Volt Resources Limited
Executive Chairman