



ASX ANNOUNCEMENT

By e-lodgement

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Volt to Pursue US\$30m Tanzanian Bond Issue

- **Volt appoints experienced, well-qualified investment banking firm Exotix Capital to raise up to US\$30 million via Tanzanian Bond Issue**
- **Proposed funding to be deployed early 2018 to complete Stage 1 development of Bunyu Graphite Project targeting production of 20,000tpa of graphite products by late 2018**
- **Exotix is a market leader in structured finance packages for natural resource projects in African economies – funds sourced from African institutions, family offices and regional credit funds**
- **Analysts expect soaring demand for graphite as a key component of lithium-ion batteries in electric cars, in addition to other key applications such as fire retardant building materials**
- **Volt's Bunyu project is Tanzania's largest graphite mineral resource**

Tanzanian-focused flake graphite development company **Volt Resources Limited (ASX: VRC)** ("**Volt**" or "**the Company**") is pleased to advise that it has engaged Exotix Capital to undertake a Tanzanian Bond issue to raise up to US\$30 million in structured debt to fund the Stage 1 development of the Company's flagship Bunyu Graphite Project in Tanzania. If successful, the proposed bond financing will ensure that project development funding will be undertaken with minimal equity dilution.

Exotix will act as structuring, financial and placement advisor and will leverage its significant East African networks to complete the proposed Issue, with a focus on the Tanzanian, Kenyan and Ugandan capital markets, respectively.

Volt will continue to consider other funding proposals it is currently negotiating for the Stage 1 development of the Bunyu Project to ensure that momentum moving towards production by year end 2018 is maintained.

Tanzania and Mozambique are home to Africa's largest deposits of graphite, a mineral increasingly in demand because of its variety of uses, including as a fire retardant in building materials and for use in batteries for powering electric vehicles. The manufacture of lithium-ion batteries used in electric vehicles requires nine times more graphite than lithium.¹ By 2020, analysts estimate the demand for flake graphite will exceed 500,000 tonnes per annum, largely due to an approximate 400% increase in battery graphite feedstock demand from 2016.²

¹ <http://northerngraphite.com/lithium-ion-batteries/>

² <http://benchmarkminerals.com/graphite-demand-from-lithium-ion-batteries-to-more-than-treble-in-4-years/>

Volt's Banyu Graphite Project is the largest JORC mineral resource deposit in Tanzania and can produce graphite suitable for both battery production and building material uses.

As part of the proposed bond raising process, Volt will, upon completion, have the bonds listed on the Dar es Salaam Stock Exchange ("DSE") in Tanzania. The estimated timeframe to complete a DSE listing is 8-12 weeks.

Volt's Chairman, Asimwe Kabunga, commented:

"Volt is pleased to be partnering with the team at Exotix over the coming months as we pursue an in-country bond issue in Tanzania to fund the initial Stage 1 development of our Bunyu graphite project.

"Exotix brings to the table an extensive network of East African investors and a comprehensive strategy to access these local parties who have a strong appetite for large-scale resource projects such as Bunyu.

"We look forward to continuing to provide shareholders with further funding and operational updates in due course."

Exotix's CEO, Duncan Wales, commented:

"We are happy to be working on such an important project with Volt to support Tanzania's growth as a major producer and exporter of natural graphite amid increasing demand for the mineral."

About Exotix Capital

Since 1999, Exotix has been enabling international investors to access the most dynamic and complex financial markets and economies in the world. Exotix specialises in equity and fixed-income markets, and investment banking, throughout developing economies in Africa, Central, South and Southeast Asia, emerging Europe, the Middle East, Latin America and the Caribbean. During the past year, Exotix has been named Best Boutique Investment Bank in Africa by Global Finance, Best Frontier Markets Investment Banking Team in the UK by Capital Finance International, and Best Broker in Tanzania and Nigeria by EMEA Finance. For more information about Exotix, go to <https://www.exotix.com/>

For and on behalf of Volt Resources Limited

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About Volt Resources Limited

Volt Resources Limited is a graphite exploration company listed on the Australian Stock Exchange under the ASX code: VRC. Volt Resources is focused on the exploration and development of its existing wholly-owned Bunyu Graphite Project in Tanzania. As of December 2016, the Bunyu Project is the largest JORC Mineral Resource deposit in Tanzania with 461Mt @ 4.9% TGC (comprising 20Mt Measured Mineral Resources @ 5.3% TGC, 155Mt Indicated Mineral Resources @ 5% TGC and 286Mt Inferred Mineral Resources @ 4.9% TGC), with 22.6Mt of contained graphite³. The Bunyu 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.

³ Refer to Volt's ASX announcement titled "Pre-feasibility Study Completed" dated 15 December 2016. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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