

ASX ANNOUNCEMENT

By e-lodgement

29 November 2023**Volt reports progress on US\$50 million US Department Of Energy grant to fast-track downstream graphite anode business****Key Highlights**

- US Department of Energy announces **US\$ 3.5 billion in grants for Battery Materials Processing and Battery Manufacturing**
- Volt is creating a consortium and will work exclusively with American Energy Technologies Company (AETC) as a Manufacturing Technology Provider to submit a **formal application in early 2024** for US\$50 million of grant funds
- **AETC is the only organization in North America capable of producing battery-ready graphite for lithium-ion battery anodes**
- Volt is in **final offtake negotiation with a US based battery manufacturer for up to 4,000 tpa** of natural graphite anode. The current anode price is about US\$ 6,900 per tonne.
- An additional **two more offtake customers are expected to provide Letter of Commitment for Volt's Full Application**
- Funds would be allocated towards construction of the planned 7,500 tpa natural graphite anode plant
- The DOE expects to announce **winners by August 2024**.

Established graphite producer and natural graphite anode developer Volt Resources Limited (ASX: VRC) ("**Volt**" or the "**Company**") is pleased to provide an update on the company's downstream business.

Successful transformation of the Company from a junior miner to a natural graphite anode producer remains our topmost priority. On 15 November 2023, US Department of Energy (DOE) announced Funding Opportunity Announcement (FOA) Number: DE-FOA-0003099 under Bipartisan Infrastructure Law (BIL) Battery Materials Processing and Battery Manufacturing.

The BIL will invest more than US\$ 7 billion in the battery supply chain over the five-year period encompassing US Government fiscal years 2022 through 2026. The DOE expects to make a total of approximately US\$ 3.5 billion of US Government funding available for new awards under this FOA, subject to the availability of appropriated funds.

Under Area of Interest AOI 4: (Commercial-scale Domestic Production of Battery Cathodes and Commercial-scale Domestic Production of Battery Anodes), the

DOE plans to make a total 4-8 grant awards of US\$ 50-300 million each and spend about US\$ 0.8 billion. We believe that China's October 2023 announcement to implement export controls on graphite products and the fact that some of the graphite award winners from DOE's previous FOA have not yet completed award negotiation are strong catalysts for DOE to prioritize graphite projects.

The objective of AOI 4.b is to construct new or expand, retool, or retrofit existing commercial-scale facilities to create a US battery-grade anode materials production facilities capable of creating products for use in electric vehicles and/or electric grid energy storage applications.

In response to this FOA and under AOI 4.b: Commercial-scale Domestic Production of Battery Anodes, the Company plans to submit a Concept Paper by 9 January 2024 and Full Application by 19 March 2024 requesting a grant US\$ 50 million or more for our planned 7,500 tpa natural graphite anode plant. The DOE expects to announce winners by August 2024. It is worth noting that this FOA may remain open for up to 48 months, with review cycles occurring approximately every six months, while funding lasts.

In anticipation of this FOA, the Company has been working diligently since early 2023. Our project team is expected to be a large consortium of the following industrial partners, academic institutions, and others:

Flake Graphite Supplier – based on customer feedback (Voice of Customer) and to ensure security of supply for our natural graphite anode plant, we plan to have a dual sourcing strategy and use graphite from our own mines - Zavalievsky Graphite (ZG), Ukraine or Volt Graphite Tanzania "Bunyu" (when it becomes operational). Test data collected from both ZG and Bunyu graphite after thermal purification indicate that we can get very low impurity (typically less than 100 parts per million) graphite, suitable for lithium-ion batteries, from either source.

Manufacturing Technology Partner – as indicated in ASX release 9 October 2023 "US GRAPHITE SPECIALIST AND MANUFACTURER AMERICAN ENERGY TECHNOLOGIES CO. (AETC) SIGNS AGREEMENT WITH VOLT", the two companies will work exclusively with one another under the terms of limited scope exclusivity agreement, to prepare and submit a proposal to the DOE. AETC will join Volt as a Manufacturing Technology Provider. AETC is the only organization in North America capable of producing commercial quantities of spheroidized surface coated battery-ready graphite for lithium-ion battery anodes.

Production Site – Selection of a site for a chemical (natural graphite anode) plant is a complex process where multiple criteria must be taken into consideration, including lowest capital and operating cost, financial

incentives, access to skilled labour, connectivity via rail & port, ease of permitting, availability of raw materials, access to renewable or low carbon power, etc. A 33-acre site in the US Battery Belt (Southeast US) is likely suitable based on key criteria and we will make a formal announcement in 2024.

Customers – in addition to supply / offtake / joint development agreements with 24M (ASX announcement 27 October 2022 “24M And Volt Execute a Graphite Supply MOU”), Urban Electric Power (ASX announcement 20 April 2022 “JOINT DEVELOPMENT AGREEMENT SIGNED WITH URBAN ELECTRIC POWER AND AMERICAN ENERGY TECHNOLOGIES”), we are in final offtake negotiation with a US based battery manufacturer for up to 4,000 tpa of natural graphite anode. Once signed, this deal will represent over 50% offtake from Volt’s proposed initial capacity of 7,500 tpa. Furthermore, two more offtake customers are expected to provide Letter of Commitment for Volt’s Full Application.

Economic Development Authority - will provide economic incentives (in the form of tax abatement, training, workforce training, infrastructure improvement, etc).

Other Organizations – which offer pre-employment selection and training, trainee recruitment, screening, leadership development, etc. will also be a part of the consortium.

The DOE will evaluate proposals on multiple criteria including technical merit, financial resources of the applicant, commercial market viability, team strength, and community benefit plan. We remain hopeful of winning the grant which will dramatically accelerate Volt’s growth.

-ENDS-

This announcement was authorised for release by the Board of Volt Resources Ltd.

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Volt Resources Limited (“Volt”) is critical minerals and battery material company listed on the Australian Stock Exchange under the ASX code VRC. We are an established graphite producer and an emerging natural graphite anode (a key component of lithium-ion batteries) producer. Volt has a 70% interest in the Zavalievsky Graphite (ZG) business in Ukraine. The ZG mine and processing

facilities have been in operation since 1934 and are near key markets with significant developments in lithium-ion battery production. ZG benefits from an existing customer base and graphite product supply chains based on excellent transport infrastructure covering road, rail, river, and sea freight combined with reliable grid power, ample potable ground water supply and good communications^[1].

Volt acquired three licence applications that are 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^[2].

Volt is progressing the development of its large 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 from the Project. In August 2023, Volt reported the completion of the revised Feasibility Study ("FS") for 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 24,780 tpa of graphite products^[3]. Key objectives of Stage 1 development are to establish Bunyu Graphite Project as a world-class supplier of graphite products, grow Volt's existing natural flake graphite business, provide cashflow, and establish infrastructure in support of the development of the significantly larger Stage 2 expansion project.

^[1] Refer to Volt's ASX announcements titled "Volt to Acquire European Graphite Business following Completion of Due Diligence" dated 14 May 2021 and "Completion of the ZG Group Transaction Following Execution of New Convertible Securities Facility" dated 26 July 2021.

^[2] Refer to Volt's ASX announcement titled "Strategic European Lithium Acquisition – Jadar North" dated 18 November 2021.

^[3] Refer to Volt's ASX announcement titled "Feasibility Study Update for Bunyu Graphite Project Stage 1, Tanzania, delivers significantly improved economics" dated 14 August 2023. 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.