ASX ANNOUNCEMENT
By e-lodgement
29 May 2023

Volt subsidiary, Zavalievsky Graphite, Wins €600,000 Graphite Anode Development Grant

Highlights

- **Volt subsidiary Zavalievsky Graphite (ZG) has been selected for grant funding of up to €600,000 through the European Union's (EU) Horizon Research and Innovation funding programme.**
- **The Horizon project "GR4FITE3" will be executed by an international consortium consisting of ten partners from six countries including Ukraine, Poland, Italy, Spain, and France.**
- **This consortium was successful in obtaining funding due to the Project's environmental attributes, innovation, cost competitiveness and great potential to reduce the European continent's dependence on battery ready graphite supplies from Asia.**

Graphite producer and natural graphite anode developer Volt Resources Limited (**ASX: VRC**) ("**Volt**" or "**the Company**") is pleased to announce that it has won a grant from the European Union's Horizon programme for a graphite anode development project called "**GR4FITE3**". The consortium of industry experts will receive up to €5 million in grant funding over the next four years of which the ZG allocation will be up to €600,000 (approximately A$978,000).

The GR4FITE3 project intends to provide graphite resilience for lithium-ion battery anodes through a sustainable European end-to-end supply chain. This supply chain comprises of ecologically responsible European miners of natural crystalline flake graphite from one of Europe's largest natural graphite deposit - the Zavalievsky Graphite mine. This will enable the production of high-density anodes, the creation of cells, the development of battery modules, the certification of lithium-ion batteries for safety and viability, and ultimately the use of these products by OEMs such as an established European electric bus manufacturer and a utility grid developer, among others. This consortium will deliver both innovation and cost-competitiveness, to demonstrate improved supply chain logistics and superior performance of anode-grade graphite and batteries for the specific needs of European OEMs.

The Horizon GR4FITE3 project incorporates ten participants from six countries. The consortium press release (see attached) refers to the Zavalievsky graphite mine as one of the largest operating in continental Europe for the production of anodic material. ZG is a proven graphite business in operation since 1934 and, during the 1980s, produced about 60,000 tonnes per annum of graphite. We believe that ZG can meet a significant portion of Europe's future graphite needs.

Commenting on the win, Volt Resources Limited's Chief Executive Officer, Prashant Chintawar, said:

"Securing non-dilutive funding, which accelerates the commercialization of our long-life natural graphite anode, is a part of our strategy and we are thankful to European Union for the award. Through Zavalievsky Graphite, Volt intends to work closely with the **GR4FITE3** partners for creation of a sustainable supply chain for the rapidly growing lithium-ion battery industry in Europe. Results of this project are expected to benefit Volt's planned downstream facilities for the production of natural graphite anode."

-ENDS-

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

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About Volt Resources Limited

Volt Resources Limited ("Volt") is critical minerals and battery material company listed on the Australian Stock Exchange under the ASX code VRC. We are a 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 communications1[1].

Volt acquired three licence applications that are prospective for lithium-borate mineralisation. The licence applications are in respect to a total area of 291km^2, 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 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 products[3]. 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 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 "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.

Press release, 17 May 2023

European project GR4FITE3 to establish an environmentally responsible supply of battery-ready graphite

*Newly launched project GR4FITE3 aims to reach Graphite Resilience For lithium-Ion baTtery anodes through a **sustainable European End-to-End supply chain**.*

From the beginning, Europe has been a pioneer in green technology for energy production. However, when it comes to lithium-ion batteries, not only does Europe have very limited resources, but it also lost momentum when the battery supply chains developed.

The 4-year EU project **GR4FITE3** addresses a unique opportunity to establish an **environmentally responsible supply of battery-ready graphite** within the lithium-ion battery market for use in electric vehicles and commercial utilities.

GR4FITE3 will focus on producing natural graphite, but it will also develop and demonstrate a viable technology for the **recovery, "healing" and reuse** of the predominant lithium-ion battery-anode-grade synthetic graphite. This is available in Europe in massive quantities inside **already deployed batteries of Asian manufacture and origin**.

GR4FITE3 project has received funding from the European Union's Horizon Europe research and Innovation programme under grant agreement N° 101103752

Therefore, the source of anode-grade graphite will be low-cost material that contains mixtures of synthetic graphite recovered through recycling technologies and properly upgraded, European mined natural graphite. **This unique combination of both raw materials will be assembled into battery anodes in Europe for the first time ever**.

To reach these ambitious objectives, the **EU-funded project** gathers 10 entities from 6 countries, including 3 industries & SMEs, 6 industry-driven organisations and 1 university. Three of these partners are based in Ukraine, in particular the Zavalievsky graphite mine, which is one of the largest operating in continental Europe for the production of anodic material. This consortium will **deliver both innovation and cost-competitiveness**, to demonstrate improved supply chain logistics and superior performance of anode-grade graphite and batteries for the specific needs of European Original Equipment Manufacturers (OEMs).

The partners met for the first time during the project's **Kick-off meeting, hosted by the coordinator RINA-c in Milan**, on the 10 and 11 May 2023.

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