



ASX ANNOUNCEMENT

By e-lodgement

11 August 2022

VOLT POSITIONED TO BENEFIT FROM ESD SUPER SITE DEVELOPMENT ACTIVITIES

Highlights

- **Energy Supply Developers (ESD) to potentially establish a series of Super Sites throughout the U.S. due to substantial increase in demand for battery making capacity.**
- **'Anchor Tenant' (LIB cell maker) has been approved for funding by the U.S. Government. ESD working with at least six lithium-ion battery producers on their manufacturing plans in the U.S.**
- **Real estate development partner has signed letter of intent (LOI) for land to be developed in a midwestern state for the initial location.**

Graphite producer and battery materials developer **Volt Resources Limited (ASX: VRC)** ("**Volt**" or "**the Company**") refers to the update provided by Energy Supply Developers ("**ESD**") on 11 August 2022 which highlights increased management discussions driven by the additional interest level in the United States to develop battery making capability.

Volt could add additional offtake customers with the potential establishment of more Super Sites throughout the U.S. while driving lower capital expenditures through the ESD facility development model. In addition, once the Anchor Tenant receives funding from the U.S. Government, Super Site development activity is likely to accelerate.

Full update below from ESD website <http://www.energysupplydevelopers.com/>

1. It's been 4 months since our conference call to discuss the Energy Supply Developers (ESD) Super Site development plans. What has transpired since late-March?

Just after our conference call, ESD's real estate development partner signed a Letter of Intent for the initial plot of land to be developed in a Midwestern state in the United States of America (USA), which will most likely be the location of ESD's first Super Site. This land is intended for the use of the cell producer that we expect to be the "Anchor Tenant" at the Super Site. The senior management of

the cell producer has since met with the Governor and Commerce Secretary of the Midwestern state, as well as with officials from the economic development authority. The visit and the meetings went well, and the senior management of the Anchor Tenant are very satisfied with the arrangements that are being made. The Anchor Tenant has been approved for substantial funding from the Federal Government of the USA, and once the funding is made available, the project will move forward quickly.

2. Currently, how many letters of intent (LOIs)/agreements are signed with prospective tenants?

To date, ESD has signed LOIs with twelve prospective tenants. Apart from the LOI signed with the Anchor Tenant referenced above, the rest of the prospective tenants are companies that expect to supply the Anchor Tenant. Understandably, these prospective tenants are waiting for the project with the Anchor Tenant to proceed before moving forward with their own facilities. In addition to the LOIs that have been signed, ESD is working closely with five additional cell makers, which for a variety of reasons, are considering ESD's site in the Midwestern state, as well as other sites within the USA.

3. How many cell makers are signed-up and could you characterize their respective technology offerings?

As a result of our wide network of contacts throughout the global battery industry and the unique set of capabilities which we offer, ESD is being contacted by battery cell producers and their suppliers from around the world. With the announcements by the major automakers and the various development initiatives being undertaken by the USA government, ESD has found that the level of interest in producing batteries in the USA has increased significantly in recent months. As a result, ESD is working closely with at least five other lithium-ion battery producers on their USA production plans. While the Midwestern site that ESD believes will be its first Super Site is of interest to most of these cell makers, they are also interested in exploring sites located in other states. In most cases, the proximity of a site to key customers is a major consideration. However, in all cases, ESD's ability to offer site location, facility design, construction and financing services is compelling. In addition, the cell producers we are working with are very interested in ESD providing its "turnkey" services to their respective suppliers.

4. Has the level of interest in partaking in the ESD initiative been impacted by the various battery joint ventures and manufacturer announcements?

As mentioned previously, interest in establishing battery facilities in the USA has picked up substantially in recent months. ESD's Midwestern site continues to be attractive to prospective battery producers due to its proximity to major battery users; excellent highway, rail and water transportation alternatives and access to human and technical resources. Having said that, the USA is a big country, and sites in other states have their own unique advantages. That is why ESD's strategy is to develop a series of Super Sites throughout the country. This would offer suppliers in any of ESD's sites the ability to supply cell producers located in the same site or at other sites. Whether a supplier establishes several sites in the USA, or supplies the USA market from one site, will depend on the product, the cost of establishing manufacturing facilities and a variety of other factors.

5. How are things going with land acquisition?

Land acquisition has not proven to be a problem. At the Midwestern site, the decision was made to negotiate an LOI for the initial parcel of land in order to start the process, with the understanding

that this parcel is only the first piece in a much larger project. The state and local development officials understand and support ESD's plans, and we don't expect land acquisition at the Midwestern site to be an issue. Meanwhile, our real estate development partner has been busy gaining access to land at other potential locations for an ESD Super Site.

6. Are there facets of ESD that people may not be aware of given its North America focus?

As everyone knows, the development of the battery industry has been led by China. Most recently, battery production has picked up substantially in Europe. At long last, America has joined the electrification trend. While large companies such as LG, Samsung and Panasonic are very experienced at setting up production facilities in all parts of the world, most of the companies seeking to establish manufacturing facilities in the USA are either early stage companies with limited resources devoted to facility design and construction, or international companies with little experience in the USA market. In this context, ESD's ability to introduce prospective partners and customers, as well as to provide turnkey services with respect to facility construction, is a very attractive value proposition. As a result, ESD management has never been more excited about the prospects for the North American market.

Energy Supply Developers LLC (“ESD”)

ESD is developing a unique integrated LIB facility with planned capacity of up to 50 gigawatt-hours (GWh) for its initial Super Site that is expected to commence operation in 2025. The Super Site facilities will be developed by ESD to incorporate battery materials suppliers, LIB cell manufacturer(s), R & D facilities and associated utilities and infrastructure. ESD has entered into a number of LOIs and is having further discussions with battery material suppliers, cell manufacturers, property and construction groups and expects to make further announcements in relation to Super Site participants in the near future.

Negotiations with U.S. Midwest states for the ESD Super Site location are nearly finalized. Once the site is selected, ESD will officially announce its development plans, board and management team and Super Site participants through a media and public relations launch including website and other traditional and social media platforms.

CSPG Supply – Volt

ESD has selected Volt to be the coated spheroinised purified graphite (“CSPG”) supplier for its Super Site. ESD and Volt have executed a non-binding Letter of Intent which contemplates entering into a binding lease agreement covering the area within the integrated Super Site facility within which Volt will install its CSPG processing equipment. The term of Volt’s Super Site lease is yet to be agreed with ESD. Volt has engaged with ESD’s construction manager, Yates Construction, on the equipment layout and utilities required for Volt to produce CSPG based on the testwork, and equipment selection undertaken with our technology partner in the United States, American Energy Technologies Co. (“AETC”).

-ENDS-

Authorised for release by:

Trevor Matthews

Managing Director

Volt Resources Ltd

For further information please contact:

Trevor Matthews
Managing Director
Tel: +61 8 9486 7788

Alex Cowie
Investor Relations
Tel: +61 412 952610

Follow us on Twitter [@ASXVolt](https://twitter.com/ASXVolt)



About Volt Resources Limited

Volt Resources Limited (“Volt”) is a graphite producer/developer and gold exploration company listed on the Australian Stock Exchange under the ASX code VRC. Volt has a 70% controlling interest in the Zavalievsky Graphite business in Ukraine. Zavalievsky is in close proximity to key markets with significant developments in LIB facilities planned to service the European based car makers and renewable energy sector. 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.

Volt acquired 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, Belgrade².

Volt is progressing the development of its large wholly-owned Bunyu Graphite Project in Tanzania, as well as gold exploration in Guinea leveraging the Company’s existing extensive networks in Africa.

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 products³. 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.

The Guinea Gold Projects comprise 6 permits in Guinea, West Africa having a total area of 348km. The Projects are located in the prolific Siguiri Basin which forms part of the richly mineralised West African Birimian Gold Belt.

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.