ASX ANNOUNCEMENT

By e-lodgement

13 May 2016

HIGH QUALITY CONCENTRATES PRODUCED AND JORC RESOURCE UPGRADE AT THE NAMANGALE PROJECT

HIGHLIGHTS

- **Excellent metallurgical flotation results with +300 micron concentrates up to 97.7% Total Graphitic Carbon (TGC)**
- **Highest grade concentrates produced in the Large and Jumbo Flake Categories**
- **Excellent purity achieved without the use of chemicals**
- **Further optimisation of the flotation flow sheet is ongoing to further improve both purity and recovery**
- **Upgraded project JORC Resource Estimate to 214.4Mt @ 5.1% Graphitic Carbon**
- **62.6Mt of the JORC Resource now in the Indicated Category**
- **Sampling program completed to identify the optimal location for initial pit design**
- **Bulk-sampling program will also provide additional feedstock for advanced metallurgical test work and be provided to potential offtake partners and end user groups**
- **Namangale Pre-Feasibility study progressing with stage one results imminent**

NAMANGALE METALLURGICAL TESTWORK

Exceptional +300 micron graphite concentrate products have been produced generating purities of up to 97.7% TGC. The process used to generate concentrates was an industry standard process of grinding and flotation. The results have the potential to provide marketing advantage with cost savings against other graphite producing companies possible. There are also environmental advantages given that there were no chemicals used in the process of producing a graphite concentrate. **Figure 1** below shows a sample of concentrate that was generated from the Namangale Project.

Further bulk sampling metallurgical test work is continuing with the goal of producing excellent premium products to supply the growing Lithium-ion battery market.

The Company will continue to refine the graphite concentrate flow sheet, with the aim of continuing to improve recovery and to enhance the repeatability of the high-grade results being achieved.

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Executive Chairman Stephen Hunt commented, "*The metallurgical results received to date have been outstanding. To achieve a 97.7% recovery at this stage of development is a tremendous outcome. This is a great validation as the Company aims to produce a premium product capable of meeting demand for the growing lithium-ion battery and high-tech markets*".

Figure 1 Namangale Graphite Concentrate Sample

GLOBAL RESOURCE INCREASE TO 214.4 Mt @ 5.1%

A JORC Resource upgrade for the Namangale 1 Deposit to 196.0Mt @ 5.1% TGC, with 62.6Mt @ 5.1% now in the Indicated category. The total Project Resource has now increased to 214.4Mt with 29.2% in the Indicated Category, from 179.0Mt all in the Inferred category..

RESOURCE UPGRADE

Volt Resources has now upgraded the Namangale 1 deposit to 196.0Mt with 62.6Mt in the Indicated Resource category. The Resource is based on 61RC holes with 4 Diamond holes. The global Resource estimate covers all three prospects where a total of 82 RC holes and 9 Diamond holes were drilled to a maximum depth of 100m. The breakdown is summarised in **Table 1** below:

Deposit	Bulk Density (t/m^3)	TGC Cut Off (% TGC)	Grade (% TGC)	Gross Tonnage (MT)
Indicated				
Namangale 1	2.64	3.5	5.1	62.6

Inferred				
Namangale 1	2.64	3.5	5.1	133.4
Namangale 2	2.65	3.0	5.4	16.8
Namangale 3	2.65	3.0	5.3	1.6
Total	**2.64**	**3.0 – 3.5**	**5.1**	**214.4**

Table 1 Mineral Resource Estimate - Namangale Project, Tanzania

The Namangale 1 deposit represents the largest portion of the mineral resource and occurs as a flat lying graphite schist unit striking in a north south orientation.
Independent consultancy firm, ROM Resources, carried out the Mineral Resource update, which is a follow up to the maiden JORC Resource they prepared in January of this year.

2016 EXPLORATION PROGRAM

Preparations for the 2016 drilling program have advanced with initial activities including clearing and permitting having commenced on site. A bulk-sampling program has now been completed at the Namangale 1, 2, and 3 deposits. These samples will provide additional feedstock for advanced metallurgical test work and provide additional samples for potential offtake and end user partners. The objective of the 2016 exploration program is to upgrade a significant proportion of the Inferred JORC Resource to Indicated and Measured Resource categories. The drilling program will also include sterilization drilling under the proposed waste dump and tailings dam location, geo-tech diamond drill holes and the construction of water bore holes.

CORPORATE UPDATE

Volt Resources is progressing a PFS study on the Namangale Project and the results of stage 1 of this study are now imminent following the Resource upgrade and initial flotation results. Volt Resources also notes the natural flake graphite market is currently experiencing phenomenal growth due to the increasing demand for lithium-ion batteries for electric vehicles. Potential off take and end user customer discussions are continuing with the Company receiving numerous approaches from various groups.

The Company is well funded having successfully completing a capital raising of $4.6 million in April 2016.

For and on behalf of Volt Resources Limited

Stephen Hunt
Volt Resources Limited
Executive Chairman

Competent Person Statement

The Resources in the report to which part of this announcement that relate to Mineral Resources is based on information compiled by Matt Bull and Mark Biggs, a competent Person who is a Member of the Australian Institute of mining and Metallurgy. Mark Biggs is employed by ROM Resources Pty. Ltd.

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Matt Bull, a Competent Person who is a member of Australian Institute of Geoscientists. Mr Bull is a Director of Volt Resources. Mr Bull has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Matt Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mark Biggs has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mark Biggs consents to the inclusion of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 – Namangale Main Deposit

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampling was carried out using RC Drilling using 1m samples. The full 1m interval was collected before being weighed then riffle spilt into samples weighing approximately 1.5kg. • All samples were geologically logged by a suitably qualified geologist and mineralized intercepts selected for assay at SGS in Johannesburg South Africa. • For the diamond core samples sent for flake size analysis the core was logged for material type and mineralized zones sampled according to material type. These were then crushed to 1mm and then split into the respective size fractions. Assay data for each of the size fractions from some of the diamond core holes has been completed (April 2016) which forms part of the basis for the May 2016 resource update. • For the rock chip samples used for metallurgical test work, mineralised samples were selected over outcropping areas of each of the deposits. 2-3kg samples were then crushed to 1mm and split into the respective size fractions and assayed to determine the proportion of graphite in each size fraction.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC Drilling is being conducted by JCIL Drill. Bit diameter was 4.5 inches (114mm) face sampling bit. • Diamond Drilling was conducted by JCIL drill using HQ core diameter triple tube (63mm).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC recovery was recorded by weighing the recovered sample before splitting. Sample size was databased and found to be consistent. • Diamond drill recovery was excellent (>90%) and is therefore not expected to influence grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical*	• Logging was carried out on each of the samples including lithology, amount of weathering by a suitably qualified geologist. • Data is initially conducted on paper logging sheets and is then

	studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	transferred to Excel logging sheets. • Logging is semi-quantitative based on visual estimation.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC samples were taken at 1m intervals and then split into 1.5kg samples with a reference sample also taken. • All RC intervals were geologically logged and mineralised intervals selected for sampling at SGS in Johannesburg. • Duplicate samples were taken at a ratio of 1 in 20 by retaining the final riffle split. • QC measures also include blank samples and certified standards both of which are inserted at a ratio of 1:20. SGS also has its own internal QA/QC controls to ensure assay quality. • All sampling was carefully supervised with ticket books containing pre-numbered tickets placed in the sample bag and double checked against the ticket stubs and field sample sheets to guard against mix ups.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Blanks, duplicated and certified standards were inserted by the company at a ratio of 1:20. • The samples were sent to Mwanza in Tanzania for sample preparation before being were sent to South Africa for analysis for Total Graphitic Carbon (TGC) using the method GRAP_CSA05V LECO Total Carbon. • The TGC analysis has been carried out by an industry accepted and recognized laboratory – SGS • TGC is the most appropriate analysis method of Analysis for graphitic carbon. • SGS inserted its own standards and blanks.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Data was recorded by the sampling geologist and stored in the company's master spreadsheet. The samples are transported to the SGS Lab in Mwanza for initial preparation before SGS transported for Assay at their lab in Johannesburg, South Africa.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A hand-held GPS was used to identify the position of all samples (X and Y horizontal error of 5 metres) and reported using ARC 1960 grid and UTM datum Zone 37 south. During December 2015 a DGPS survey was conducted which considerably improved the accuracy of the collar locations, especially the Height Datum of the drillhole

		ground collar. Positional accuracy is given as <1.5m error in X and Y.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill spacing was mostly carried out on a pattern of 400m by 160m with some areas of wider spacing of 800m by 320m at Namangale 1. • Drill spacing at Namangale 2 (Chiwata) was carried out on a 400m by 80m grid. • Two Diamond holes were drilled at 80m spacing at Namangale 3 (Chidya). • Data spacing is considered close enough to establish a good degree of geological confidence and will be used to calculate a Inferred Resource to the 2012 JORC standard at Namangale 1,2, and 3 and an Indicated Resource in 104Ha of the more densely-drilled main area of Namangale 1. • No compositing has been applied for the RC drilling. • Diamond drilling was used to twin six holes at Namangale 1 and 2. Two holes 80 metres apart were used to target outcropping mineralisation at Namangale 3. The Core was cut into Quarters and samples for TGC in one meter intervals to compare with the adjacent RC twin holes. The results of these samples are still outstanding. Metallurgical sampling was carried out compositing the mineralized intervals.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Surface mapping and interpretation of ground EM data was used to orient the drill lines to get the most unbiased sampling of the mineralisation. • Drilling was planned to intersect the mineralization as close as possible to right angles. Results indicate the drill holes intersect the mineralisation at between 70-90 degrees.
Sample security	• *The measures taken to ensure sample security.*	• Transportation is carried out by company staff driving the samples to the preparation Lab in Mwanza directly from site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have yet been under taken

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The prospecting license PL10644 containing the Namangale 2 deposit was granted on the 9th of July 2015 for a period of four years for the exploration of Graphite. The area covered by the prospecting licenses is 198.02km^2. PL10644 License is situated in the Ruangwa and Masasi districts. The PL's straddle the boundary of the Lindi and Mtwara regions of south-east Tanzania. The prospecting license PL10718 containing the Namangale 1 Prospect was granted on the 18th of July 2015 for a period of four years for the exploration of Graphite. The area covered by the prospecting license is 239.17km^2. The License is situated in the Ruangwa District. The License is located within the Lindi region of south-east Tanzania. While the prospecting license PL10717 containing the Namangale 3 Prospect was granted on the 18th of September 2015 for a period of four years for the exploration of graphite. The area covered by the prospecting license is located within the Mtwara region of south east Tanzania. The area covered by this prospecting license is 142.84km^2. • The PL's are held by Nachi Resources Ltd, which in turn is 100% owned by Volt Resources. The surface area is administered by the Government as native title. The area is rural, with wilderness areas and subsistence farming occurring on the PL's. The Tenements are subject to a 3% royalty on production to the previous owners of Nachi Resources, which can be reduced to 1.5% under an agreement with the previous owner. There are no other known issues that may affect the tenure.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There is no written record of previous exploration available for this area that is known to Volt Resources. The location of some graphite outcrops on the PL's was known by the previous owners.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration targets occur in Archean basement rocks of the Mozambique belt system which principally comprise metamorphic rocks ranging from schist to gneisses including marbles, amphibolite, graphitic schist, mica and kyanite schist, acid gneisses, hornblende, biotite and garnet gneisses, quartzite, granulite, and pegmatite veins. Initial exploration has focused on areas where there no or minimal overlying younger sedimentary sequences remaining (mostly

		Cretaceous sandstones and conglomerates).

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• A summary of this information including; eastings and northings of drill hole collars, RL, dip/azimuth, down hole length and hole length are provided in Tables and Appendices of the CP Report and have been made publically available through various ASX releases from September 2015 to April 2016. Maps for each of the deposits are shown in these releases and in the modelling and CP report of Biggs and Nowland (2016) which show the location of all of the samples reported in this announcement over the mapped geology of each of the deposits.
		• All drillholes, trenches, and pits were incorporated into the model where appropriate.
		• Additional pits have been dug in April 2016 at Namangale 1,2, and 3 deposits to obtain further flake size and grade information.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All RC results are from 1m sampling and no weighting was applied. • Cut-off grade of 3.5% was used, where the interval contained lower grades zones this was not removed but incorporated into the significant intercept.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Drill lines are planned to be as close as possible to right angles to the mapped mineralization. • The width of mineralization ranges from close to 100% of the intercepts to approximately 85% of the interval as the mineralization is gently folded. Closer spaced drilling is required to find the exact relationship.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• A drill-hole plan is provided in various ASX releases and Biggs and Nowland (2016) for Namangale 1,2, and 3. • Cross sections at various orientations across the strike of the mineralisation have been provided in Biggs and Nowland (2015) and several ASX releases in September and October 2016 showing the orientation of drilling relative to the interpreted geology for Namangale.

Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All assays were loaded to the Access and Minescape databases. All assay values were loaded to the model. • All significant intercepts are reported, mineralisation less than 3% is not considered material given the Resource cut-off grade is 3%.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Previous results from Namangale 1, 2 and 3 include Ground EM surveys, mapping, trenching, rock chip sampling all of the results of this work were previously reported. Recent ASX announcements also includes a simplified geological map of the area showing all significant intercepts (January 2016).
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• An Inferred Resource estimate was reported in January 2016, based on the results of the 2015 drilling program of 91 drillholes for 4,747.3m. This release is based around an upgrade of a subset of this resource based on the full suite of analyses of the diamond core holes becoming available, and changes to the model as discussed in the next section. Drilling expected to start in June 2016 will include infill drilling to upgrade the category of the Indicated Resource to Measured, as well as further diamond drilling to obtain more representative samples for metallurgical test work.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data used in the Mineral Resource estimate is sourced from an export out of the Volt Resources Corporate Access Database. Relevant tables from the data base are exported to MS Excel format and converted to csv format for import into Minescape Stratmodel software for use in the Mineral Resource estimate. • Validation of the data import includes, amongst others, checks for drillhole collar discrepancy against topography, overlapping intervals, missing survey data, missing assay data, missing lithological data, and missing collars.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person (CP) for Mineral Resources has not visited the Namangale sites. It is anticipated that this will occur during the next planned drilling program. Considerable information and insight has been provided by Volt's Matthew Bull who has been a regular site visitor.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The initial modelled intervals were coded based on the field geologists descriptions of average flake size, which generally uniformly vary as a stratiform deposit, possibly mimicking the original sedimentary bedding structure. Size domains do repeat and these were handled in the Minescape schema through assignment as non-conformable or transgressive intervals. • Assay data has been used to generate mineralisation domains based on initially a nominal 3.0% Graphitic Carbon cut-off grade, which was increased in later model versions to 3.5%. This cut off value, which coincided with good geological continuity, was selected on the basis of a clear inflexion point on the probability curve of all assay data. • Intervals of internal waste (gneiss, pegmatite, and quartz) where unsampled, have been included at an assigned value of 0.1% TGC within the mineralisation envelopes, where intrusive gneisses are too narrow to exclude. Rock type subdivisions applied in the interpretation process are based on geological logging. Mineralogy has been used to assist interpretation of the lithological subdivisions using epidote and chlorite alteration in the high grade graphitic schists and muscovite/ biotite alteration to define the footwall gneiss unit.

		• Mineralised domains and footwall gneissic intrusives were modelled in Minescape and found to be generally subparallel.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• This Mineral Resource in the Namangale Deposit remains open to the north and south. It covers an area of 3.2 km along strike, 1.5km across strike and a projected depth of 130 m below surface. • At Namangale 2 (Chiwata) the modelled deposit has extents of 1km x 2km. Namangale 3 (Chidya) is smaller again.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Due to the stratiform nature of the deposit, grade estimation and interpolation into the block model used Inverse Distance squared (ID2) with the nearest neighbour method was used as a check estimate was completed. • The addition of the diamond core results has prompted a 3D geostatistical study to be completed for Namangale 1. • Namangale 1 then Namangale 2 and 3 were modelled together but as a separate block model from the main deposit, due to the fact Namangale 1 is some 35km distant to the north-east. ABB Enterprises Minescape Block Model software was used to load, validate and interpolate graphitic carbon, total carbon, sulphur, graphite intensity and sulphur intensity into blocks. Drill grid spacing ranges from 160 m to 800 m. Drillhole sample data was flagged using domain codes generated from three dimensional mineralisation size intervals and oxidation surfaces. Sample data was composited per interval but no downhole compositing was deemed necessary. There were consequently no residuals. The very few sample intervals coded as NS (Not Sampled) in the assay file were assigned nominated background waste values to account for unsampled waste intervals captured within the mineralization envelopes. • The presence of outliers was determined using a combination of top-cut analysis tools (grade histograms, log probability plots, and CVs). No outliers were identified in graphitic carbon, total carbon, and sulphur sample populations and these did not have any top-cuts applied. • As stated above, it was noted that unsampled intervals were present within the mineralisation domains. These intervals represent internal waste zones which were too narrow and not able to be wireframed separately. It should be noted, that given the current drill spacing, these may smear the overall interpolation to blocks. This may be attributed, in part, to data spacing, and may not be a true reflection of grade continuity. • No assumptions have been made regarding by-products.

		• The non-grade element estimated is total carbon (TC%) and total sulphur (S%). Sulphur is considered a deleterious element in some graphite deposits and may bear and impact on metallurgical processing. Some 1m samples from eleven (11) randomly selected drillholes were tested for a comprehensive suite of trace elements. Vanadium ranged from 135 to 937ppm. • A single block model for Namangale 1 was constructed using an 20 mE by 40 mN by 5 mRL parent block size with sub-celling to 10 mE by 5 mN by 2.5 mRL for domain volume resolution. All estimation was completed at the parent cell scale. • The size of the search ellipse for ID2 was set to 2,000m rotated 0 degrees in X, 0 degrees in Y and 57 degrees in Z. Octants were established with a minimum of 3 octants to be filled for a valid estimate. • Approximately 3% of blocks were not filled with graphitic carbon grades during the estimation process. These blocks were left as 'un-estimated'. Not all blocks that were filled with graphitic carbon grades were filled with the other 5 elements being estimated. Of the total blocks that were estimated for graphitic carbon, approximately 4.5% of blocks were not filled for total carbon, 7% blocks were not filled for sulphur. Average grades (per domain) were applied to these unestimated blocks for total carbon, and sulphur. Hard boundaries were used for all intervals. • No selective mining units were assumed in this estimate. • The comparison of lithology and mineralisation wireframes showed generally good correlation, but some zones were coded with gneissic material based on the dominant lithology observed in the interval. The use of Stratmodel to validate some intersections resolved most issues. Geological modelling of the graphitic gneiss and schist units in Voxler 4 software produced models that intercalated and compared well with the mineralisation domains in the Minescape Blocks. • Validation of the block model carried out a volumetric comparison of the resource wireframes to the block model volumes. Validating the estimate compared block model grades to the input data using tables of values, and swath plots showing northing, easting and elevation comparisons showed that the estimate honoured the raw data. Visual validation of grade trends and distributions was carried out. • No mining has taken place; therefore no reconciliation data is available.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural*	• The tonnages are estimated on an air dried basis.

	moisture, and the method of determination of the moisture content.	
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Blocks were generated with grades ranging from 0-35% TGCA, eith subsequent grade cut-off grade for reporting of 3.5 % graphitic carbon. This modelling cut-off grade represents a clear inflexion in the log probability curve of the whole assay data set and also corresponds with continuous interpreted geological zones defined within the blocks.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Mining of the Namangale deposit will be by surface mining methods involving standard truck and haul mining techniques. The geometry of the deposit will make it amenable to mining methods currently employed in many surface operations in similar deposits around the world. No assumptions on mining methodology have been made.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Initial mineralogical and assay test work from SGS South African laboratory have returned head grades of up to 16% TGC. There is not a strong presence of Vanadium within the graphitic samples, only obtaining grades up to 0.093% V_2O_5 has also been confirmed. Average graphite flake size distribution from the initial samples have been reported separately in several ASX releases, and are typically as follows;

		<table><tr><th>Flake Size</th><th colspan="7">Flake Size Distribution (%)</th></tr><tr><th>Deposit</th><th colspan="4">Namangale 1</th><th>Namangale 2</th><th colspan="2">Namangale 3</th></tr><tr><td>(µm)</td><td>NMG01a</td><td>NMG01b</td><td>NMG02a</td><td>NMG02b</td><td>CWG01</td><td>CHG01</td><td>CHG02</td></tr><tr><td>> 500 (Super Jumbo)</td><td>35.6</td><td>25.8</td><td>13.4</td><td>23.1</td><td>29.4</td><td>29.0</td><td>37.9</td></tr><tr><td>300-500 (Jumbo)</td><td>16.9</td><td>48.1</td><td>47.2</td><td>25.0</td><td>44.7</td><td>37.7</td><td>39.0</td></tr><tr><td>180-300 (large)</td><td>19.4</td><td>17.9</td><td>23.1</td><td>18.5</td><td>22.5</td><td>21.6</td><td>14.8</td></tr><tr><td>150-180 (medium)</td><td>4.8</td><td>2.0</td><td>3.7</td><td>4.9</td><td>1.2</td><td>3.1</td><td>2.3</td></tr><tr><td>75-150 (fine)</td><td>9.9</td><td>4.1</td><td>7.8</td><td>12.2</td><td>1.6</td><td>6.0</td><td>4.0</td></tr><tr><td>-75 (amorphous)</td><td>13.5</td><td>2.1</td><td>4.8</td><td>16.2</td><td>0.7</td><td>2.6</td><td>2.0</td></tr><tr><td>Total</td><td>100.0</td><td>100.0</td><td>100.0</td><td>100.0</td><td>100.0</td><td>100.0</td><td>100.0</td></tr></table>
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made and these will form part of a scoping study.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• An appropriate number of relative density measurements are contained in the project database for the mineral resource estimation. The data were derived using the Archimedes method of weighing drill core in air and water, which is considered appropriate for the rock type. A constant bulk density of 2.65 kg/m3 was used across the deposit which is considered conservative for these style of graphite deposits. No density data were collected from the trench samples.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors*	• The Inferred Mineral Resource classification at Namangale 1 is based on confidence in the good geological and grade continuity, along with 400 m by 160 m spaced drillhole density in the core of the deposit

	(i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	(Drill spacing was mostly carried out on a pattern of 400m by 160m with some areas of wider spacing of 800m by 320m at Namangale 1). • Drill spacing at Namangale 2 (Chiwata) was carried out on a 400m by 80m grid. • Estimation parameters including relative standard error and search passes have been utilised during the classification process. • Inferred Mineral Resources were defined using a combination of sampled and geologically constrained wireframes, search radius of 2,000m and good continuity of geology. Approximately 25% of the Inferred Mineral Resources are considered to be extrapolated. • The input data is comprehensive in its coverage of the geology of the mineralisation. The drill program was completed immediately prior to the resource estimate was commissioned. All drillholes had been logged for geology and visual graphitic carbon estimates and only 3 drillholes had outstanding assays at the time of the estimate so the geology was used to constrain the interpreted resource intersections. • Volt Resources notes that the visual estimates of graphite mineralisation had excellent correlation to the returned assays as the program progressed with minor adjustment of the mineralisation domains required. The definition of mineralised zones is based on a good level of geological understanding to produce a geologically driven model of mineralised domains. Key reference markers are the Footwall gneiss (quartzose-feldspathic zone). This model is not considered to favour or misrepresent in-situ mineralisation and will continue with further infill drilling to support the maiden Mineral Resource. • The Mineral Resource estimate appropriately reflects the view of the Competent Persons.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• This is the second Namangale Mineral Resource estimate. The block model has been provided to Optiro who have conducted some pit design and optimisations in Datamine. Some discussions have taken place regarding block definition which has subsequently improved the model parameters and definition.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the JORC Code (2012 Edition). • The statement relates to global estimates of tonnes and grade. • The confidence intervals have been based on estimates at the parent block size. Relative errors of ±15% for Indicated and ±25% for Inferred Resources are expected for this deposit.

	confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• No production data is available.