ASX ANNOUNCEMENT

By e-lodgement

18 August 2016

EXPEDITING NAMANGALE DEPOSIT DEVELOPMENT

HIGHLIGHTS

- **Extensive RC and diamond drilling program completed at Namangale 1, 2 and 3**
- **Substantial mineralisation observed extending existing discoveries on each deposit**
- **Resource modelling now underway with expectations of substantial increases in resource size and confidence from each deposit**
- **BatteryLimits mining engineers have recently visited the site to progress mine layout, tailing dams, haul roads and mining license plans**
- **Key meetings held with Mtwara Port Authority**
- **Environmental and social impact study to commence shortly**

INTRODUCTION

Volt Resources Limited (**ASX: VRC**) ("**Volt**" or the "**Company**") is delighted to announce significant progress at its flagship Namangale graphite project. The reverse circulation and diamond drilling program, required to determine the resource upgrade, has now been completed. In addition, substantial mineralisation was observed which extends existing discoveries on each deposit. Volt has now commenced modelling for each of the deposits to increase geological knowledge and confidence, while mine planning is now underway following a site visit to the proposed working areas by BatteryLimits mining engineers.

SITE VISIT BY MINING ENGINEERS

Mining engineers from BatteryLimits visited the Namangale project site in Tanzania to commence planning the mine site layout as well as identify suitable locations for the central processing plant and tailings dams.

Phil Hearse Managing Director of BatteryLimits commented: "The site visit by the BatteryLimits team was aimed at site layout and logistics and infrastructure investigations, as well as examining the drill core with the geological team. The team, including a senior engineer from Optiro, identified suitable site locations at Namangale 1 and 2 for roads, the processing plant, waste dumps and tailings storage. This was an important part of the feasibility process."

Figure 1: Berth at the Mtwara Port

Figure 2: Team near the Namangale 2

Incrementally, the engineers commenced discussions with Mtwara Port Authority executives focused on storage facilities, port capacity expansion to facilitate graphite concentrate exports from Namangale mine and ready access. As a consequence of this meeting, Volt will be preparing a detailed plan on its future access and capacity requirements at the export port of Mtwara directly to the government. The deep-water port of Mtwara has an existing export capacity of 400,000 metric tonnes annually but currently less than half of this capacity is being utilised

Undertaking mine planning is a critical requirement of Volt's Pre-Feasibility Study (PFS) which is due for completion by 4Q2016.

COMMENENCEMENT OF ENVIRONMENTAL SURVEY

Volt has commenced the Environment and Social Impact Assessment ("ESIA") process. This is a very important requirement and essential to gaining government-mining approvals.

EXPLORATION

Resource drilling at the Namangale project is now complete, with a total of 7,791m drilled. The mineralisation intersected was consistent with results from 2015, highlighting significant areas of extension in each of the three deposits. As such, resource modelling is now underway, with expectations of a substantial increase in resource size from each deposit.

Table 1 shows the amount of drilling completed at each deposit. Metallurgical samples from the drilling program are now in and will be used to produce graphite concentrates for further test-work.

Deposit	RC		DD		Total	
Nam 1	15	1,776m	15	1,385m	30	3,161m
Nam 2	18	1,217m	4	225m	22	1,442m
Nam 3	25	2,966m	3	222m	28	3,188m
Total	58	5,959m	22	1,832m	80	7,791m

Table 1: Drilling completed at each deposit in 2016

Executive Chairman, Stephen Hunt commented: "The Board is delighted with all aspects of the progress with the project, as we look to complete our PFS and fast track towards production. Volt is well positioned to meet the unprecedented demand for the premium jumbo and super jumbo flake graphite from end-user groups globally."

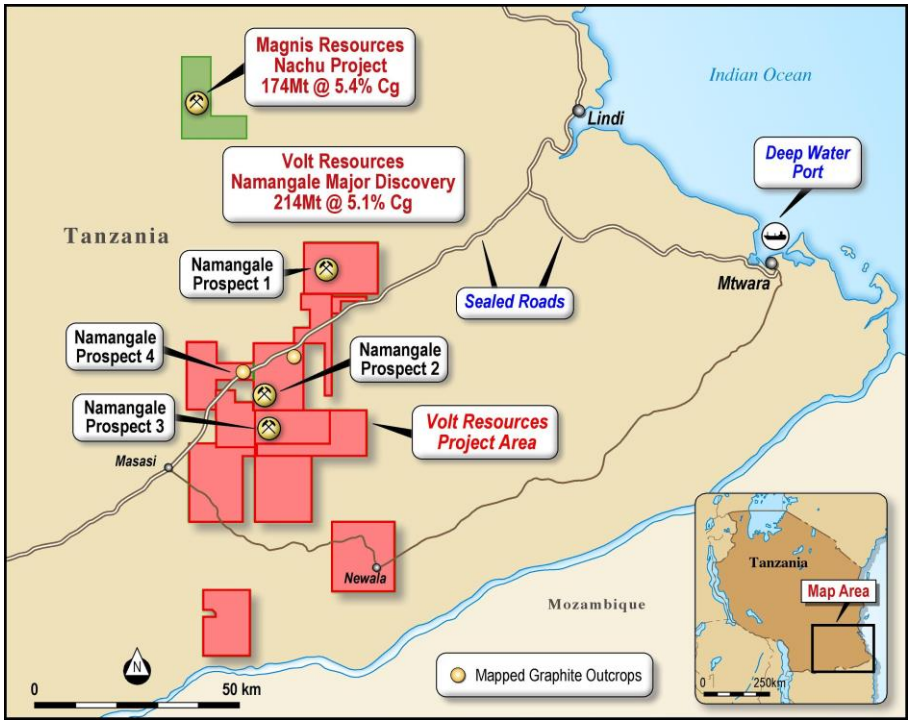

Figure 3: Volt's Namangale project area

Note: Magnis Resources Nachu project area identified in ASX media release 31 March 2016 (www.magnisresources.com) 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. (Volt JORC Resource 151.8Mt Inferred, 62.6Mt Indicated; Magnis JORC Resource 63.5Mt Measured, 61Mt Indicated, 49.6Mt Inferred.

CONCLUSION

The Board of Volt Resources believes these results to date will lift the confidence level gaining further traction with end-users in the lithium-ion battery sector, whilst they demonstrate the Namangale project is shaping up faster than expected to be a world-class graphite deposit.

For and on behalf of Volt Resources Limited

Stephen Hunt
Volt Resources Limited
Executive Chairman

Competent Person

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.