

ASX ANNOUNCEMENT

By e-lodgement

Volt Executes Binding Term Sheet for Funding and Development of Bunyu Graphite Mine in Tanzania

Volt Resources Limited (**ASX:VRC**) ("**Volt**" or "**the Company**") is pleased to announce that it has executed a Binding Term Sheet with Unbounded Opportunities Fund SPC (**UOF**), for the funding and development of the Bunyu Graphite Mine and Processing Plant in Tanzania.

The agreement provides a framework for a significant equity investment by UOF and mutual project development activities focused on increased annual production rates, capital cost efficiency and low unit operating costs.

Highlights

- **USD11.1 million equity investment committed by UOF on conditional basis.**
- **Transaction to be structured through VRC subsidiary, Volt Graphite Tanzania plc (VGT), with UOF to hold 62% equity interest in VRC post financial close and VRC retaining a 38% equity interest.**
- **UOF to prepare a revised Feasibility Study for the Stage 1 Bunyu Graphite Project with the following parameters:**
 - **Project capital cost of USD37 million.**
 - **40,000 tpa graphite concentrate at 94% TGC.**
 - **Operating cost of USD450 per tonne of graphite concentrate**
- **UOF to fund capital cost overruns with no change in UOF's VGT equity position.**
- **UOF to have equity position reduced if unit operating costs exceed the USD450 per tonne target by more than 10%.**
- **VGT to have new board and management appointments, with UOF to have majority representation.**
- **Volt responsible for arranging project debt funding with a target gearing ratio of 70% debt / 30% equity.**
- **Coarse and fine flake graphite bankable offtake agreements to be secured by Volt.**

Volt Executive Chairman, Asimwe Kabunga, commented:

“This is a significant milestone for Volt to find a substantial partner to provide equity funding combined with project cost and management support to facilitate the development of the Bunyu graphite project.

To overcome the funding issues arising from relatively low graphite prices, UOF is confident it can deliver increased annual concentrate production rates with efficient capital cost expenditure and lower unit operating costs when compared with the 2023 Feasibility Study.

We look forward to working with UOF in the coming months to complete the significant programme of work to move the Bunyu graphite project to financial close.”

UOF Director, Saleem Aziz Habib Al Balushi, commented:

“UOF is extremely pleased to be working with Volt Resources on the development of the Bunyu Graphite Project. We are confident in our joint ability to execute this project successfully and deliver outstanding results in Tanzania, for the mutual benefit of both group’s stakeholders.

We are also interested in Volt’s downstream graphite refining strategy and look forward to discussions to facilitate the development of this business.”

Project Funding Structure

The funding transaction will be implemented through Volt Graphite Tanzania plc (VGT), the Volt subsidiary holding all permits, licenses and intellectual property for the project.

Under the Term Sheet:

- UOF will establish a special purpose vehicle to hold its project interest.
- Upon completion of the USD11.1 million equity investment, the equity structure of VGT will be:
 - UOF: 62 percent
 - Volt: 38 percent
- The parties recognise that the Government of Tanzania will receive a Free Carried Interest (**FCI**) through a new project SPV in accordance with a Framework Agreement and Shareholders Agreement currently being negotiated and finalised.
- The Government FCI in the project SPV will dilute UOF and Volt on a pro-rata basis, with UOF to retain majority control.

Project Development Parameters

UOF will prepare an updated feasibility study with revised annual graphite concentrate production, capital and operating costs. The feasibility study is

required to facilitate Volt's discussions with lenders and will be based on the following parameters:

- Project Capital Cost of USD37 million.
- Production capacity of 40,000 tpa of 94% TGC graphite concentrate.
- Target unit operating cost of USD450 per tonne of graphite concentrate (FOB Mtwara port).
- UOF will fund any capital cost overruns without affecting the agreed equity structure.
- UOF's equity position may be reduced if the actual unit operating cost (calculated at 85% of plant capacity) exceeds the target unit operating cost by more than 10%, subject to fuel price and electricity price capped to 110% of the price used in the project financial model.

Roles and Responsibilities

UOF is responsible for finalising mining, EPC, O&M contracts, establishing project and operations teams, and managing construction and operations. Volt will be responsible for securing debt financing, offtake agreements, permits including land access, local coordination, and community commitments.

Conditions Precedent to Financial Close

Completion of UOF's investment will occur once all financing documents and project agreements have been executed, all conditions precedent have been fulfilled or waived, and project development funds are available for drawdown.

Key conditions precedent include:

Volt

- Bankable offtake contracts covering at least 80 percent of annual production.
- Non-recourse project debt financing to meet 70 percent of the project capital cost.
- Land surface rights free of encumbrances.

UOF

- Updated feasibility study and financial modelling.
- Finalisation of EPC and mining contracts.

Volt and UOF

- Securing Special Economic Zone status for Bunyu.
- Negotiate and finalise Government framework agreement and definitive shareholder agreement.
Receipt of all required regulatory or shareholder approvals, consents, waivers, or confirmations.

The parties have 4 months (or as mutually extended) to satisfy the above conditions and enter into definitive documentation for the transaction, failing which the Term Sheet terminates.

Next Steps

Volt will now work with UOF to:

- Finalise the definitive shareholders agreement and transaction documents.
- Progress lender engagement for project debt financing.
- Advance offtake contract negotiations.
- Deliver the updated feasibility study and project schedules.
- Complete permitting and regulatory processes in Tanzania.

About Unbounded Opportunities Fund

The fund strategically allocates capital across both listed and unlisted sectors via debt and equity instruments. It has approximately USD700 million of assets under management and has investments across India, Mauritius, Cayman Islands, GCC, Africa and the US.

-ENDS-

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

For further information, please email: contact@voltresources.com

About Volt Resources Limited

Volt Resources Limited ("Volt") is a critical minerals and advanced materials company listed on the Australian Stock Exchange under the ASX code VRC. We are an established graphite producer and advanced materials developer.

In 2021, Volt acquired a 70% interest in each of the companies comprising the ZG Group, namely - Zavalievsky Graphite LLC (processing plant buildings, processing plant, mining equipment, power sub-station, and distribution), Stone Found LLC (crushed rock operations), and Graphite Invest LLC (holds a 79% interest in PJC Zavalievsky Graphite Kombinat – mine, land, main administration office building. It is this entity that holds the 636 hectares of freehold land on which the Zavalievsky mine, and other related buildings and facilities are located)¹.

Volt holds two licence applications that are prospective for lithium-borate mineralisation. The licence applications are located in Serbia and are west and south-west of the Serbian capital, Belgrade².

¹ Refer to Volt's ASX announcement titled "Volt to Acquire European Graphite Business Following Completion of Due Diligence" dated 14 May 2021.

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

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 in southeast Tanzania is ideally located near 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 followed by a Feasibility Study Update published in August 2023. 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. 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 Bunyu³.

The Guinea Gold Projects comprise three projects in Guinea, West Africa having a total area of 348 km². The Projects are located in the prolific Siguiri Basin which forms part of the richly mineralised West African Birimian Gold Belt.

Volt's wholly owned US subsidiary, Volt Energy Materials LLC, is headquartered in Alabama Entrepreneurship Institute at University of Alabama, Tuscaloosa, Alabama. and is focussed on the downstream graphite business including the high purity graphite processing technology. In June 2025 a Graphite Refinery Scoping Study confirmed strong project economics based on a staged development of refinery capacity. The Company is proceeding with plans for pilot plant trials, engaging with potential offtake partners, exploring government facilitation, and considering funding options as it moves forward with project development⁴.

Information in this report that relates to the production target of the Bunyu Graphite Project was released to the ASX on 14 August 2023 and is available to view on www.asx.com.au. Volt Resources Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions underpinning the production target continue to apply and have not materially changed.

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.

⁴ Refer to ASX announcement dated 17 June 2025 titled "Alabama Graphite Refinery Scoping Study Confirms Strong Project Economics".