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Graphite Outcrop Confirmed on Lindi Licences

Highlights

30 October 2014

- Walkabout has received a technical report that confirms the presence of several areas of graphitic schist outcrop on some of its Optioned licences in the Lindi district of Tanzania.
- Abandoned old mining pit with historic stockpile of graphitic gneiss.
- All of the tenements under option appear to overlay rock units of Usagaran (Mozambique Belt) Proterozoic system, highly prospective for graphite.

Overview

Walkabout has secured an option for a staged purchase of 70% of four prospecting licenses (PL's 9992/2014, 9993/2014, 9994/2014 and 9906/2014) totalling 325km² in the world class graphite province in south-eastern Tanzania approximately 75km to the west of the coastal town of Lindi.

The project area is predominately underlain by the prospective rock units of the Usagaran (Mozambique Belt) Proterozoic system which hosts a number of high quality, large flake size graphite deposits in south eastern, central and northern Tanzania.

The project PL's have never been subjected to a systematic exploration program and during a recent visit to the project area outcropping occurrences of graphitic gneisses and schists were discovered in areas previously thought to have been extensively overlain by younger rock units. (Figure 1)

Representative rock-chip samples were collected from prospective units within two of the eastern licenses and will be analysed for their graphitic carbon content.

Plans are well underway for a more extensive reconnaissance mapping and sampling program to be completed during the Option period.

Managing Director Allan Mulligan said, *"This report confirms the presence of graphite on the Lindi licences and highlights the potential extension of north-east trends from neighboring licences. It also allows us to fast-track our targeting process and focus the exploration on known graphite occurrences in the search for higher quality zones."*

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Graphite Mineralisation

Regionally the project area is predominantly underlain by the Neoproterozoic Usagaran (Mozambique Belt) in the west and partially by younger Cenozoic and Palaeozoic sediments in the east (Figure 1).

Known graphite occurrences in the immediate surrounding area are hosted within graphitic schists and gneisses of the Usagaran. Large flake, high graphite intersects are usually confined to graphitic schists which are often present in multiple horizons due to structural deformation of the host rocks.

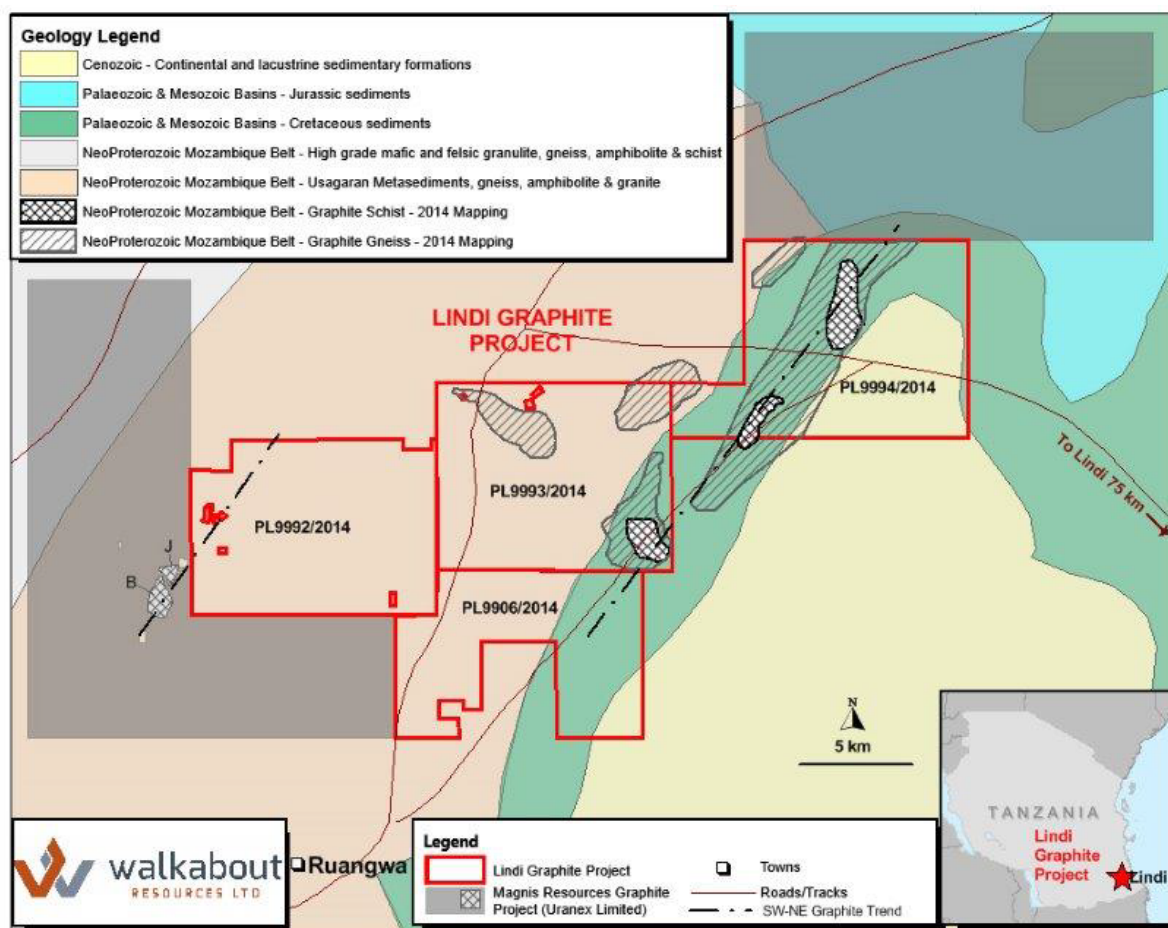


Figure 1. Regional geology map showing interpreted graphite trends and licences.

During a preliminary visit to two of the licences within the project area (PL 9993/2014 and PL 9994/2014), outcrops of graphite bearing schists and gneisses were identified in an area previously mapped as younger Cenozoic and Palaeozoic sediments.

Initial indications are that the overall trend of the prospective rock units are NE-SW with a moderate dip towards the southeast. The recent mapping highlights the potential for graphite bearing units to occur over a strike length of approximately 30km within the project area, possibly in multiple horizons. Rock chip samples were collected from

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outcropping graphite units in the east of the project area and will be sent for analysis as part of the due diligence process during the Option period.



Photo 1. Outcrop of graphitic schist located on PL 9993/2014. (E515009, N8915546)

Next Phase

As part of the due diligence process within the Option period, the Company will be sending a reconnaissance team to the project area to conduct targeted mapping and surface sampling concentrating on areas deemed to be the most prospective for occurrences of graphite mineralisation.

Of particular focus will be possible extensions from within Magnis Resources Ltd's (Magnis) Nachu Project. Magnis have reported high grades in multiple zones on a NE-SW strike in Areas B and J, which are very close to the project area boundary (MNS ASX release 15 Oct 2014).

Details of Walkabout Resources' other projects are available at the Company's website, www.wkt.com.au

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The information in this report that relates to exploration results and Mineral Resources is based on information compiled by Mr Andrew Cunningham, who is a Member of the Australasian Institute of Mining and Metallurgy and a part time employee of Walkabout Resources Ltd. Mr Cunningham has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking 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" (The JORC Code). Mr Cunningham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.