

**ASX ANNOUNCEMENT**

30 January 2017

**WALKABOUT RESOURCES LTD**  
 ACN 119 670 370

ASX Code: WKT

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**DIRECTORS**

 Chairman: Trevor Benson  
 MD: Allan Mulligan  
 Exec: Andrew Cunningham  
 Non Exec: Tom Murrell

**ORDINARY SHARES**  
 116,552,932

**UNLISTED OPTIONS**  
 26,800,019

**PROJECTS**

 Lindi Jumbo Graphite Project  
 Tanzania (70%)

 Takatokwane Coal Project  
 Botswana (60%)

 Kigoma Copper Project  
 Tanzania (75%)

## December 2016 Quarterly Activities Report

Perth based African focussed energy minerals developer Walkabout Resources Ltd (ASX:WKT) is pleased to report its activities in Tanzania, Botswana and Namibia for the December 2016 Quarter.

### Lindi Jumbo Graphite Project

#### Measured, Indicated and Inferred Resource upgrade announced

During the period under review, the Inferred Mineral Resource<sup>1</sup> along the western flank of The Gilbert Arc deposit was increased by 165% to 29.6 million tonnes at 11.0% TGC containing 3.25 million tonnes of graphite. Forty percent (40%) of the resource is now classified as Measured (6.4 Mt @ 12.2% TGC) and Indicated (5.5 Mt @ 11.0% TGC) containing 1.38 million tonnes of graphite.

Table 1: Resource category breakdown of the high grade western flank of the Gilbert Arc.

Domain	Tonnes (millions)	TGC %	Contained Graphite (tonnes)
<b>Measured</b>			
1	3.9	7.1	276,900
3	0.9	13.2	118,800
7 (HG)	0.5	20.7	103,500
8 (HG)	0.5	24.9	124,500
9 (HG)	0.7	24.1	168,700
Sub-Total	6.4	12.2	780,800
<b>Indicated</b>			
1	3.6	6.9	248,400
3	0.7	12.0	84,000
7 (HG)	0.4	20.9	83,600
8 (HG)	0.4	21.8	87,200
9 (HG)	0.5	23.0	115,000
Sub-Total	5.5	11.0	605,000
<b>Inferred</b>			
1	11.8	8.4	991,200
3	2.7	12.2	329,400
6	1.3	9.9	128,700
7 (HG)	0.5	19.7	98,500
8 (HG)	0.3	22.8	68,400
9 (HG)	0.9	24.9	224,100
Sub-Total	17.6	10.6	1,865,600
<b>Total</b>	<b>29.6</b>	<b>11.0</b>	<b>3,256,000</b>

\* Note: Appropriate rounding applied

A very high grade core of the deposit forms an integral part of the initial proposed mining sequence and was also re-interpreted and modelled and any low grade internal zones excluded from this domain.

<sup>1</sup> See ASX Announcement of 6 December 2016

The result was three very high grade domains (Domains 7, 8 and 9) which extend to surface and are visually distinct from the enveloping lower grade Domain 1 (See Figure 1 and Table 1). The super high grade domains contain 4.7 Mt of ore at an average grade of 22.8% TGC (1.07 million tonnes of contained graphite) with metallurgical test work of these domains indicating up to 85% of the concentrate above 180 microns (Large) and up to 25% of the concentrate in the SUPER JUMBO category.

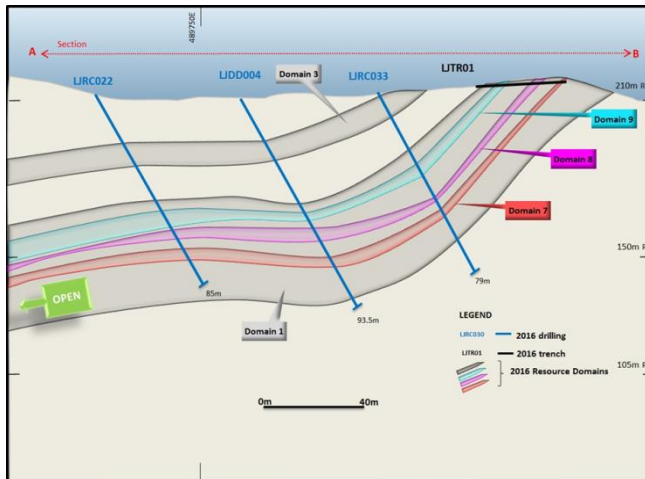


Figure 1: Section through AB

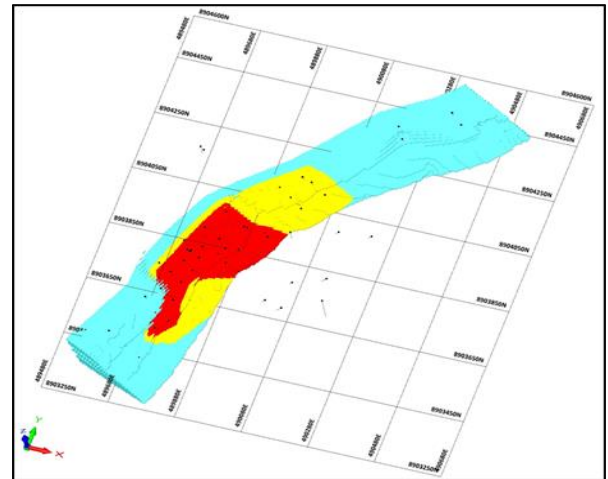


Figure 2: Block model indicating zones of Measured, Indicated and Inferred Resources. Section A-B Indicated.

No further work was done along the low-grade eastern flank (Domain 4) of the deposit. The Company's interpretation of this zone (4.1 Mt @ 4% TGC) was that it was too low grade to ever be mined economically and the grade can be seen as "background" as a 5% TGC cut-off was used along the western flank. The area is allocated for mining infrastructure development (waste dumps and stockpiles).

### Lindi Jumbo graphite suitable for expandable graphite

Three samples of concentrate were despatched to the laboratory where a full suite of sixteen different tests were conducted on the expandability properties of Lindi Jumbo graphite concentrate.

A key outcome for expandable graphite is to exceed the industry benchmark rate of 250 cm<sup>3</sup>/g, considered as an outstanding expansion rate. Lindi Jumbo material, in a first range of expandable tests, has produced expansion ratios of up to 590 cm<sup>3</sup>/g by employing basic and low cost room temperature intercalation tests with standard short term oxidization and acid exposure prior to expansion heating.

Expandable graphite is also referred to as intumescent graphite, expanding graphite, exfoliating graphite or simply "expandable flake" and is a natural flake graphite that has been intercalated. Intercalation is the process by which an intercalant compound is introduced between the graphene layers of a graphite crystal.

Expandable graphite is produced by adding an oxidizer, a strong acid and an ancillary intercalation reagent either at room or other particular gradients of temperature for short, medium or long retention times to facilitate intercalation into the layers of the flakes and then to apply heat of up to 1000 °C to effect the expansion.

In general graphite from China expands at around 200 cm<sup>3</sup>/g and the finer fractions of <75µm typically yield rates of 40cm<sup>3</sup>/g. Three samples of concentrate from Lindi Jumbo achieved rates of

between 490 cm<sup>3</sup>/g and 590 cm<sup>3</sup>/g for the 300µm and 500µm material and as high as 140 cm<sup>3</sup>/g for the <75µm flake which is more than three times the rates achieved for graphite sourced in China.

**Table 2: Expansion volume after cold treatment and medium retention time of test sample after screening +180 µm**

Flake Size	>500µm	>300µm	>180µm	>106µm	>75µm	<75µm
Ratio	29.3%	21.9%	42.6%	5.8%	0.3%	0.1%
800 °C	590 cm <sup>3</sup> /g	485 cm <sup>3</sup> /g	410 cm <sup>3</sup> /g	310 cm <sup>3</sup> /g	245 cm <sup>3</sup> /g	120 cm <sup>3</sup> /g
1000 °C	500 cm <sup>3</sup> /g	500 cm <sup>3</sup> /g	475 cm <sup>3</sup> /g	360 cm <sup>3</sup> /g	280 cm <sup>3</sup> /g	140 cm <sup>3</sup> /g

Particle size is directly proportional to expansion ratio. Large flakes typically have higher expansion ratios than smaller flakes and with Lindi Jumbo's large product ratio of up to 25% above Super Jumbo (+500µm), the material will be highly marketable in the fast growing and lucrative expandable industries.

Subsequent to the end of the quarter under review, the Company revised the unpublished Scoping Study<sup>2</sup> with the updated Measured and Indicated resource and the highly robust results were published in an announcement to the ASX on 10 January 2017.

### *Takatokwane Coal Project*

During the quarter the Company applied for a retention licence for PL035/2007, one of the key exploration licences for the Project. Following discussion with the Ministry of Minerals, Energy and Water Resources of Botswana, the retention application was withdrawn and an application for further licence extension was submitted. As of the date of this report, the application is still under consideration.

### *Namibian Lithium Applications*

The Company presently has 5 licence applications lodged with the Ministry of Mines and Energy (MME) over prospective areas for Li bearing pegmatites in both the central western and south eastern sectors of Namibia. EPL applications for 6289, 6290 and 6291 are located in close proximity to the Strathmore pegmatite swarm along the west coast of Namibia. These applications were tabled for consideration internally within the Ministry in July 2016 and recent enquiries suggest a decision on whether the licences will be granted could be made in early February.

EPL applications for licences 6308 and 6309 in the south of the country around Tantalite Valley were only tabled for consideration at the end of November 2016. The Company has no insight to the potential grant date for these later applications.

### *Corporate*

At the Annual General Meeting of Members of the Company held in November 2016, the Company received approval to undergo a twenty-three to one (23 to 1) consolidation of shares in line with ASX rules. This restructuring took place towards the end of the Quarter.

<sup>2</sup> Published on ASX platform 10 January 2017

**About WKT**

Walkabout is fast tracking the development of the Lindi Jumbo Project to take advantage of forecast market conditions for Flake Graphite deposits with high ratios of Large and Jumbo flakes. The Company has developed a proprietary processing technique based on an existing and proven flow-sheet used elsewhere in Africa and which yields exceptionally high ratios of Large (+180µm), Jumbo (+300µm) and Super Jumbo (+500µm) flakes into concentrate. This premium product will allow higher than average revenues to be achieved. The Company currently holds 70% of four licences at Lindi Jumbo with an option to acquire the remaining 30% share.

Details of Walkabout Resources' other projects are available at the Company's website, [www.wkt.com.au](http://www.wkt.com.au)

**ENDS**

**Competent Person's Statement****Mineral Resources**

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd), Mr Aidan Platel (Consultant with Platel Consulting Pty Ltd), Mr Andrew Cunningham (Director of Walkabout Resources Limited) and Ms Bianca Manzi (Bianca Manzi Consulting). Mr Barnes, Mr Platel, Mr Cunningham and Ms Manzi are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Ms Manzi is the Competent Person for the geological database. Mr Barnes is the Competent Person for the resource estimation. Both Mr Platel and Mr Cunningham completed the site inspections. Mr Barnes, Mr Platel, Mr Cunningham and Ms. Manzi consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

Schedule of mining tenements and beneficial interests held as at the end of the December 2016 quarter

Project / Location	Tenement Type	Tenement Number	Percentage Held / Earning
<b>Botswana</b>			
Takatokwane	PL	35/2007	70%
Takatokwane	PL	157/2009	40% Earning 65%
Takatokwane	PL	160/2009	40% Earning 65%
<b>Namibia</b>			
Strathmore	EPL Application	6289	100%
Strathmore	EPL Application	6290	100%
Strathmore	EPL Application	6291	100%
TantaliteValley	EPL Application	6308	100%
TantaliteValley	EPL Application	6309	100%
<b>Tanzania</b>			
Lindi	PL	9992/2014	70% subject to ongoing commitments
Lindi	PL	9993/2014	70% subject to ongoing commitments
Lindi	PL	9994/2014	70% subject to ongoing commitments
Lindi	PL	9906/2014	70% subject to ongoing commitments
Kigoma	PL	9239/2013	100%
Kigoma	PML	000041WZ	Earning 75%
Kigoma	PML	000042WZ	Earning 75%
Kigoma	PML	000043WZ	Earning 75%
Kigoma	PML	000044WZ	Earning 75%
Kigoma	PML	000045WZ	Earning 75%
Kigoma	PML	000046WZ	Earning 75%
Kigoma	PML	000047WZ	Earning 75%
Kigoma	PML	000048WZ	Earning 75%
Kigoma	PML	000049WZ	Earning 75%
Kigoma	PML	0000450WZ	Earning 75%
Kigoma	PML	000051WZ	Earning 75%
Kigoma	PML	000052WZ	Earning 75%
Kigoma	PML	000053WZ	Earning 75%
Kigoma	PML	000054WZ	Earning 75%
Kigoma	PML	000055WZ	Earning 75%