walkabout RESOURCES LTD

ASX ANNOUNCEMENT

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DIRECTORS

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Exec Dir: Allan Mulligan
Tech Dir: Andrew Cunningham
NED: Tom Murrell

ORDINARY SHARES
117,639,888

UNLISTED OPTIONS
26,550,019

PROJECTS
Lindi Jumbo Graphite Project
Tanzania (70%)

Takatokwane Coal Project
Botswana (60%)

Kigoma Copper Project
Tanzania (75%)

Regional high grade graphite potential continues to grow at Lindi Jumbo Project

- *Grades of up to **22.9% TGC** and **22.6% TGC** discovered in reconnaissance mapping over prospective areas on PL9994 and PL9993 respectively.*
- *Additional high grade graphite sampled over outcropping areas coinciding with VTEM anomalies on PL9992.*
- *Multiple mineralised units identified parallel to the main conductors in PL9993, similar to the Gilbert Arc Deposit.*
- *Conceptual targeting methodology supported by historical sampling and drilling results.*

Walkabout Resources (ASX: WKT) is pleased to announce new reconnaissance exploration results, and an updated and increased exploration potential range for the 70% held high grade Lindi Jumbo Graphite Project in south eastern Tanzania.

A follow-up regional mapping and sampling program has been completed over portions of PL9993 and PL9994.

Technical Director of Walkabout Resources, Andrew Cunningham commented;

"The results from the regional Lindi Jumbo reconnaissance program, together with our in-house knowledge of the high grade graphite mineralisation style within the region, confirm our belief in the significant potential of the larger project area.

These areas provide potential endowments from which the Company can grow Lindi high-grade, near-surface production and realise its objective of being the preferred graphite supplier from East Africa."

Regional Exploration

PL9993/2014

Exploration on PL9993 targeted the extensive conductors identified by the 2015 VTEM survey with the aim of assessing the mineralisation and exploration potential of the licence for a possible future maiden drilling program. The sampling over an outcropping strike length of more than 4km, returned up to **22.6% TGC** for in-situ graphitic schists and gneisses, supporting the previously reported high grade nature of the graphite occurrences within the VTEM survey area. [1]

New mapping indicates that the mineralised graphitic units have a shallow dip towards the southeast and that they are coincident with the numerous conductors as delineated by the VTEM survey. Additional mineralised units were identified parallel to the main conductive units and indicate the possibility of more than one mineralised zone on PL9993, similar to the Gilbert Arc deposit on PL9992.

PL9994/2014

Reconnaissance sampling completed over a portion of PL9994 returned results of up to **22.9% TGC** over a prospective area more than 850m in strike length. Numerous parallel outcropping graphitic units were also mapped, further emphasising the highly prospective nature of the tenement. As the area was not covered by the VTEM survey, PL9994 was excluded from the calculation of the Exploration Potential. Assay results are indicated in Figure 1 and Table 2.

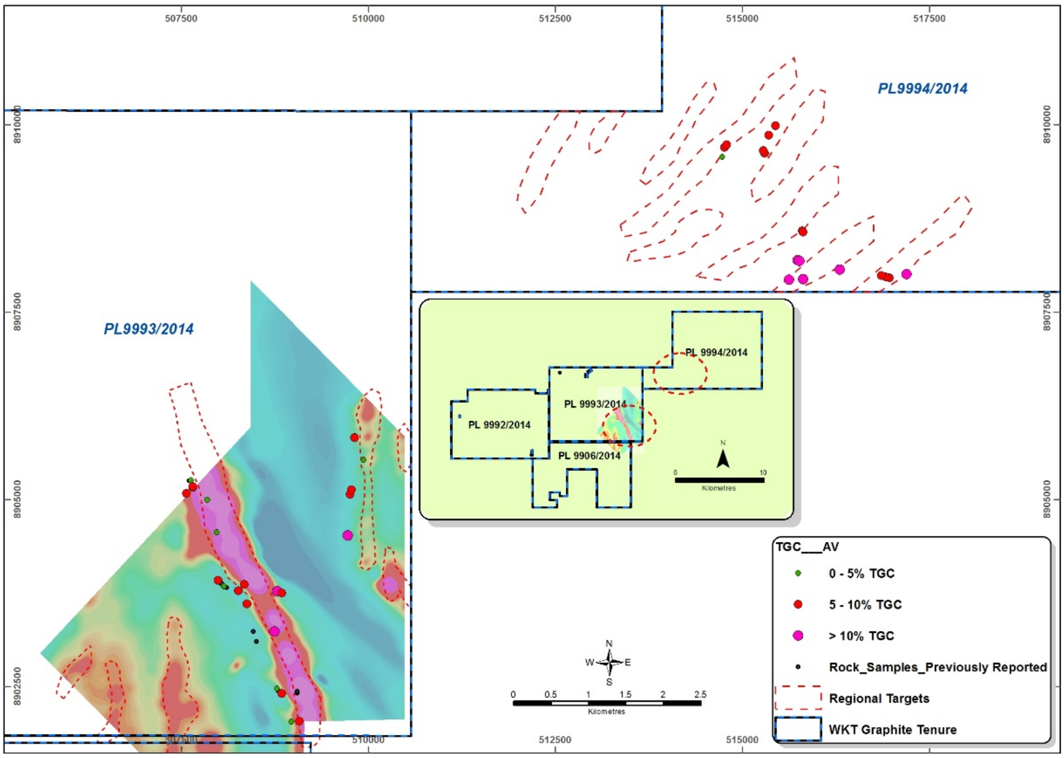

Figure 1: Assay results on PL9993 and PL9994 with regional targets indicated. Insert map shows the location of the sampling sites on the WKT tenure.

[1] See ASX release of 18 October 2016.

Exploration Potential

Following the two campaigns of mapping and sampling over the VTEM survey area on PL9993 the Exploration Potential for this area was also assessed. The updated Exploration Potential for PL9992 and PL9993 is summarised in Table 2 and Figure 1.

Table 2: Summary of Exploration Potential over two areas of PL9992 and PL 9993. The range of tonnages for Exploration Targets are conceptual and TGC grade is unknown.

Area	Strike Length of Conductive Zones	Tonnage MIN (mt)	Tonnage MID (mt)	Tonnage MAX (mt)
Western Graphite - PL9992	6.7km	36	58	104
Eastern Graphite - PL9993	10.7km	8	28	67
Total Exploration Potential	**17.4km**	**44**	**86**	**171**

The Exploration Potential for the western portion of PL9992 that was covered by the VTEM survey in 2015 was updated to incorporate the recently completed Lindi Jumbo Mineral Resource estimate as well as further mapping, sampling and drilling conducted in the area.[2]

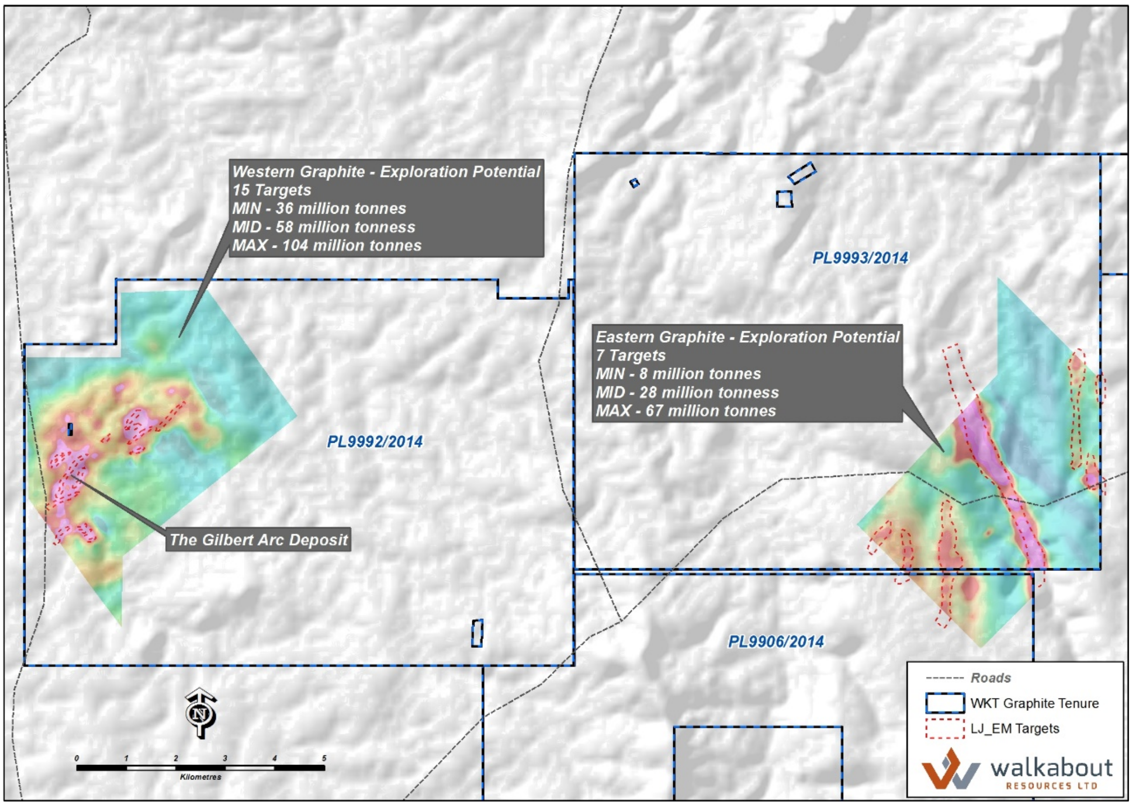

Figure 3: Illustrating the two areas on PL9992 and PL9993 where the Exploration Potential for graphite mineralisation was assessed. Note that the "Western Graphite" area includes the Measured, Indicated and Inferred Mineral Resource of the Gilbert Arc Deposit that overlaps with original targets VTEM 4 & 5. The range of tonnages for Exploration Targets are conceptual and TGC grade is unknown.

[2] See ASX release of 22 October 2015 for original Exploration Potential estimate and of 6 December 2016 for Lindi Jumbo Resource estimate

The combined strike length of conductive zones in both the Western and Eastern Graphite areas is approximately 17.5km with many of the conductive units coinciding with sporadic in-situ graphitic outcrops with surface grades up to 38.4% TGC.

Drilling that was completed over four of the covered conductive areas in the Western Graphite Area (including the undercover portions of the Gilbert Arc Deposit) intersected graphitic schists and gneisses confirming the sub-surface 3D-modelled VTEM conductive plates. These results, combined with the company's knowledge of the controls on high grade graphite mineralisation in the region, further supported by the surface sampling and mapping programs confirm the targeting methodology used.

Some of the more significant drilling intersects over a few of the exploration targets within PL9992 include 15m @ 14.1% TGC from 14m including 3m @ 30.9% TGC in hole LJRC014.[3]

Table 3: Assay results of recent rock samples on PL9993 and PL9994.

Sample_ID	East	North	RL	Lithology	TGC %
141761	509,818	8,905,827	291	Graphite Gneiss	9.27
141762	509,934	8,905,526	308	Graphite Gneiss	3.82
141763	509,756	8,905,072	319	Graphite Gneiss	9.23
141764	509,775	8,905,127	322	Graphite Schist	9.22
141765	509,726	8,904,521	330	Graphite Schist	**11.9**
141767	507,632	8,905,256	306	Graphite Gneiss	4.72
141768	507,651	8,905,161	310	Graphite Schist	7.67
141769	507,655	8,905,172	309	Graphite Gneiss	5.47
141770	507,567	8,905,082	316	Graphite Gneiss	5.82
141771	507,847	8,905,000	309	Graphite Gneiss	3.87
141772	507,975	8,904,563	321	Graphite Gneiss	4.05
141773	507,991	8,903,919	322	Graphite Schist	6.2
141774	508,063	8,903,849	327	Graphite Gneiss	4.23
141775	508,072	8,903,843	321	Graphite Gneiss	3.38
141776	508,263	8,903,783	324	Graphite Gneiss	5.91
141777	508,379	8,903,609	316	Graphite Gneiss	5.69
141778	508,340	8,903,867	317	Graphite Gneiss	5.67
141779	508,774	8,903,782	304	Graphite Gneiss	5.36
141781	508,785	8,903,777	309	Graphite Schist	**10.1**
141782	508,841	8,903,752	306	Graphite Gneiss	6.12
141783	508,750	8,903,238	318	Graphite Schist	**22.6**
141784	508,780	8,902,479	341	Graphite Gneiss	3.38
141785	508,845	8,902,413	330	Graphite Schist	8.51
141786	509,082	8,902,046	345	Graphite Schist	7.05
141787	508,968	8,902,040	340	Graphite Gneiss	3.82
141788	517,188	8,908,002	322	Graphite Schist	**14.4**
141789	516,958	8,907,958	325	Graphite Gneiss	5.93
141790	516,914	8,907,971	324	Graphite Schist	8.99

[3] See ASX release of 16 November 2015 and 01 December 2015 for Drilling Results.

141791	516,854	8,907,987	317	Graphite Schist	8.7
141792	516,297	8,908,066	317	Graphite Schist	**22.9**
141793	515,734	8,908,193	303	Graphite Gneiss	10.9
141794	515,759	8,908,177	308	Graphite Schist	17.2
141795	515,808	8,907,941	298	Graphite Schist	**22.1**
141796	515,623	8,907,933	298	Graphite Schist	17.2
141797	515,793	8,908,586	301	Graphite Gneiss	7.69
141798	515,809	8,908,565	308	Graphite Gneiss	5.43
141799	515,295	8,909,618	319	Graphite Schist	9.44
141801	515,273	8,909,656	319	Graphite Schist	9.57
141802	515,348	8,909,861	324	Graphite Gneiss	6.31
141803	515,439	8,909,988	341	Graphite Schist	9.95
141804	514,754	8,909,693	332	Graphite Gneiss	6.46
141805	514,788	8,909,734	338	Graphite Gneiss	9.41
141806	514,725	8,909,569	332	Graphite Biotite Gneiss	4.59

The potential quantity outside of the Gilbert Arc Mineral Resource Area is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource over any of the additional target areas.

It should not be expected that the quality of the Exploration Targets is equivalent to that of Mineral Resources. Exploration Targets could be tested with future exploration activities in alignment with company's exploration and business strategy.

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

ENDS

Trevor Benson
Executive Chairman
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Competent Person's Statement

Exploration Targets and Results

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr Andrew Cunningham (Director of Walkabout Resources Limited). Mr Cunningham is a member of the Australian Institute of Geoscientists and has 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. Mr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Appendix A

JORC Code, 2012 Edition – Table 1 report template

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.*	• *Rock samples of 2 to 3 kg were collected from in-situ outcrops.* • *2015 Samples were bagged as A and B samples from each locality due to the large size of the samples and numbered individually. 2016 Samples were bagged in clearly marked sample bags for transport to the prepatory laboratory in Dar es Salaam.* • *2016 Samples were sent to ALS prepatory laboaratory in Mwanza.* • *All 2016 samples were described and logged onto a paper logsheet. A summary of rock sample locations is included as Table 1.* • *Graphite quality and rock classifications were visually determined by field geologist. 2015 Reverse Circulation (RC) drilling was done and samples were split using a cone splitter into 1m samples. All primary samples as well as sample spoils are weighed and the results recorded.* • *2016 Reverse Circulation (RC) drilling was done and one metre samples were collected in a large sample bag beneath the cyclone. Individual one metre samples were split using a riffle splitter (75%/25% split). All large sample bags were weighed before splitting.* • *All RC intervals were geologically logged by a suitably qualified geologist and mineralized intersects (graphitic zones) dispatched to SGS in Mwanza or BV in Dar es Salaam, Tanzania for processing.* • *Diamond drilling (DD) was done to collect adequate samples for metallurgical and ore characterization testwork. Graphitic zones were sampled (1/2 and ¼ HQ3 core) using a diamond saw.* • *Trenches: Standardized sampling methods include continuous chip samples of approximately 4 cm wide being collected along the northern edge of the trench floor consisting of about 3 kg to 4 kg of material per sample. Hammers and chisels were used to gently dislodge the weathered rock along the channel profile. A large plastic bag was laid out on the trench floor beneath each sample to collect the chip samples. This ensured that the sample was not contaminated by rubble or fines from the trench floor.* • *Graphite quality and rock classifications were visually determined by field geologist.*

Criteria	JORC Code explanation	Commentary
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).*	• *Reverse Circulation and Diamond Drilling was conducted* • *RC Sampling was done with a 5 ½" face sampling bit (2015 and 2016).* • *Core size was HQ3 (61.1mm diameter) triple tube system. All inclined core holes were oriented using a Reflex ACTZ orientation tool.*
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 (2015) recovery was recorded by visual estimation of recovered sample bags and all sample rejects from the cone splitter were weighed and the weights recorded. All A and B samples were weighed to assess the accuracy of the sampling process. Recovery was generally of good quality.* • *RC (2016) recovery was recorded by visual estimation of recovered sample bags with all primary one metre samples collected through a* *cyclone weighed and the weights recorded.* • *Sample recovery was Measured and recorded for each core run* • *Downhole depths were validated against core blocks and drillers sheets* • *Minor core loss was recorded in the weathered zones* • *Twin hole comparison of RC vs Diamond Indicated that there is no sample bias for graphite assays* • *There does not appear to be any relationship between sample recovery and 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 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.*	• *The logging and classification of graphite rock samples was based on a visual percentage estimate of graphite content by field geologists using rock specimens and outcrops. In general, rocks containing less than 10% graphite were identified as graphite gneiss, 10-70% graphite schist, and greater than 70% graphite as massive graphite.* • *Visual estimates and geological is subjective.* • *All drillholes were geologically logged in full by an independent geologist.* • *All data is initially captured on paper logging sheets and transferred to pre-formatted excel tables and loaded into the project specific drillhole database.* • *The logging and reporting of visual graphite percentages on preliminary logs is semi-quantitative. A reference to previous logs and assays is used as a reference.* • *All logs are checked and validated by an external geologist before loading into the database. Logging is of sufficient quality for current studies.*

Criteria	JORC Code explanation	Commentary
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.*	• *2016 Rock Samples were dispatched to ALS Mwanza, Tanzania for prep and the pulps dispatched to ALS in South Africa for analyses.* • *Each sample weighed approximately 3 and each sample was packed in separate clearly marked sample bags.* • *All samples were dried at 105°C, separately crushed and pulverized via LM2 to nominal 90% passing -75µm.* • *Sample pulverizers were cleaned mechanically and/or with vacuum. Quartz or blue metal washes were utilized to ensure no carry over contamination between samples.* • *Particle size analysis is conducted by the lab on selected samples in each batch to ensure correct grain size is achieved.* • *Reverse Circulation (RC) samples were split using a cone splitter (2015) and riffle splitter (2016) into 1m samples. All primary samples and RC spoils were weighed and the results recorded. The vast majority of the samples were dry.* • *Duplicate samples were taken approximately 1:20 and were collected by spearing approximately 3kg from the representative 1m interval sample reject (2015) or by splitting the 75% reject to obtain a duplicate sample (2016).* • *QC measures include field duplicate samples, blanks and certified standards (1:20) over and above the internal controls at the laboratories (SGS and NAGROM).* • *All sampling was carefully supervised. Ticket books were used with pre-numbered tickets placed in the sample bag and double checked against the ticket stubs and field sample sheet to guard against sample mix ups.* • *All RC intervals were geologically logged and mineralized intersects dispatched to SGS in Mwanza or BV in Dar es Salaam for sample preparation, and subsequently to Perth for assaying of pulps.* • *All samples were separately crushed and pulverized to 75% passing 2 mm, split, pulverize <1.5 kg to 85% passing 75 um.* • *SGS: Graphitic Carbon Leco Method by CSA05V (0.01% lower detection and 40% upper detection limit), HNO3 leach, LECO Ash and total digest of carbon samples for multi element analyses. The solution from the above DIA40Q digest is presented to an ICP-OES for the quantification of the elements of Interest (V) with 1 ppm lower detection limit and a 10,000ppm upper limit (2015).* *NAGROM: Labfit CS2000 combustion/IR analyser was used for Graphitic Carbon (0.1 % to 100% detection limits).*
		• *Diamond core samples were cut lengthwise*

		using a manual core saw on site. The core was cut in half, and then one half was quartered to provide samples for metallurgical testwork and assaying respectively. • *Individual meter samples within graphitic zones were packed and sealed in clearly labeled plastic bags for transport* • *Duplicate samples were inserted at the NAGROM Lab in Perth using a coarse crushed split of the specified sample interval. Coarse duplicates were inserted approximately 1:20 samples.* • *The quarter core analytical samples were separately crushed to 2mm, dried at 105°then pulverized to 95% passing 75 µm.* • *Graphitic Carbon (TGC; CS003, 0.1% lower detection), and Total Carbon analysis (TC; CS001, 0.1% detection limit) is analysed by Total Combustion Analysis.* • *For TC and TGC, the prepared sample is dissolved in HCl over heat until all carbonate material is removed. The residue is then heated to drive off organic content. The final residue is combusted in oxygen with a Carbon-Sulphur Analyser and analysed for Total Graphitic Carbon (TGC) and Total Carbon (TC).* • *Sample size is appropriate for the material being tested.*
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.*	• *QC measures include duplicate samples, blanks and certified standards (1:20) over and above the internal controls at the laboratories* • *Due to the systematic, robust and rather intensive nature of quality control procedures adopted, WKT is confident that the assay results are accurate and precise and that no bias has been introduced.*
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.*	• *An external geological consultant conducted a site visit in September 2015 and August 2016 during the drilling programs to observe all drilling and sampling procedures. All procedures were considered industry standard, well supervised and well carried out.*
		• *All data is initially captured on paper logging sheets, and transferred to pre-formatted excel tables and loaded into the project specific drillhole database. Paper logs are scanned and stored on the companies server. Original logs are stored at a secure facility in Ruangwa.* • *Assay data is provided as .csv files from the laboratory and entered into the project specific drillhole database. Spot checks are made against the laboratory certificates.*

		• *Primary data is stored in original electronic lab files, (both PDF and Excel) and also in working database files for company workflow.* • *As discussed in the previous section, A and B samples for the same location were submitted and used as duplicates for most samples.* • *As A and B samples are considered essentially identical or duplicates (although treated separately), the samples have been combined to produce an average value for reporting purposes.* • *Sample results were also compared to geological logging for verification.*
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.*	• *Collar positions were set out using a handheld Garmin GPS with reported accuracy of 5m and reported using WGS84, SUTM Zone 37.* • *Three pegs were lined up using a Suunto compass and a rope laid out on the ground between the three pegs to align the rig. Once the drilling was complete the final collar position was recorded using a handheld Garmin GPS.* • *Downhole surveys (dip and azimuth) were taken using a Reflex electronic multi shot instrument.* • *An accurate collar position survey was conducted by an independent surveyor and the survey reports have been received* • *Sample points for rock samples were taken using a Garmin handheld GPS.* • *See Table 3 for sample positions and results.*
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.*	• *2015 Drillholes were to test pre-determined geophysical targets and are thus not on a pre-determined grid.* • *The 2016 infill drilling program was conducted on a pre-determined grid with the aim increasing the confidence of the resource.* • *Infill drilling over a large portion of the deposit was done on a grid of 50m x 50m* • *No sample compositing has been done.* • *Discontinuous spacing as determined by available outcrop and field observations, all GPS tracked.* • *Data and sampling is reconnaissance in nature and insufficient for Mineral Resource estimations.* • *(2015) As A and B samples are considered essentially identical or duplicates (although treated separately), the samples have been combined to produce an average value for reporting purposes.* • *No sample compositing was applied for the 2016 sampling.*
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.*	• *Surface mapping and interpretation of the VTEM data shows that the lithologies dip between 15 and 50 degrees to both the NW and SE on the limbs of various syn- and*

	• *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.*	*antiforms in the area.* • *Drillholes were planned to intersect the lithology/mineralisation at right angles or as close as possible to right angles.* • *Outcrop structural readings of strike, dip and dip direction were recorded using geological compass for geological mapping and trend purposes* • *The observation points were used to interpret the graphite trend in the property.* • *The location of structural measurements is controlled by available in-situ outcrop*
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 the VTEM data shows that the lithologies dip between 15 and 50 degrees to both the NW and SE on the limbs of various syn- and antiforms in the area.*

Criteria	JORC Code explanation	Commentary
		• *Drillholes were planned to intersect the lithology/mineralisation at right angles or as close as possible to right angles.*
Sample security	• *The measures taken to ensure sample security.*	• *Samples were split and sealed (tied off in calico or plastic bags) at the drill site and transported to the Exploration Camp for processing. All samples picked for analyses are placed in clearly marked polyweave bags (10 per bag), and were stored securely on site before transported via a courier company to the prep labs in Mwanza and Dar es Salaam.* • *Rock Samples samples were packed by the technician and geologist in the field. All samples were sealed in plastic bags for sample transport to the Lab in Mwanza.* • *Export permits were applied for and samples boxed up for transport with a sample dispatch number.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	*An external geological consultant conducted a site visit in September 2015 and August 2016 during the drilling and regional sampling programs to observe all drilling and sampling procedures. All procedures were considered industry standard, well supervised and well carried out.*

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 licence to operate in the area.*	• *The drilling was located on one granted Exploration License (PL9992/2014). The Company currently holds 70% of four licenses at Lindi Jumbo with an option to acquire the remaining 30% share. WKT, through its 100% Tanzanian subsidiary, Lindi Jumbo Limited (Company Registration Number 124563), now has registered title to the four licenses subject to anniversary payments being made to the Vendor for three years from the date of the Memorandum of Understanding, 13 May 2015.* • *The company is not aware of any impediments relating to the licenses or area.*
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 licence to operate in the area.*	• *The drilling was located on one granted Exploration License (PL9992/2014). The Company currently holds 70% of four licenses at Lindi Jumbo with an option to acquire the remaining 30% share. WKT, through its 100% Tanzanian subsidiary, Lindi Jumbo Limited (Company Registration Number 124563), now has registered title to the four licenses subject to anniversary payments being made to the Vendor for three years from the date of the Memorandum of Understanding, 13 May 2015.* • *The rock sampling was located on two granted Exploration Licenses (Pl9992/2014 & PL9993/2014). The Company currently holds 70% of four licenses at Lindi Jumbo with an option to acquire the remaining 30% share. WKT, through its 100% Tanzanian subsidiary, Lindi Jumbo Limited (Company Registration Number 124563), now has registered title to the four licenses subject to anniversary payments being made to the Vendor for three years from the date of the Memorandum of Understanding, 13 May 2015.* • *The company is not aware of any impediments relating to the licenses or area.*

Criteria	JORC Code explanation	Commentary
		• *The company is not aware of any impediments relating to the licenses or area.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *As far as the company is aware no exploration for graphite has been done by other parties in this area. Some gemstone diggings for tourmaline are present in the PL.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The project area is situated in the Usagaran of the Mozambique belt and consists of graphitic gneisses and schists interpreted to occur along the flanks of various anti- and synforms in the area with the lithological units dipping at between 15 and 50 degrees to the NW and SE.*
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	• *Trench and Drillhole coordinates and orientations are provided in Table 3 of previous reports.* • *Drillhole coordinates previously reported (see ASX announcement of 19 January 2016 and 1 September 2016 and 12 December 2016).* *All azimuths are approximately 120 degrees.*
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• *Trench results: weighted averages are used with a 5% TGC cut-off and ≤3m internal waste (<5% TGC). Results are rounded to the nearest 10^{th}.* *RC: Aggregate graphite intersections are quoted using a cutoff of 5% TG and were averaged as all sample intervals are equal.* *DD: weighted averages are used with a 5% TGC cut-off and ≤3m internal waste (<5% TGC). Results are rounded to the nearest 10^{th}.* *DD and Trench: Individual sample intervals are ≥50cm and ≤150cm.* • *No metal equivalent values have been reported.*
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 (eg 'down hole length, true width not known').*	• *The drilling is at right angles (or as close as possible to) the mapped strike of the outcropping lithologies.* • *All intercepts are reported as down-hole lengths and are aimed at being as perpendicular to mineralisation as practical.* • Widths for mineralised units sampled through the rock sampling programs are undetermined due to extensive soil cover in the sampling areas.

Criteria	JORC Code explanation	Commentary

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 sample location plan is provided in Figure 2.*
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 samples from the 2016 sampling program are reported in Table 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 announcements include the release of assay data related to surface "dig and grab" samples (ASX: 14 May 2015 18/10/2016) and also to the results of an Airborne VTEM Survey (ASX: 19 September 2015).* • *Graphite characterization Petrography results(ASX: 30 July 2015), and initial metallurgy (ASX: 3 June 2015).* • *Drill assay results (4/11/2015, 16/11/2015, 24/11/2015, 1/12/2015, 8/12/2015, 21/12/2015 and 27/9/2016 & 12/12/2016).* • *Metallurgical Results (8/01/2016, 18/02/2016, 2/06/2016, 07/07/2016) Maiden JORC Resource (19/01/2016)*
Further work	• *The nature and scale of planned further work (eg 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.*	• *Exploration drilling will be ongoing. Further holes are planned to test targets generated through the VTEM survey and surface mapping on the various licenses.*

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*	• *The database was compiled by WKT using Microsoft Office software.* • *The database was supplied for use for resource estimation as a Microsoft Access database.* • *The database was imported to Leapfrog™ software and also linked to Geovia Surpac™ (industry standard resource modelling and estimation software). No errors were identified in the database supplied in visual checks and through the Leapfrog and Surpac importing/connect processes.* • *Normal data validation checks were completed on import to the Access database.*
Criteria	**JORC Code explanation**	**Commentary**
		• *All logs were supplied as Excel spreadsheets and any discrepancies checked and corrected by field personnel. Data has been checked back to hard copy results*
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	• *Andrew Cunningham (appointed 13 November 2015 Director Walkabout Resources Ltd, and Competent Person) initially visited the site in July 2015 followed by a further visit in September 2015 whilst an independent geological consultant. Aidan Platel, Competent Person (Platel Consulting PTY Ltd) completed a site visit in August 2016 covering all aspects of the site work and the 2016 drilling program.* • *All drilling and sampling procedures were considered industry standard, well supervised and well carried out.*
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 confidence in the geological interpretation is considered robust for the purposes of reporting a Measured, Indicated and Inferred Resource. Graphite is hosted within graphitic schists and gneisses of the Neoproterozoic Mozambique Belt. These graphite rich zones dip to the north-west and south-east at 15-45° and are interpreted to occur on the flanks of various syn- and antiforms in the area.* • *Four main zones are modelled, with the main zone (Zone 1) including three internal high grade veins as separate domains (7, 8 and 9) which shown clear continuity.* • *The geological interpretation is supported by geological mapping, trenching and drill hole logging and mineralogical studies completed on*

		Walkabout's recent drillholes plus geophysical survey data (VTEM). • Weathered zones (oxide and transition) of reasonably uniform depth (averaging 2-3m and 6-10m) were interpreted based on the geological logs and coded into the block model. • No alternative interpretations have been considered at this stage. • Logged graphite rich zones in the graphitic schists correlate extremely well with TGC assay grades.
Criteria	**JORC Code explanation**	**Commentary**
		• *The key factors affecting continuity (known to date) are the presence of graphitic schist host rocks plus VTEM conductors.*
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.*	• *The modelled mineralised zone has dimensions of 1,400m (surface trace striking 030) with four main mineralised zones (one with a high-grade core) ranging in thickness up to 35m (Domain 1 including high grade core), 10m (Domain 3), 20m (Domain 6) and 30m (Domain 4 – eastern lower grade zone) ranging between 100m and 245m RL (AMSL).*
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.*	• *Grade estimation using Ordinary Kriging (OK) was completed using Geovia Surpac™ software for TGC (%).* • *Drill spacing typically ranges from 35m to 160m with one section break of 300m.* • *Drillhole samples were flagged with wireframed domain codes. Sample data was composited for TGC 1m using a best fit method with a minimum of 50% of the required interval to make a composite.* • *Influences of extreme sample distribution outliers were analysed for potential top-cutting on a domain basis. Top-cuts were decided by using a combination of methods including grade histograms, log probability plots and statistical tools. Based on this statistical analysis of the data population, top-cuts for TGC were not required.* • *Directional variograms were modelled by domain using traditional variograms. Nugget values for TGC are moderate (between 20 and 35%) for the lower grade domains and structure ranges up to 230m. Block model was constructed with parent blocks of 10m (E) by 25m (N) by 10m (RL) and sub-blocked to 2.5m (E) by 6.25m (N) by 2.5m (RL). All estimation was completed to the parent cell size. Discretisation was set*

	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	*to 5 by 5 by 2 for all domains.* • *Three estimation passes were used.*
Criteria	**JORC Code explanation**	**Commentary**
		• *The first pass had a limit of 75m, the second pass 150m and the third pass searching a large distance to fill the blocks within the wireframed zones. Each pass used a maximum of 12 samples, a minimum of 6 samples and maximum per hole of 4 samples.* • *Search ellipse sizes were based primarily on a combination of the variography and the trends of the wireframed mineralised zones. Hard boundaries were applied between all estimation domains.* • *Validation of the block model included a volumetric comparison of the resource wireframes to the block model volumes. Validation of the grade estimate included comparison of block model grades to the declustered input composite grades plus swath plot comparison by easting, northing and elevation. Visual comparisons of input composite grades vs. block model grades were also completed.* • *One previous resource estimation exists for this deposit as reported by Walkabout in January 2016 (Inferred Mineral Resource of 15.3Mt @ 10.1% TGC).*
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content*	• *Tonnes have been estimated on a dry basis.*
Cut-off paraers	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• *Grade envelopes have been wireframed to an approximate 5% TGC cut-off for Domains 1, 3 and 6 allowing for continuity of the higher-grade zone. The lower grade Domain 4 is wireframed to an approximate 3-4% TGC cut-off. Based on visual and statistical analysis of the drilling results and geological logging of the graphite rich zones, this cut-off tends to be a natural geological change and coincides with the contact between the graphite rich schists and the other host rocks (i.e. biotite schists and gneisses, garnet gneisses and occasional dolomites).*
Criteria	**JORC Code explanation**	**Commentary**
		• *The material from within the modelled oxide/transition zone has been included in the reported Inferred Resource for now. It is noted there is a risk that future metallurgical testwork may deem this material unusable.*
Mining factors or	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if*	• *Based on the orientations, thicknesses and depths to which the*

assumptions	*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.*	*graphitic rich zones have been modelled, plus their estimated grades for TGC, the potential mining method is considered to be open pit mining.*
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.*	• *Perth based NAGROM Metallurgical plus specialist metallurgical consultants, Battery Limits Pty Ltd and Dr Evan Kirby of Metallurgical Management Services have completed extensive metallurgical testwork and have recovered graphite flake of marketable qualities.* • *Metallurgical composite samples were prepared from half HQ core (fresh material for high-grade and low-grade composites) along the strike of the orebody, as well as from weathered high grade material in outcrop.*
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.*	• *Appropriate environmental studies and sterilisation drilling have been completed to determination of the location of any potential waste rock dump (WRD) and TSF facilities.* • *Environmental monitoring is underway and the detailed project scale environmental study is well advanced*
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.*	• *Walkabout Resources completed specific gravity testwork on 307 drill core samples across the deposit using Hydrostatic Weighing (spray seal coated).* • *Of these 307 samples, 175are from within the modelled mineralised domains.*

Criteria	JORC Code explanation	Commentary
		• *Statistical analysis of the samples and comparison against depth and TGC grade identified a clear relationship between bulk density (BD) and TGC grade for Domain 1 (plus the high grade core domains). As such, the BD within these two domains was calculated by the equation: BD = (-0.0113x TGC%) + 2.8255.* • *For Domains 3 and 6, the relationship was not so clear so the average BD for the zone of 2.5*

		g/cm3 was used. • *Domain 4 was not intersected by any of the diamond core holes, so the average of 2.5 g/cm3 was applied.* • *For the modelled oxide/transition zone, a reduced BD of 2.0 g/cm3 was used.*
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie 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.*	• *The Mineral Resource has been classified on the basis of confidence in the geological model, continuity of mineralised zones, drilling density, confidence in the underlying database and the available bulk density information.* • *All factors considered; the resource estimate has in part been assigned to Measured, Indicated and Inferred Resources.*
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• *Whilst Mr. Barnes (Competent Person) is considered Independent of Walkabout Resources, no third party review has been conducted.*
Discussion of relative accuracy/codence	• *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 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.*	• *The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.* • *The statement relates to global estimates of tonnes and grade.*