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ASX ANNOUNCEMENT

LINDI JUMBO PROJECT - METALLURGY

Exceptional metallurgical results confirmed for Lindi Jumbo

Highlights

03 June 2015

- **Across three metallurgical samples, up to 65.7% of product in Jumbo and Large flake size categories by graphite mass**
- **Primary recovery around 95% in all cases**
- **Single stage of cleaner flotation may be adequate to produce high quality product**
- **Between 58% and 82% of carbon grade resides in large and jumbo categories**
- **All samples exhibit strong depletion of graphite in the fines fractions**

Overview

African focussed, ASX listed junior explorer Walkabout, (ASX:WKT) is pleased to report the metallurgical results from test-work conducted on three graphite samples taken at the Lindi Jumbo Graphite Project (WKT earning 70%) in south east Tanzania.

Three samples from a reconnaissance program were submitted to a laboratory in Perth for flotation test-work and size analysis. While these samples were subject to some weathering and oxidation, the results confirm that the graphite at Lindi Jumbo presents a high ratio of Jumbo and Large flake sizes and is amenable to single stage flotation resulting in high recoveries and concentrate grades.

Managing Director, Allan Mulligan said: ***"These are exciting results and confirm that the graphite at Lindi Jumbo is blessed with an above average ratio of large and jumbo flakes and the potential for simple, single stage graphite product recovery into concentrate."***

"The planned commencement of drilling during the next quarter will allow us to further confirm these characteristics and rapidly advance the project toward resource definition and technical study"

walkabout
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Test-Work Summary Results

Flake Size and Grades		LN14-023			LN14-028			LN14-043		
		Mass Dist	Grade Dist	TGC	Mass Dist	Grade Dist	TGC	Mass Dist	Grade Dist	TGC
	µm	%	%	%C	%	%	%C	%	%	%C
Jumbo	+300	32.4	39.5	56.9	48.2	64.6	9.2	22.3	48.4	42.6
Large	+180	16.0	18.5	18.5	17.5	17.2	6.7	15.9	20.7	25.6
Sub Total	+180	48.4	58.0	44.2	65.7	81.8	8.5	38.2	69.1	35.5
Medium	+150	11.8	12.2	12.2	9.9	7.6	5.3	13.6	12.1	17.4
Fine	+75	18.4	17.7	17.7	12.5	6.0	3.3	22.9	13.1	11.2
Amorphous	-75	21.4	12.1	12.1	11.9	4.6	2.7	25.3	5.8	4.5
Total		100	100	46.7	100	100	6.8	100	100	19.6

Table 1. Flake size distribution by graphite mass and grade with TGC by size

The table above reports the flake size distribution by mass and carbon grade and the total graphitic carbon by size fraction. Of note is the combined elevated large and jumbo ratio which is forecast to be in demand tension by year 2020.

Initial size by assay testing was performed on each sample stage ground in a laboratory rod mill to -850 micron. Size intervals were assayed for total graphitic carbon (TGC). These results were promising in that the graphite content appeared significantly depleted in the fines component.

Rougher flotation was conducted on each of the three samples, stage ground to 95% passing 250 micron, and de-slimed at 38 micron. Kerosene was added to promote graphite flotation, and MIBC used to promote a stable froth. Relatively high concentrate grades were produced at high recoveries in a single stage of rougher flotation on the de-slimed material as represented below in the cumulative flotation concentrate grade versus recovery chart.

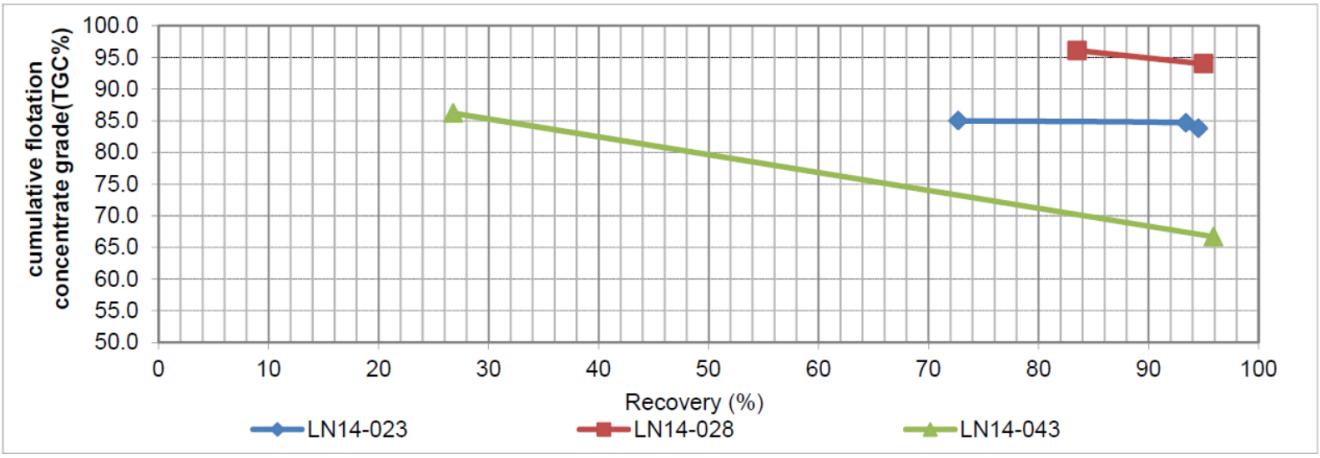

Chart 1. Cumulative concentration grade vs recovery

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Overall flotation results are summarised as follows;

	Total Graphitic Carbon (%)			
Sample	Size Assay calc head	Flotation calc head	Concentrate grade	Recovery
LN14-023	46.7	45.2	83.8	94.5
LN14-028	6.8	6.8	94.1	95.0
LN14-043	19.6	19.1	65.3	96.3

Chart 2. Single stage flotation results

- Recovery was approximately 95% in all cases, differing doses of kerosene were required owing to the variation in head grades, but ranged from 64 to 320 kg/t.
- The low grade material, LN14-028 produced the highest quality product (94% TGC).
- The high grade material, LN14-023 produced a reasonable grade, possibly due to entrainment, and a single stage of cleaner flotation may be sufficient to produce a high quality product.
- The intermediate grade material, LN14-043 produced the poorest grade (65% TGC) which could be indicative of the presence of some quantity of finely disseminated graphite.
- Good correlation between the size by assay calculated heads, and flotation calculated heads were achieved.
- Losses of graphitic carbon to the deslime fractions were approximately 5%, and represent an excellent option for flotation processing.

Location of Samples

One of the licences within the Lindi Jumbo Project is contiguous to the exceptional Nachu Graphite Project being explored in the region and which has secured $150m in development funding. The Lindi Jumbo project area extends across some 25km of strike but only a very small area will be required for phase 1 project development.

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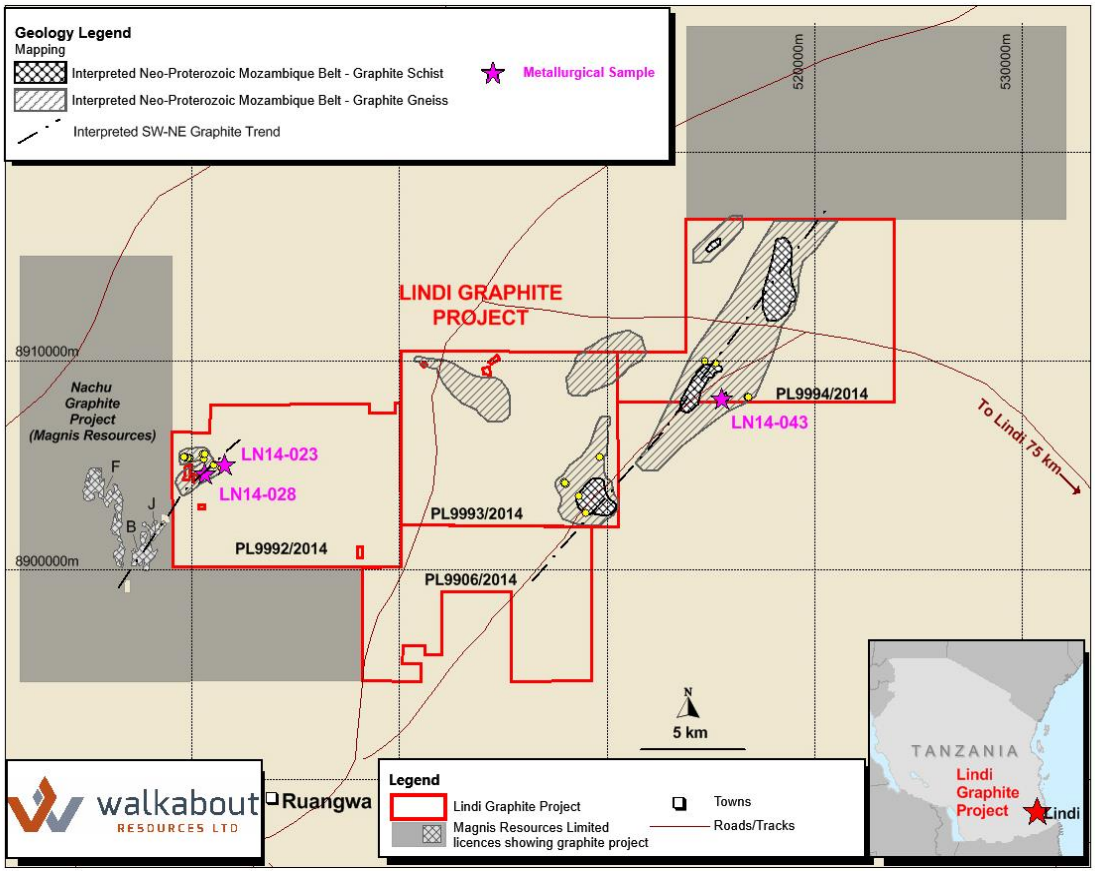

Map 1. Location of metallurgical samples

Strategy for Development

Walkabout intends to fast track the exploration at Lindi Jumbo and validate the deposit, graphite grade, concentrate product grade and flake size distribution. These results will enable the introduction of an end-user market partner which will secure product off-take and operational right-sizing.

The initial on-site works will include a brief EM survey to delineate drill targets prior to a shallow drill program intended to identify high grade, large flake sectors of the deposit suited to surface mining.

As soon as possible, an Inferred Resource will be defined and suitable partnership discussions will be commenced.

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

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