

10 June 2015

Dear Shareholder

## Walkabout Resources Ltd – pro-rata non-renounceable entitlement issue

As announced on 4 June 2015, Walkabout Resources Ltd (ACN (119 670 370)) (**Walkabout**) is undertaking a 1:2 pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 459,411,745 fully paid ordinary shares (**New Share**) to raise approximately \$1,378,235. The price of New Shares under the Offer is \$0.003 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 5 June 2015.

The funds raised from the Offer are planned to be used to drill the Lindi jumbo Graphite Project in south eastern Tanzania and also for general working capital.

The Company has secured an Agreement for the staged purchase of 70% of four highly prospective graphite tenements in Tanzania. At Lindi, test work has indicated that a high ratio of flake size can be produced which results in a premium graphite product. These products are forecasted to be priced at a significant premium to standard flake graphite.

The strategy to be adopted for the Lindi Jumbo Graphite Project is a fast-tracked but modest development model to capitalise on the current global market shortages. The Company also intends engaging an end-user partner very early in the process to assist with the development.

The Company wishes to conduct a low cost and localised ground EM survey and subsequent drill program at Lindi Jumbo during the next quarter and confirm the grade and metallurgy specifications of the deposit. Once the characteristics of the orebody have been determined, a modest resource will be drilled out and an end user partner can be engaged to assist with the fast tracked development of the project. More details regarding the allocation of funds can be found within the Prospectus.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (WST) on 15 June 2015, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 459,411,745 New Shares resulting in total Shares on issue of approximately 1,378,235,234.

### Ineligible shareholders

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in

jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

If you have any queries concerning the Entitlement Issue, please contact your financial adviser or Mr Geoff Wallace, Walkabout's Company Secretary, on +61 8 6298 7500.

Yours sincerely



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Allan Mulligan  
**Managing Director**  
**Walkabout Resources Ltd**