

ASX ANNOUNCEMENT

Update for Lindi Jumbo Graphite Project

13 July 2016

African focussed, ASX listed energy minerals developer Walkabout Resources Ltd, (ASX:WKT) is pleased to provide a project update for activities and progress at the Lindi Jumbo Graphite Project in south-eastern Tanzania.

Project Update

1. The Company has taken delivery of a final copy of the Level 1 Integrated Study (Scoping Study). Since this study was conducted on data relating only to the Inferred Resource, the Company is prevented from making forward-looking statements or announcing financial forecasts that are based solely on Inferred Resources. The Board has closely reviewed the study and resolved that since the Project numerics are both technically and financially robust and are extremely encouraging, further project development should be continued on an accelerated basis.
2. The Company's exploration team has been mobilised and will commence with a modest RC and Diamond drill programme this week. This highly efficient programme is designed to achieve a number of objectives required to increase confidence in the technical data of the project. Some of these objectives are;
 - a) *A partial upgrade, through infill drilling, of the level of Resource definition from Inferred to Indicated and Measured,*
 - b) *An increase of the extent of the Inferred Resource to include more available tonnes of graphite available for extraction,*
 - c) *The required geotechnical information in order to finalise Tailings Storage Facility (TSF) and Waste Rock Dump (WRD) design,*
 - d) *The required geotechnical information in order to finalise mining pit slope designs,*
 - e) *Suitable condemnation drilling for various infrastructure locations across the site,*
 - f) *The required hydrological information in order to finalise the Water Balance and required Water Use Application,*
 - g) *Execute an extensive and appropriate trenching campaign to provide further geological and other technical data into the design and study process,*
 - h) *Provide further and substantive drill core for ongoing metallurgical test work and also for characterisation works leading to final process plant design,*

ASX ANNOUNCEMENT

3. The data recovered from the work effort listed above and the co-ordination of site activities will also facilitate;
 - i) *Submission of the final Environmental Impact Assessment which leads to the Mining Licence Application,*
 - j) *Commencement of negotiations with local land stakeholders in line with statutory requirements,*
 - k) *The Upgrade of the Level 1 Integrated Study (Scoping Study) to that of Level 3 Integrated Study (Definitive Feasibility Study – Non Bankable) and commencement of initial design and project management efforts.*
 - l) *The finalisation of studies that will allow final environmental and Mining Licences Application to commence,*
4. In addition to the drilling and site work campaign commencing 14 July, an airborne LIDAR survey will be conducted during July to properly map the topography.
5. Further regional exploration, to be conducted by a separate team, across the Company's extensive holdings of 325km² of highly prospective PL holdings held by the JV.



Picture 1: Dr Evan Kirby, Andrew Cunningham and Allan Mulligan discussing proposed concentrator site location at Lindi Jumbo Project (11/07/2016)

ASX ANNOUNCEMENT

6. The ultimate holding company of the project licences, Lindi Jumbo Limited, (a 100% subsidiary of Walkabout Resources Ltd) has been registered in Tanzania and is active. The documentation for transfer of PL's from the name of the Vendor to that of the holding company has been submitted to the Ministry, has been approved and is pending in the national tenement cadastre system.
7. Final marketable concentrate material has been despatched to the USA for specialist product amenability testwork. These results are expected during July/August. Further test work has been planned for a specialist laboratory in Europe.
8. An 800kg bulk sample of material has been delivered to a specialist metallurgical laboratory in Harare, Zimbabwe so that pilot scale processing of Walkabout's proprietary flowsheet can be actioned for the associate design engineer, prior to commencement of modular process plant design.

Lindi Jumbo Graphite Project

Walkabout is fast-tracking project development at Lindi Jumbo in order to commence a surface mining and processing operation at the site. Further resource drilling will take place during July of 2016 which will enable the early application for a Mining Licence.

The Company currently has a 70% interest over four contiguous exploration licences in the area for a total exploration area of approximately 325 km².

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

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