

## ASX ANNOUNCEMENT

# Trans Kalahari Railway Signing to Unlock Coal Value

## Highlights

24 March 2014

- **Signing of Trans-Kalahari Railway Line Bi-Lateral Development Agreement between Botswana and Namibia to unlock coal value at Takatokwane**
- **Construction work to commence from 2014 to 2019**
- **Procurement of funding from private sector has begun with an estimated project cost of US\$10bn**
- **Expected route to pass near Takatokwane planned mine site**
- **Walvis Bay Commodity Terminal to handle circa 65 million tonnes per annum of Botswana coal**

## New Signing Provides Pathway to Market

Walkabout Resources Ltd (ASX:WKT) believes the planned construction of the Trans-Kalahari Rail (TKR) project between Botswana and Namibia will provide the most efficient pathway to market for its 7bn tonne Takatokwane coal project.

This follows the recent signing of the Bi-Lateral Agreement at Walvis Bay which contractually reaffirms commitment by the Governments of Namibia and Botswana to the construction of the US\$10 billion, 1,500km long railway between Mmamabula in Botswana and Walvis Bay in Namibia.

The expected but unpublished route of the rail line is co-incident with the existing Trans Kalahari Highway and Export Corridor and located near the planned mining area of Walkabout's 67% held Takatokwane thermal coal project site.

Managing Director of Walkabout, Allan Mulligan commented; *"The signing of this accord which lays out the management and development process for the Trans Kalahari Rail Line is extremely important to the emerging coal industry in Botswana and to Walkabout Resources in particular. The time-line is aggressive and we are looking forward to synchronising the Takatokwane mine development to deliver the first shipment of coal onto the TKR line."*

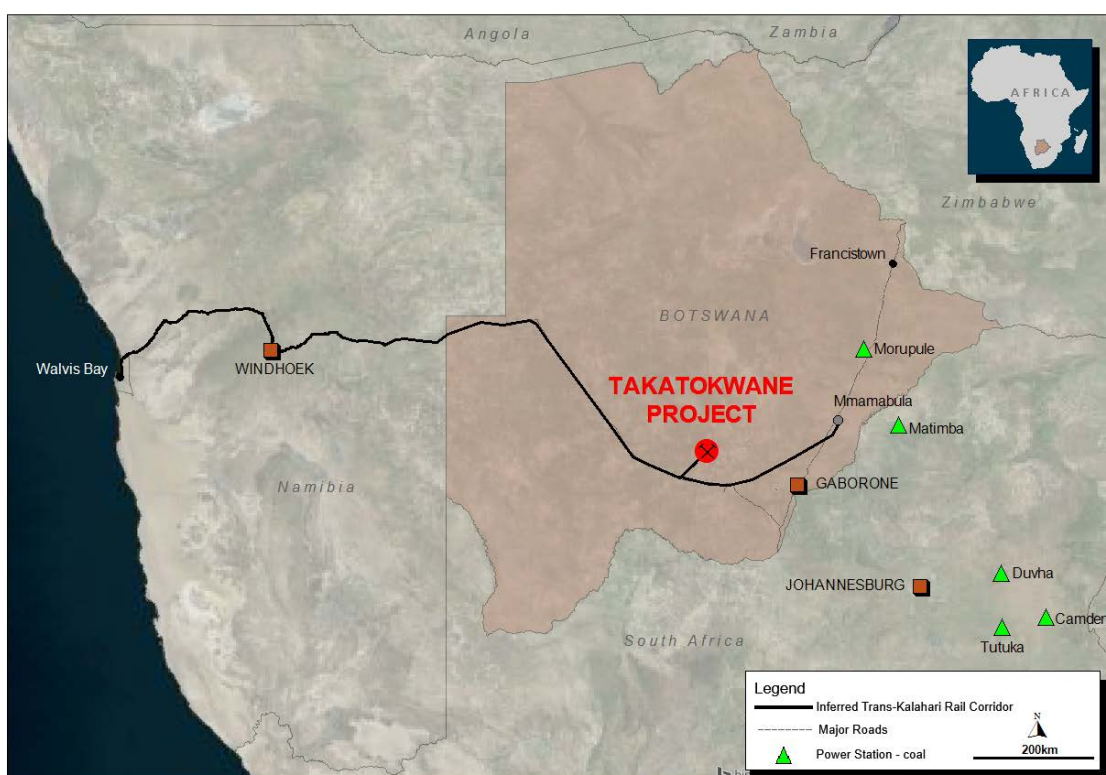
Development and construction from 2014 to 2019 will include an extended commodity terminal at Walvis Bay port. The coal terminal will be configured to handle some 65 million tonnes of coal per annum.

Development of the rail line and port is expected to follow a private public partnership (PPP) model.

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### Project Detail

Walkabout is currently engaged in a Pre-feasibility study for the Takatokwane thermal coal project. The coal underlying the property is suitable for power station feed and most of the production will be directly exported. The planned rail line will pass close by the Takatokwane mine site and the central location of the project is ideally suited to access the TKR.



Inferred Route of Trans-Kalahari Rail Line

The large size of the deposit at Takatokwane and the relatively flat, shallow and wide seam coal will accommodate several mines to be constructed and operated at the same time. Walkabout is considering a multiple mine configuration of several large surface strip mines producing a washed product at coal quality specifications of 6,000 kcal/kg and a direct shipping feedstock at about 4,800 kcal/kg. The mines will produce from multiple production units of 6mtpa each and the Takatokwane project is capable of producing in excess of 20mtpa of thermal coal for export markets.

In addition to an allocation of coal for export, Walkabout is assessing the viability of a suitably sized modular coal to gas process which will produce electricity, syngas and later, through an integrated gasification combined cycle process, selected liquid fuels for domestic consumption.

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Trans Kalahari Highway near Takatokwane in Botswana



Trans Kalahari Highway in Namibia



Current port at Walvis Bay, Namibia

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#### Trans-Kalahari Railway Line agreement signed and sealed

Posted by Namib Times on March 20, 2014 at 12:20 in News [View Topics](#)

The signing ceremony of the bilateral agreement between Namibia and Botswana for the construction of the Trans-Kalahari Railway (TKR) Line Project took place on Thursday morning near Walvis Bay Bird Island.



The proposed TKR will link Botswana's Mmamabula coalfields with the Walvis Bay Port in Namibia. The 1 500 km heavy duty railway line will boost trade in Botswana and turn it into a regional trade hub.

See link below for full news article:

<http://www.namibtimes.net/forum/topics/trans-kalahari-railway-line-agreement-signed-and-sealed>

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#### Competent Person – Mr Alan Golding

*The information in this announcement that relates to the definition of an Indicated Resource at Takatokwane is based on data compiled by Mr Alan Golding who is a member of the South African Geological Society, the South African Institute of Engineering Geologists and a Fellow of the Geological Society of London. Mr Golding has sufficient experience relevant to the style of mineralisation and the type of deposit under consideration to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Golding consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.*

#### Competent Person – Dr Ian D. Blayden

*Information in this announcement above relating to Coal Resources at Takatokwane is based on information compiled by Dr Ian D. Blayden of Geological and Management Resources Pty Ltd which provides geological consulting services to Optiro Pty Ltd. Dr Blayden is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Blayden consents to the inclusion in the document of the information in the form and context in which it appears.*