

A grayscale photograph of an elephant in a savanna setting, with its trunk lowered towards the ground. The image is semi-transparent, allowing text to be overlaid.

Walkabout Resources

Lindi Jumbo Graphite Project

Investor Presentation | June 2017

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Competent Person

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Cunningham, who is a Member of The AIG included in a list promulgated by the ASX from time to time. Andrew Cunningham is a director of Walkabout Resources Limited 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 in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Andrew Cunningham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Laurie Barnes, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Laurie Barnes is the Principal of Trepannier Pty Ltd, an independent consulting company. Mr Barnes 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 in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Overview | Positioned for Development

Walkabout Resources Limited (ASX:WKT) is an innovative African focused energy minerals developer, based in Western Australia with a focus on developing the Lindi Jumbo Graphite Project in south east Tanzania.

Mineral Resource

- Highest grade mineable resource in Tanzania with ample opportunity to grow existing high-grade resource inventories

Premium Product

- “Best in Class” ratios of Super Jumbo, Jumbo and Large flakes in the industry. Highly suitable for expandable and speciality graphite markets

Project Strategy

- DFS complete on a right-sized operation for remote site to mitigate risk the key to fast-tracking to early development

Costs

- Lowest mine operating and capex costs amongst peers

Project Location

- Established mining jurisdiction with good Infrastructure and close to port

Environmental Certificate Awarded

- Major regulatory milestone opening pathway to mining licence application being submitted

People

- Highly experienced team with track record of developing projects in Africa

Corporate Structure

Capital Structure	
Share Price	6.0c
Shares on Issue	118.1M
Options on Issue (unlisted)	~ 27.6M
Market Capitalisation	~ \$7.3M
Top 40	40%



Board and Management

Trevor Benson (Executive Chairman)

- Investment Banker with cross national discipline experience in China and Asia

Allan Mulligan (Executive Director)

- Mining engineer with 35 years experience in Africa operating and building mines across a diverse range of commodities.

Andrew Cunningham (NED)

- Geologist with 15 years cross discipline experience in Africa.

Thomas Murrell (NED)

- Investor and financial relations specialist with media and marketing experience and background.

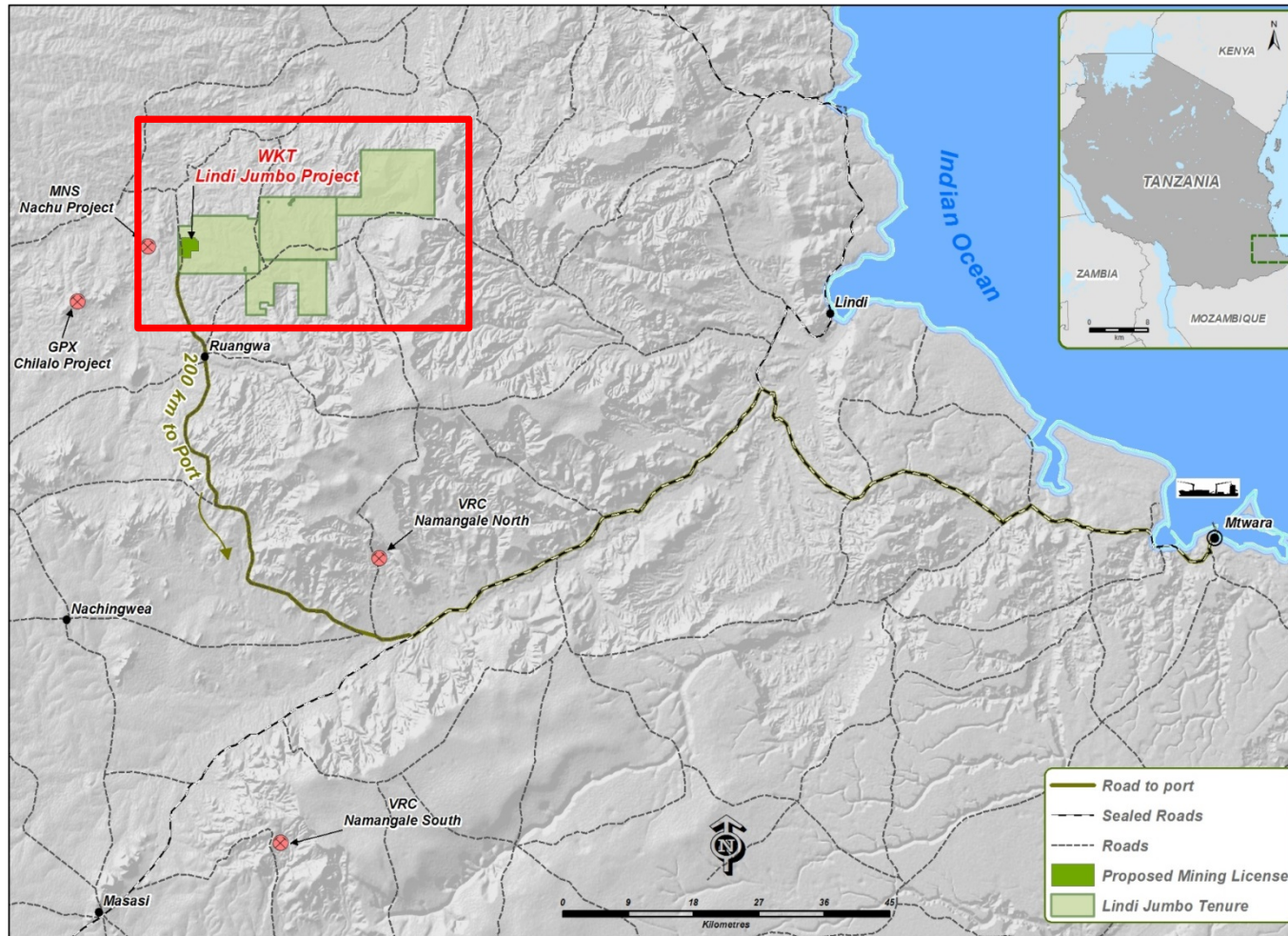
Kim France (CFO and CoSec)

- Broad financial and company secretarial experience in the WA minerals industry.

Dr Evan Kirby (Consultant Metallurgist)

- Wide ranging process and flotation experience around the world.

World's best Jumbo flake graphite address



Mitigating Risk for Investors

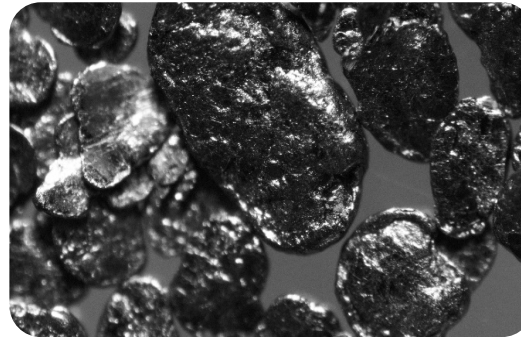
Three Pillars Underpinning Development



Mineral Resource

Highest grade mineable resource in Tanzania from surface

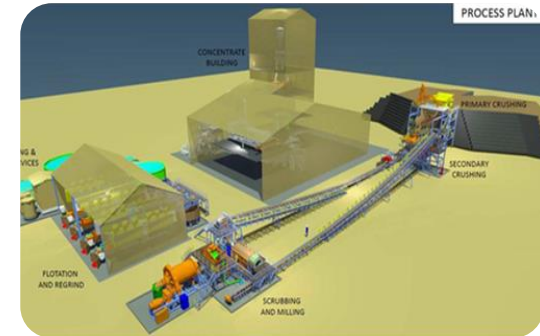
- Resource: 29.6m tonnes @ 11.0% TGC (including 4.7 Mt @ 22.8% TGC)
- Reserve: 5 Mt @ 16.1% TGC
- LOM Plant Feed estimated @
- 16.2% TGC (> 17 % TGC for the first three years)



Product

Premium product with higher revenues

- Up to 85% above 180µm
- Up to 25% above 500µm
- 95% to 98% concentrate grade
- Estimated basket price of \$1,688

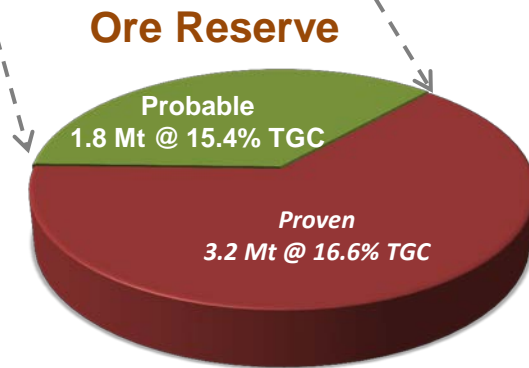
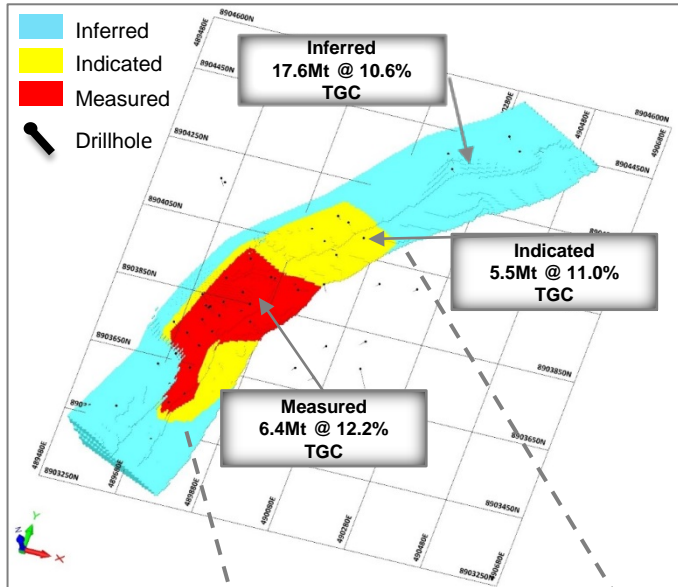


Scale

Pragmatic project scale to reduce risk

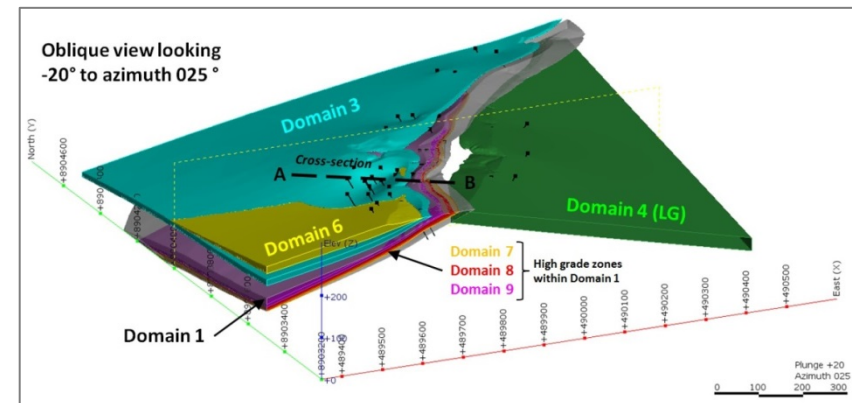
- Manageable operational size for remote location
- Plant feed of 22,000 tonnes of ore per month
- Lower capital and start up risk
- Can be easily expanded if required

High Grade Resource and Reserve Advantage

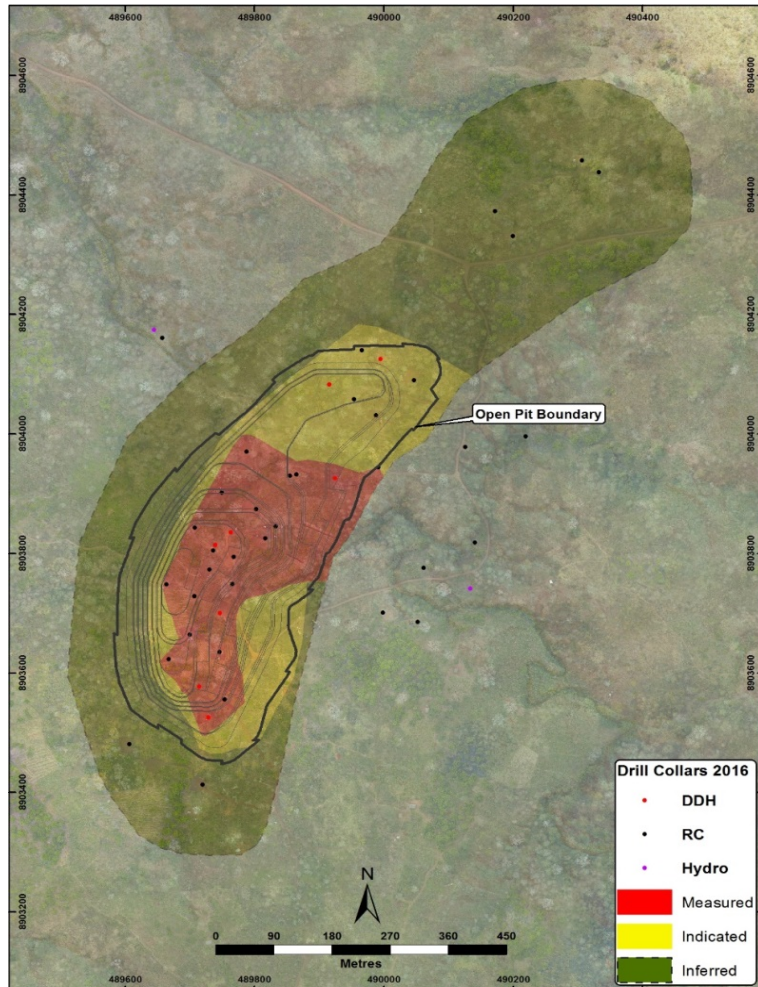


Ore Reserves	Mt	TGC Grade (%)	Contained Graphite (tonnes)
Proven and Probable	5.01	16.1	809,081
Mineral Resource	Mt	TGC Grade (%)	Contained Graphite (kt)
Measured	6.4	12.2	780,800
Indicated	5.5	11.0	605,000
Inferred	17.6	10.6	1,865,600
Total	29.6	11.0	3,256,000

- Appropriate rounding applied
- Cut off of 5% TGC (Low Grade Domain 4 excluded)



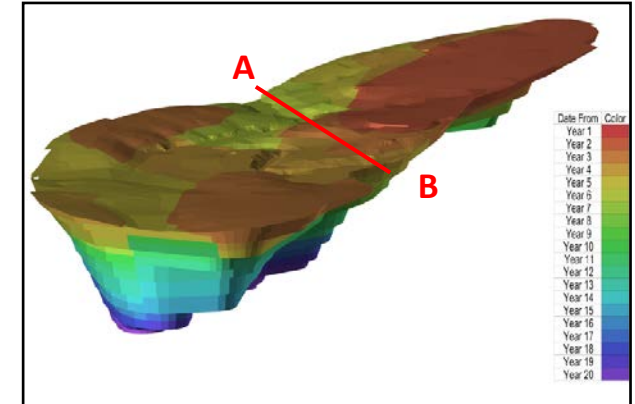
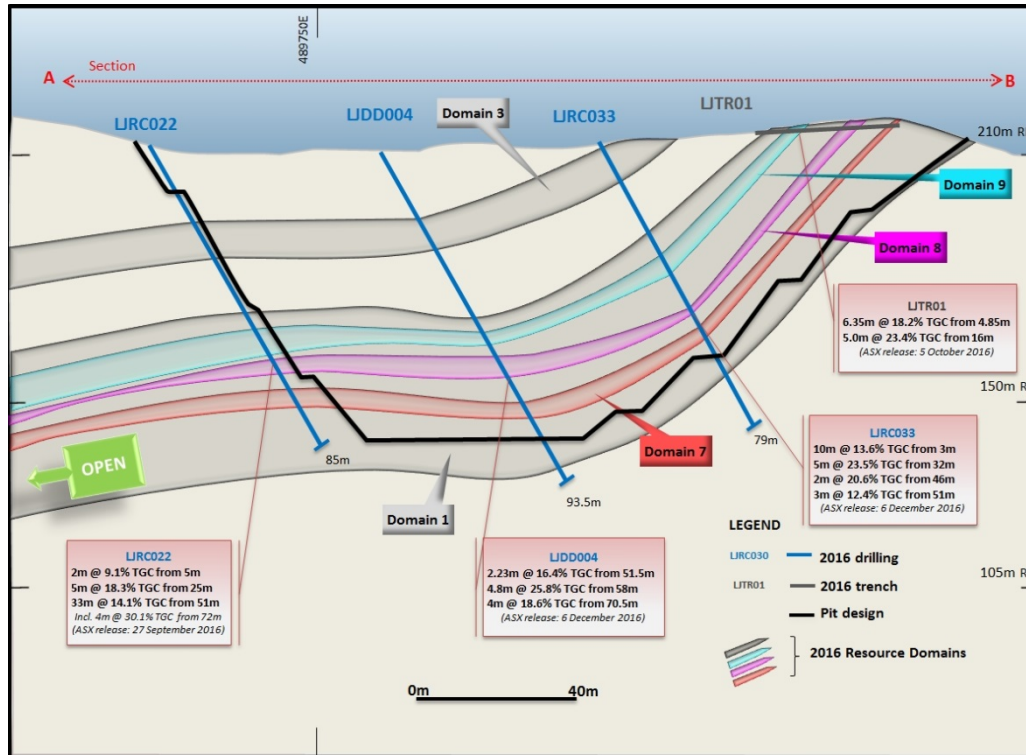
Resource Drilling- mineable from surface



Hole Type	No of Holes	Metres
RC	34	2,309
DD	8	557
Trench	3	123
Total	46	2,989



Simple mining access to high grade domains -pragmatic project scale



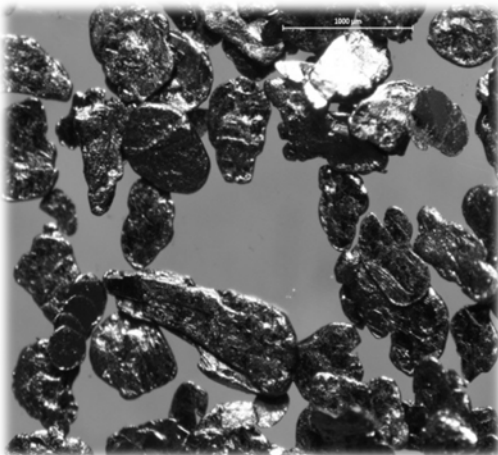
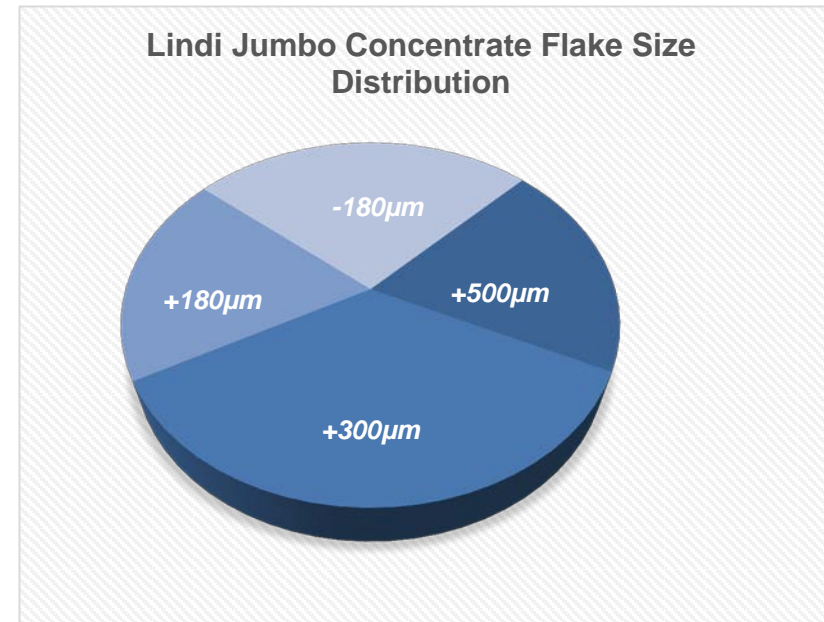
Trench 3 – 18m @ 26.4% TGC
including 9.3m @ 33.1% TGC

- All resource domains outcrop at surface and open along strike and down-dip
- High grade domains visually distinct and can be mined as a discrete package
- Modest mining operation (260,000 tonnes plant feed per annum)

Exceptional flake retention in concentrate

- best in class

- Metallurgical tests work has delivered “Best in Class” flake size distribution with up to **85% of flakes above 180 microns @ >95% TGC**
- Ratios determined from multiple test programs across all resource and weathering domains
- No chemicals used in purification process (simple floatation process)
- Lindi Jumbo concentrate highly suited for **expansion** graphite markets, foil production and speciality products
- Expansion ratios of up to **590 times** tested and verified with a standard incalcination method



NGS

Expandability					
Flake Size	>500 µm	>300µm	>180µm	>106µm	>75µm
800 °C	590 cm ³ /g	485 cm ³ /g	410 cm ³ /g	310 cm ³ /g	245 cm ³ /g
1000 °C	500 cm ³ /g	500 cm ³ /g	475 cm ³ /g	360 cm ³ /g	280 cm ³ /g

Target markets

Exceptional Lindi Jumbo expansion rates of large flakes sought after for:

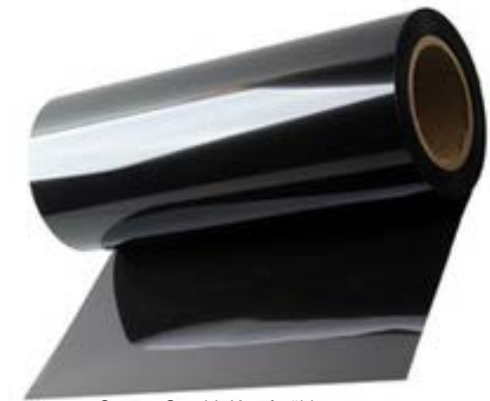
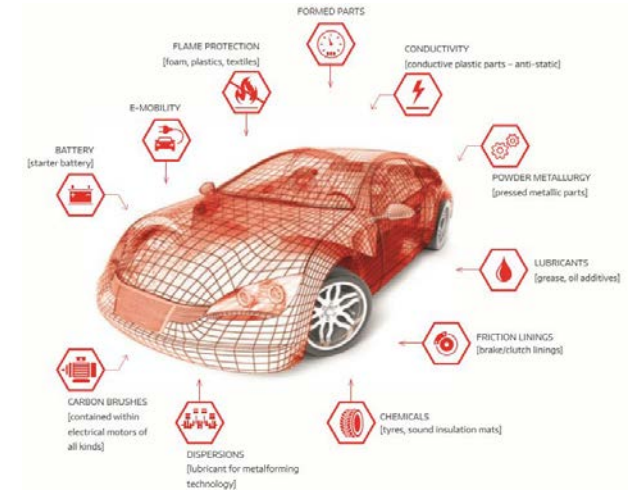
■ Expandable Market

- Halogen-free intumescent flame retardant materials (automotive industry, plastics, isolation etc.)
- Advantages for use in flame retardants – low material use, free of heavy metals, non-polluting, relative low cost, reduces fume formation
- Flame retardant industry forecasted to grow significantly
- Discussions underway to amend Chinese building regulations to make it compulsory to use flame retardants in building materials
- Large expansion volumes of Super Jumbo, Jumbo and Large flakes expected to attract stronger pricing due to limited supply out of China

■ Speciality Parts and foils

- Moulded parts from natural graphite – smooth surface, resistant to chemicals, density can be adapted (seals heat management, glass industry)
- Foils made of high purity natural graphite without the addition of binding agents (0.1 to 2mm thick) (heat management, seals, chemical industry)

Refractories and battery markets for finer fractions



Source Graphit Kropfmühl

Marketing strategy for Lindi Jumbo Ltd -multiple market opportunities

Phase 1 – Strategic Alliance with European Specialist Trader

- Strategic Sales and Purchase MOU signed and working towards Binding Agreement
- Trader with 80 years experience in speciality graphite products working between China and Europe
- A leading supplier and research agent in expandable products for flame retardant materials

Series	Product Mix	Quantity (tpa)	Market Type	Locality
1	LJ 32/95	500	Expandables	Europe
	LJ 50/95	1,000	Expandables	
	LJ 80/95	1,500	Expandables	
2	LJ 32/95	500	Industrials	Europe
	LJ 50/95	500	Industrials	
	LJ 80/95	500	Industrials	Europe
	LJ 100/90	500	Industrials	
3	LJ 32/99	1,000	Foils	Europe and USA
	LJ 50/99	2,500	Foils	
	LJ 80/99	1,500	Foils	
4	LJ 32/95	2,500	Retail	China
Total		12,500		

Phase 2 – Expansion into China and Creation of “New Markets”

- Branding of Lindi Jumbo Premium Graphite
- Limited availability of premium product at +97%TGC and +500 µm and +300 µm in China will create new demand
- Growth and creation of long term customer relationships with product

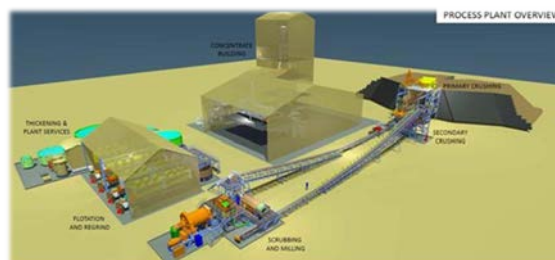
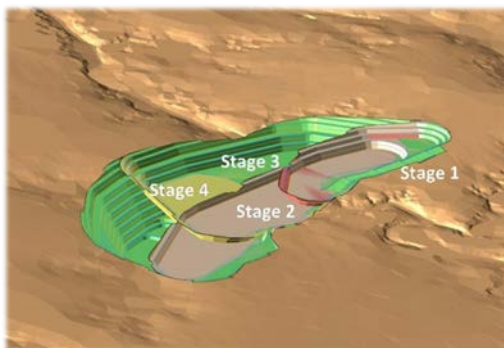
Phase 3 – Expansion beyond into USA and other Asian

- Endorsement of product and record of delivery and supply will encourage further demand

Investor payback in 22 months -results of Definitive Feasibility Study

Operational (DFS February 2017)

Mill Feed Grade (LOM)	16.1% TGC
Mill Feed Rate	260,000 tpa
Planned Production	40,000 tpa
Life of Mine (LOM)	~ 20 years
Recovery	90%
Concentrate Grade (all size fractions)	> 95% TGC



Financial (DFS February 2017)

LOM Revenue	\$1,259 million
Project Operating Cost (LOM)	\$268 million
Project Capital Cost	\$38.7 million
Ongoing Capital Cost	\$5.6 million
Pre-Tax NPV (10%)	\$323 million
Pre-Tax IRR	96%
Post-Tax NPV (10%)	\$230 million
Post-Tax IRR	86%
Payback Period	22 Months
Operating Cost (FOB Mtwara)	\$352 (\$/t conc)
Operating Margin (before Royalties)	79 %
Average Annual Free Cashflow	\$35.8 million
Annual Average EBITDA	\$50.2 million

- Appropriate rounding applied
- See ASX release of 07 February 2017. No changes to the DFS has been recorded since then.
- \$ = USD

Premium Priced Products

Product Type	% of Total	Sales Price (US\$/t)	Annual Sales (tonnes)	LOM Revenue (million US\$)	% Contribution to revenue
Super Jumbo (+500µm)	19.6%	3,500	8,000	513	40.7%
Jumbo (+300µm)	35.0%	1,750	13,300	457	36.3%
Large(+180µm)	19.0%	1,000	8,200	142	11.2%
The Rest (-180µm)	26.4%	750	10,500	148	11.7%
Total	100.0%	1,688	40,000	1,259	100.0%

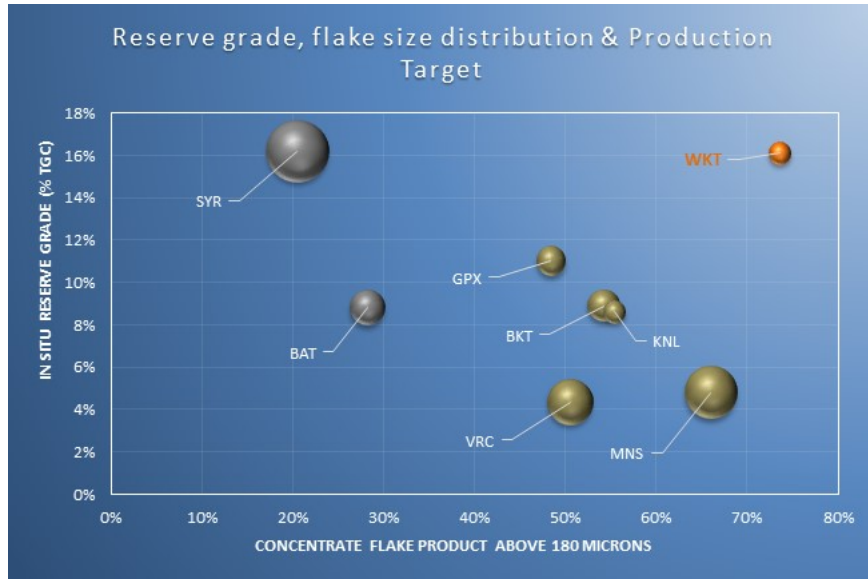
- Ratio's determined from multiple test programs across all resource domains and weathering zones.
- Realistic sales prices per size determined by industry analysts, market sources and end-users.



Quality and grade reduce market risk

Product (> 95% TGC)	Ratio	Stress Test	10 Year Low	End Jan 2017	Base Case
		(- 62%)	(-50%)	(-35%)	
		Assumed prices US\$ per concentrate tonne FOB Mtwara			
+500µm	19.6%	\$1,250	\$1,500	\$2,000	\$3,500
+300µm	35.0	\$600	\$850	\$1,250	\$1,750
+180µm	19.0	\$500	\$600	\$800	\$1,000
-180µm	26.4	\$350	\$450	\$500	\$750
Lindi Jumbo Basket Price		\$643	\$825	\$1,114	\$1,688
NPV ¹⁰ Pre Tax (million USD)		\$33.3	\$83.9	\$164.0	\$323.0
NPV ¹⁰ PostTax (million USD)		\$18.6	\$55.6	\$114.0	\$230.0
IRR Pre Tax		21.3%	35.9%	58.0%	96.4%
IRR Post Tax		17.7%	30.5%	50.0%	86.0%
Free Cash Annual Ave (million USD)		\$5.2	\$9.8	\$17.1	\$31.6

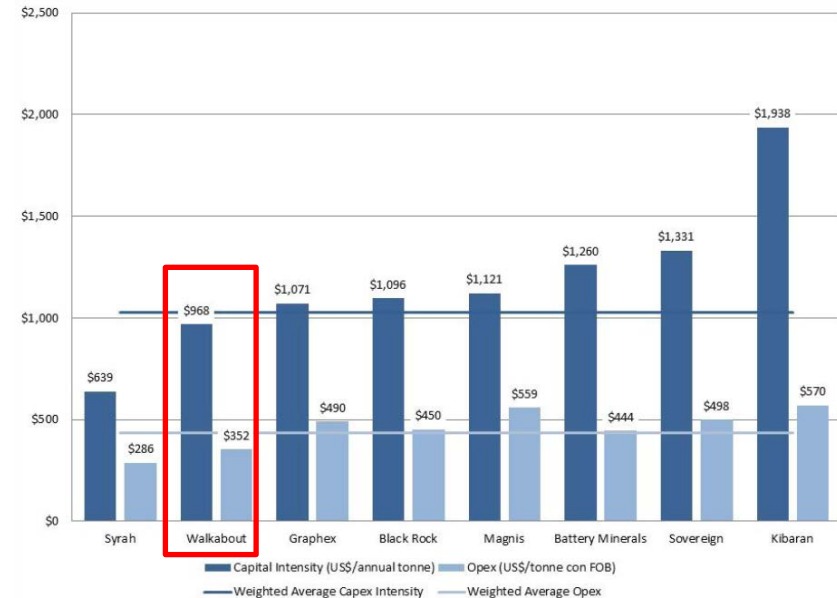
Leader in peer comparison



*Source – ASX company announcements

*Planned annual production target reflected by the size of the bubble

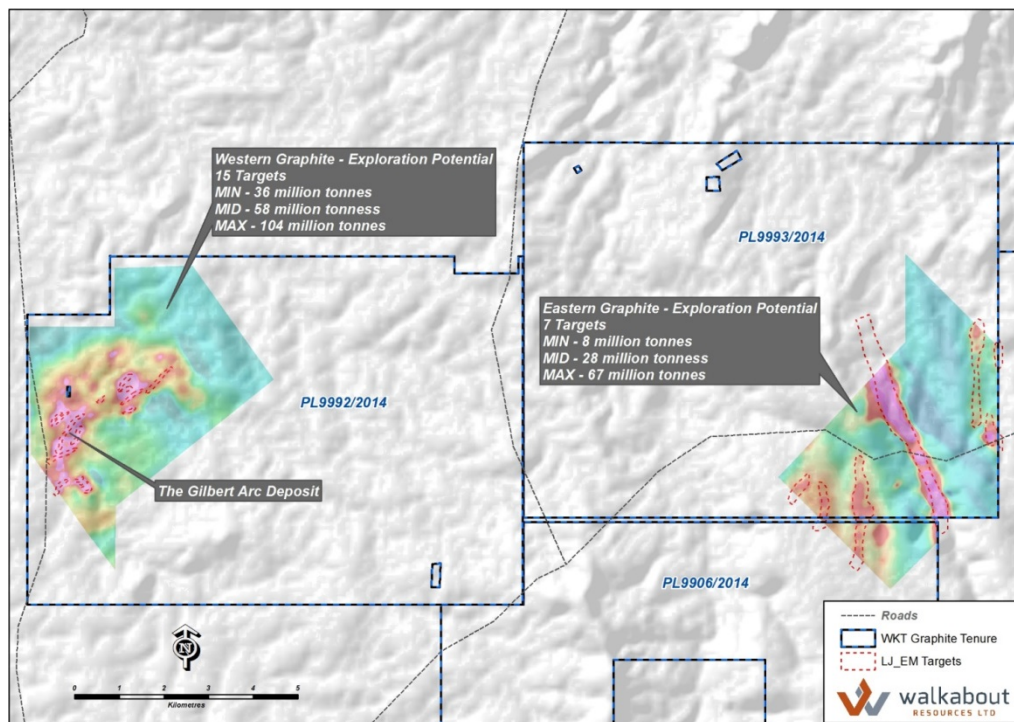
- Highest grade mineable resource
- Industry best flake size distribution > 180 microns in concentrate
- Lowest Opex
- Lowest Capex



* Source – Independent Investment Research

- “Fast-track” - discovery to DFS in 16 months
- Potential development timeframe of 7 to 9 months from funding to production

Ample Expansion Opportunities



Large Tenement Footprint

- 70% of four tenements for 325km²
- VTEM surveys completed over two large areas – “drill ready targets”
- Grades on surface of up to 45% TGC
- Exploration Potential on PL9992 and PL9993 of 44 Mt to 171 Mt



Area	Strike Length of Conductive Zones	Tonnage MIN (mt)	Tonnage MD (mt)	Tonnage MAX (mt)
Western Graphite - PL9992	6.7km	36	58	104
Eastern Graphite - PL9993	10.7km	8	28	67

Differentiators for Lindi Jumbo - the investment case

- **Highest mineable grade** with LOM average mill feed of >16.2% TGC.
- **Lowest unit operating cost** ~ US\$352 per tonne in concentrate FOB - port of Mtwara.
- **Lowest start up capital** at US\$38.6m. Low costs will bring affordability, adaptability and flexibility to start up operations.
- **Exceptional Product with highest ratio** flakes above 180µm in concentrate above 95% TGC. Premium product will facilitate attractive market partnerships.
- This delivers **higher weighted average basket price** (\$1,688) due to flake size distribution.
- Manageable and **realistic start up** production rate considering possible market risk. Strategy to be one of the first to market. Front End Engineering Design (FEED) being carried out in parallel with fund raising to reduce schedule wait time and prepare project for “build readiness”.
- Wide range of product options and also investment scope available.

