

20 December 2017

Dear Shareholder

### WALKABOUT RESOURCES LIMITED – PRO-RATA RENOUNCEABLE RIGHTS ISSUE

On 7 December 2017, Walkabout Resources Limited (ACN 119 670 370) (**Walkabout**) announced it was undertaking a 1:3 pro rata renounceable rights issue (**Rights Issue** or **Entitlement Offer**) of approximately 67,104,080 fully paid ordinary shares (**New Share**) (together with one (1) free attaching New Option for every four (4) Shares subscribed for and issued) (**New Options**) to raise approximately \$6,710,408. The price of New Shares under the Offer is \$0.10 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 20 December 2017.

The Entitlement Offer is partially underwritten by Patersons Securities Limited (ABN 69 008 896 311) (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 6.5% of the total amount raised pursuant to the Offer, as well as other fees as set out in the Prospectus. The Company must also reimburse the Underwriter for costs incidental to the Offer.

The Prospectus also includes an offer of 8,388,010 Options (**Placement Options Offer**), issued to subscribers in the placement announced on 7 December 2017 on the same terms as the New Options and an offer of 15,500,000 Options (**Underwriter Options Offer**) to be issued to the Underwriter subject to Shareholder approval on the same terms as the New Options.

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Exploration	\$1,000,000	14.9%
2.	Project Development	\$4,100,000	61.1%
3.	Expenses of the Offer <sup>1</sup>	\$568,829	8.48%
4.	Working capital	\$1,041,579	15.52%
	<b>Total</b>	<b>\$6,710,408</b>	100%

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (Perth time) on 28 December 2017, whose registered address is in Australia, New Zealand, Hong Kong, South Africa or the United Kingdom.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue. The New Options are exercisable at \$0.15 on or before 31 December 2019.

Following completion of the Entitlement Offer, the Company will have issued approximately 67,104,080 New Shares and 16,776,020 New Options, resulting in total Shares on issue of

approximately 268,416,321 and total Options on issue of 16,776,020. Following completion of the Placement Options Offer and Underwriter Options Offer, the total number of Options on issue will be 40,664,030.

A copy of the Prospectus is available on ASX's and Walkabout's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 3 January 2018. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

### **Actions required of Eligible Shareholders**

There are a number of actions Eligible Shareholders may take:

- You may take up all or some of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**) or apply for shortfall pursuant to the shortfall offer. To take up all or some of your Entitlements or shortfall you will need to ensure your application money for the Entitlements or shortfall you wish to take up is received by Security Transfer Registrars (**Share Registry**) by no later than 5:00 pm (Perth Time) on 17 January 2018, by either completing and returning your Entitlement and Acceptance Form together with your application money or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may seek to sell all or some of your Entitlements on ASX. You can seek to sell your Entitlements on ASX from 27 December 2017 until the close of market on 10 January 2018. To sell any of your Entitlements you need to contact your broker as soon as possible.
- You may transfer all or some of your Entitlements to another person other than on ASX. To transfer all or some of your Entitlements you will either need to contact your CHESSE Controlling Participant (usually your broker) and follow their instructions or complete a renunciation and transfer form (which can be obtained from the Share Registry) and return it, together with the purchaser's cheque for the Entitlements they wish to take up so that it is received by the Share Registry by no later than 5:00pm (Perth Time) on 17 January 2018.
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

### **Key dates for the Offer**

<b>Event</b>	<b>Proposed Date</b>
Lodgement of Prospectus with the ASIC	Wednesday, 20 December 2017
Lodgement of Prospectus & Appendix 3B with ASX	Wednesday, 20 December 2017
Notice sent to Shareholders	Friday, 22 December 2017
Ex date	Wednesday, 27 December 2017
Rights start trading	Wednesday, 27 December 2017
Record Date for determining Entitlements	Thursday, 28 December 2017
Prospectus sent out to Shareholders & Company announces this has been completed	Wednesday, 3 January 2018
Rights stop trading	Wednesday, 10 January 2018
Securities quoted on a deferred settlement basis	Thursday, 11 January 2018
Last day to extend the Closing date	Friday, 12 January 2018
Closing Date*	Wednesday, 17 January 2018
ASX notified of under subscriptions	Monday, 22 January 2018

<b>Event</b>	<b>Proposed Date</b>
Shortfall Notice Deadline Date	Wednesday, 24 January 2018
Issue date/Deferred Settlement Trading Ends	Wednesday, 24 January 2018
Issue of Placement Options and Underwriter Options	

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Ian Hobson, Walkabout's Company Secretary, on +61 8 6298 7500.

Yours sincerely



**Trevor Benson**  
**Executive Chairman**

20 December 2017

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Placement Options Offer and Underwriter Options Offer, the total number of Options on issue will be 40,664,030.

### **Ineligible shareholders**

A Shareholder who has a registered address outside Australia, New Zealand, Hong Kong, South Africa or the United Kingdom (**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, New Zealand, Hong Kong, South Africa or the United Kingdom compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

The Company has appointed Patersons Securities Limited (ABN 69 008 896 311) (**Nominee**) as nominee to sell the rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**) to which Ineligible Shareholders are entitled. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.

If you have any queries concerning the Rights Issue, please contact your financial adviser or Ian Hobson, Walkabout's Company Secretary, on +61 8 6298 7500.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T Benson', with a small dot at the end.

**Trevor Benson**  
**Executive Chairman**