

ASX ANNOUNCEMENT

7th December 2017

WALKABOUT RESOURCES LTD
ACN 119 670 370

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DIRECTORS

Chairman: Trevor Benson
Exec: Allan Mulligan
Tech: Andrew Cunningham
Non Exec: Tom Murrell

ORDINARY SHARES
167,760,201

PROJECTS

Lindi Jumbo Graphite Project
Tanzania (70%)

Northern Ireland Gold and Base
Metals (50% ~100%)

Eureka Lithium Project
Namibia (100%)

Takatokwane Coal Project
Botswana (60%)

\$10.1 million Capital Raising to Support the Strategy for the Company's Next Phase of Growth & Development.

Walkabout Resources Ltd ("Walkabout" or the "Company") is pleased to announce a capital raising comprising a Placement and a Rights Issue to raise approximately \$10.1 million before costs.

Funding Highlights

- *This funding provides further momentum and underwrites the project development for the Lindi Jumbo Graphite Project (70%) in south eastern Tanzania,*
- *Enables Walkabout to exercise the option to acquire the remaining 30% of the project from the vendor for US\$1 million,*
- *Enables the commencement of exploration activities at the 100% held Eureka Lithium Project in southern Namibia,*
- *Allows the progression of exploration activities in the Company's Northern Ireland gold, base metals and other minerals portfolio during 2018.*

Executive Chairman of Walkabout Resources, Trevor Benson commented;

"This funding package allows Walkabout to implement further development of the Lindi Jumbo Project in Tanzania and to initiate exploration programs over the extensive lithium exploration licences in Namibia. The Walkabout team has been working very hard to assemble a pre-dominant holding for lithium prospectivity within Namibia. In addition, we will be able to implement an exploration program over the Northern Ireland licences which were recently acquired."

Placement

The Company has secured \$3.4 million from institutional and sophisticated investors through a share placement of 33,552,040 shares (Placement Shares) to be issued at 10.1 cents per share together with one (1) option exercisable at 15 cents on or before 31 December 2019 for every four (4) shares subscribed in the Placement.

Patersons Securities Limited ("Patersons") acted as Lead Manager to the Placement.

The Placement Shares and Attaching Options will be issued in one tranche utilising the Company's placement capacity pursuant to ASX Listing Rules 7.1

(16,776,020 ord. shares & 8,388,010 options) and 7.1A (16,776,020 ord. shares).

Rights Issue

In conjunction with the Placement, the Company intends to undertake a renounceable pro rata entitlement offer (“Rights Issue”) to raise up to approximately \$6.7 million on the basis of one (1) ordinary fully paid shares (“Rights Shares”) for every three (3) ordinary fully paid shares held at an issue price of 10.0 cents per Rights Shares. For every four (4) shares subscribed for under the Rights Issue, subscribers will be entitled to be issued one (1) option exercisable at 15 cents on or before 31 December 2019.

The Rights Issue is to be underwritten by Patersons up to \$6.2 million. In consideration for underwriting the Rights Issue, Patersons is to be issued with options exercisable at 15 cents on or before 31 December 2019 on the basis of one (1) option for every four (4) shares underwritten, subject to shareholder approval.

The Company plans to finalise a Prospectus for the Rights Issue which is anticipated to be lodged with ASIC and released to the ASX next week and mailed to eligible shareholders as soon as practicable thereafter.

Walkabout will apply for both the shares and options to be issued in connection with the Placement & Rights Issue (including the Underwriter Options) to be listed on the ASX.

Strategic Funding and Development Plan

The Company is engaged in the pre-development of the high-grade, premium-product Lindi Jumbo Graphite Project in south eastern Tanzania. The Company has adopted a fast-track strategy for project development in order to receive maximum advantage of impending structural changes to the international natural flake graphite market. Currently, the Company holds 70% of the Lindi project with an option to acquire the remaining 30% for US\$1m. The Project is “ready to build” and is awaiting the grant of a Mining Licence from the Tanzanian government.

The Company has also recently announced the acquisition of 100% of two lithium licences in the highly prospective Orange River Pegmatite Belt (ORPB) in the Karas region of southern Namibia in southern Namibia. Recent mapping has highlighted the outcrop of more than 60 previously unmapped and un-sampled pegmatites on the properties that have not previously been exposed to modern exploration techniques for lithium.

Furthermore, the Company has recently acquired the entire exploration portfolio of Lonmin PLC in Northern Ireland. These licences are highly prospective for gold, base metals and other minerals including lithium.

The Company intends utilising the funds raised via this Placement and Rights Issue for the following;

- exercise the option to acquire the remaining 30% of the project from the vendor for US\$1 million;
- An initial funding for the China based equipment required for the Project development. This application has been lodged with the Chinese Silk-Road funding programme;

- Further Front End Engineering and Development (FEED) works which are ongoing and in which detailed design is advanced, as are contract negotiations with partner suppliers. Funds will be employed in progressing these works;
- An initial fast-track programme of exploration work at the Eureka Lithium Project in Namibia is planned to commence in January 2018. Funds will be allocated to assisting the pre-selection of field work areas to derive suitable drill targets;
- Reconnaissance and follow up work in Northern Ireland on existing licences and studies in selecting and acquiring further prospective exploration sites.

Indicative Timetable

The current proposed timetable for the Placement & Rights Issue is documented below. The dates are indicative only and Walkabout reserves the right to vary the dates (subject to the Corporations Act and the ASX Listing Rules).

	2017 / 18
Announcement of Placement & Rights Issue	7 December
Settlement of Placement	12 December
Allotment of securities pursuant to the Placement	13 December
Lodge Prospectus with ASIC and ASX	15 December
Trading resumes on an ex-entitlement basis	19 December
Record Date	20 December
Dispatch Prospectus and Entitlement and Acceptance Form to Shareholders	22 December
Trading of rights closes	10 January
Last day to extend the offer closing date	12 January
Closing date for Rights Issue	17 January
Rights Issue shortfall notification to ASX	19 January
Right Issue Shortfall settled (if any)	23 January
Issue date, deferred settlement trading ends	24 January
Normal ASX trading resumes	25 January

Trevor Benson
 Chairman

About Walkabout

Walkabout is fast tracking the development of the Lindi Jumbo Project to take advantage of forecast market conditions for Flake Graphite deposits with high ratios of Large and Jumbo flakes. The Company has developed a proprietary processing technique based on an existing and proven flow-sheet used elsewhere in Africa and which yields exceptionally high ratios of Large (+180µm), Jumbo (+300µm) and Super Jumbo (+500µm) flakes into concentrate.

The Company currently holds 70% of four licences at Lindi Jumbo with an option to acquire the remaining 30% share.

In addition to the Lindi Jumbo Graphite Project Walkabout is also exploring for gold, lithium and base metals in Northern Ireland and lithium in Namibia.

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

ENDS

Securities Disclaimer

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Forward Looking Statements

Various statements in this presentation constitute statements relating to intentions, future acts and events. Such statements are generally classified as "forward looking statements" and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward looking statements will be achieved.