

ASX ANNOUNCEMENT

30 November 2018

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DIRECTORS

Chairman: Trevor Benson
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ORDINARY SHARES
304,249,748

OPTIONS
40,664,321

PROJECTS

Lindi Jumbo Graphite Project
Tanzania (70% - 100%)

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

Eureka Lithium Project
Namibia (100%)

Takatokwane Coal Project
Botswana (60%)

Lindi Jumbo Graphite Project Update

Walkabout Resources Ltd (ASX:WKT) is pleased to provide an update on its Lindi Jumbo Graphite Project in Tanzania.

Highlights

- Project funding is progressing on multiple fronts and site visits have been attended.
- RAP program final with internal auditing of results completed.
- Earthmoving contractor preparing for mobilisation early January 2019.
- Civil Engineering design and drawings being amended for further cost savings.
- Offtake discussions progressed in Europe, and Asia.
- Resource upgrade progressing and to be delivered in early December.
- Renewals of exploration licences EPL9992 and EPL9993 successfully submitted.
- Reserve update and amendment to DFS to be delivered early 2019.

On-Site Activities

Relocation and Assistance Program (RAP)

The RAP was completed by the government evaluators in October. The Company has finalised an internal audit to ensure values and measurements are correct and fair to all parties involved. There are no significant inconsistencies with the calculations and final valuations are currently being socialised and discussed with the affected individuals, government bodies and other stakeholders for final sign-off during December.

The Company has taken a very transparent approach throughout the process and relationships with the concerned parties have been excellent. The final sign off of the RAP document will allow the Company to settle with some landowners and receive permanent access to certain areas of the site.

The Company has six months from the date of Government sign-off of the Report to compensate landowners.

Construction and mobilisation

Plans are in place to mobilise the earthmoving contractor to site early in January 2019 after initial payments have been made to the affected landowners to secure access to the early earthwork areas. Areas for preparation have been selected and scheduled to enable a seamless progression with the civil construction activities. The earthmoving contractor is currently engaged in preparations for a partial mobilisation of a fleet of earthmoving equipment to site.



Figure 1: Community meetings on site 29 November 2018 to discuss RAP payments and site access.

Off-Site Activities

Project Funding

The Company has always stipulated that pure debt funding is not an option due to the nature, location and size of the Project. Furthermore, the partial funding model pursued through Chinese State-Owned Enterprise CNBM now includes security terms that make it onerous and unattractive.

The Company is pursuing an alternative funding strategy which is made up of a combination of corporate equity, (which has recently been completed in order to strengthen the balance sheet), a level of quasi-debt, and also to consider interest at project equity level. Currently, the executive management are engaged in detailed funding discussions with several parties in Australia, Europe and China, the details of which cannot be disclosed at this stage, due to confidentiality and having not been finalised.

Management is encouraged by progress in this area and several interested parties have recently visited Lindi Jumbo site as part of their due diligence processes and in order to familiarise themselves with the operational environment. Project funding remains the highest priority for the management.

Offtake

Company executives have been progressing further Off-Take discussions in China and Europe with the counter parties to the Heads of Agreements announced previously (see ASX announcements of 20 June 2017) and with potential new customers and industry participants. These visits are also conducted in order to promote the project and update various end-users, traders and producers on the perceived

timelines and development progress of the project. The current Agreements in place have been further discussed and a separate announcement on this is planned once these discussions are finalised.

Feedback from all parties visited has been positive and the extensive test-work conducted on the concentrate from the Lindi Jumbo Graphite Project has been helpful in marketing the project throughout Europe and Asia.



Figure 2: Allan Mulligan and Andrew Cunningham at the Jixi City Graphite Institute in Heilongjiang Province in eastern China. WKT is a member of the Institute.

Engineering

The initial civil plans for the plant area have been reviewed and are currently being re-assessed and designed through the Company's engineering partners in China, Yantai Jinpeng Mining and Machinery Co. Ltd. (Jinpeng) with the objective of optimising concrete and steel input in line with international standards.

The Company's Project Manager and metallurgical consultants are engaged with regular reviews of the flowsheet, equipment selection and associated infrastructure and are interacting closely with Jinpeng to ensure that any changes are finalised without compromising on the quality or standards of the plant.

Resource and Reserve upgrade and amendment to the DFS

The Resource Upgrade Estimation is well advanced and is due for completion and announcement in early December once all of the QA/QC checks have been done and the report finalised. The updated resource will then be incorporated into an updated mining and economic study of the Project and the Ore Reserve will be updated accordingly. This process will take at least three weeks and is due for announcement in early 2019.

Tanzanian Ministry and Licences

The Ministry of Minerals in Tanzania has received and registered the renewal applications for PL9993/2014 which has been reduced in compliance and is now accompanied by PL13352/2018 and the remaining portion of PL9992/2014 (now PL13376/2104). These remain subject to application terms and the Company will report when the applications are approved.

The screenshot displays a web interface for 'Lindi Jumbo Limited'. On the left is a navigation menu with categories: Licence Portfolio, Licence Applications, Payments, External Links, and Legal. The main content area is titled 'List of Active Licences and Applications - Lindi Jumbo Limited' and contains a table with the following data:

Code	Type	Status	Application Date	Grant Date	Expiry Date
ML_579/2018	Mining Licence - Industrial Minerals	Active	11/09/2017 00:00	04/10/2018 00:00	03/10/2028
PL/13352/2018	Prospecting Licence - Industrial Minerals	Application	26/11/2018 00:00		
PL/13376/2018	Prospecting Licence - Industrial Minerals	Application	10/10/2018 10:43		
PL_9906/2014	Prospecting Licence - Industrial Minerals	Pending Renewal	17/04/2014 13:10	08/07/2014 00:00	07/07/2018
PL_9993/2014	Prospecting Licence - Industrial Minerals	Active	13/05/2014 11:51	22/07/2014 00:00	21/07/2021
PL_9994/2014	Prospecting Licence - Industrial Minerals	Pending Renewal	13/05/2014 11:51	22/07/2014 00:00	21/07/2018

Below the table is a 'Licence Map' showing a satellite view of the project area with several rectangular licence boundaries overlaid in red and orange.

Figure 3: A screenshot of the online system at the Tanzanian Ministry of Minerals

About Walkabout

Walkabout is developing the high-grade Lindi Jumbo Graphite Project to take advantage of forecast market conditions for Large and Jumbo flake graphite products.

The Company holds 100% of a Mining Licence and between 100% and 70% of adjacent graphite prospecting licences at Lindi Jumbo. A high-grade graphite Mineral Reserve has been delineated within the Mining Licence area.

In addition to the Lindi Jumbo Project, Walkabout is also exploring in southern Namibia at the Eureka Lithium Project with known lithium occurrences and 90 linear kilometres of mapped pegmatites targeted for exploration.

The Company has also acquired an exciting exploration portfolio for gold and base metals in Northern Ireland and is participating in the Tyrone Joint Venture where cobalt, copper and silver occurrences are being explored.

ENDS