

ASX ANNOUNCEMENT

2 January 2019

Letter to Shareholders: 2018 a year of Consolidation and Achievement

The last 12 months has seen successful outcomes in a number of key operational areas and also challenges as we move from an exploration company towards a developer, in a time of volatile investment markets and negative sentiment generally on the ASX towards small resource companies.

The Board of Walkabout, made a number of difficult decisions this year, including raising additional funding, to ensure the financial well being of the Company in response to what was predicted to be ongoing volatile and weak investment markets. It is essential that the Company remains well funded in order to continue to move forward and transition from explorer to developer.

In 2018 Walkabout has continued to grow its operations and add considerable potential long term value to its asset base through a number key achievements which include:

- Successful rights issue with very strong response from shareholders to raise \$6.9m
- Completion of additional Joint Venture in Northern Ireland, and early exploration success including 2.7% Cu, 58.5 g/t Au; and 0.13% Co in rock chip samples on the Tyrone licence (1).
- Having raised additional cash, Walkabout was able to exercise its option to acquire the remaining 30% of PL 9992/2014 and move to 100% ownership of the Lindi Jumbo Graphite Project (2).
- After almost a year of negotiations and continual hard work by our in-country team, Walkabout was awarded their Mining Licence ML 579/2018 at the end of August (3).
- Walkabout continued to advance all design and engineering and complete costings for the Lindi Jumbo Graphite Project with EPC Partner Jinpeng Engineering.
- Completed hydrological drilling to delineate sufficient water for construction and operational activity at the Lindi Jumbo Project, and complete the Relocation Assistance Program (RAP) to enable on-site work to commence.
- Initiated exploration in Namibia covering 1500 sq km of licences.
- Completed SkyTem electromagnetic airborne survey, successfully delineating numerous conductive targets over the Tyrone Licence in Northern Ireland (4).
- Acquisition of Scotland exploration licences, which include several high-grade lead-zinc (silver) mines, and gold and copper targets (5). This strengthens our UK strategy.
- Successfully completed a Share Purchase Plan to raise \$3m to strengthen cash position in what has remained a volatile and negative investment climate for junior resource companies on ASX.
- Completion of high grade extension drilling which included spectacular surface intersects in trenches of 54m @ 22.4% TGC from surface; and drill intersections of 14m @ 19.7% TGC (6).
- Mineral Resource increased by 41% at Lindi Jumbo Graphite Project to 41.8 mt (7).

Our shareholders can see from our activities throughout the last year, we have continued moving all Projects forward and achieved many key milestones. Having now received the Mining Licence for Lindi Jumbo we can continue to move forward our negotiations as to funding options.

We thank all shareholders for their loyal support and look forward to a successful year in 2019.

Trevor Benson

Chairman

1. See ASX announcements 22/2/2018 and 27/2/2018
2. See ASX announcement 30/05/2018
3. See ASX announcement 30/08/2018
4. See ASX announcement 27/09/2018
5. See ASX announcement 1/10/2018
6. See ASX announcements 5/11/2018 and 19/12/2018
7. See ASX announcement 19/12/2018

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements.

Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr Andrew Cunningham (Director of Walkabout Resources Limited). Mr Cunningham is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd), Mr Aidan Platel (Consultant with Platel Consulting Pty Ltd), Mr Andrew Cunningham (Director of Walkabout Resources Limited) and Ms Bianca Manzi (Bianca Manzi Consulting). Mr Barnes, Mr Platel, Mr Cunningham and Ms Manzi are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Ms Manzi is the Competent Person for the geological database. Mr Barnes is the Competent Person for the resource estimation. Both Mr Platel and Mr Cunningham completed the site inspections. Mr Barnes, Mr Platel, Mr Cunningham and Ms. Manzi consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.