



walkabout
RESOURCES LTD

ASX:WKT

FUNDING TO COMPLETE CONSTRUCTION

TARGETING LINDI JUMBO MINE TO BE IN PRODUCTION JUNE QUARTER 2023

EQUITY CAPITAL RAISING PRESENTATION – SEPTEMBER 2022

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This Presentation contains certain “forward looking statements”. These can be identified by words such as “may”, “should”, “anticipate”, “believe”, “intend”, “estimate”, “expect” and similar expressions. These forward-looking statements include all matters that are not historical facts. Forward looking statements are based on:

- assumptions regarding Walkabout’s business strategies, plans and objectives of management for future operations and development and the environment that Walkabout will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties and other factors many of which are beyond the control of Walkabout.

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Such forward looking statements involve known and unknown risks, uncertainties and other factors which because of their nature may cause the actual results or performance of Walkabout to be materially different from the results or performance expressed or implied by such forward looking statements.



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Such forward looking statements are based on numerous assumptions regarding Walkabout's present and future business strategies and the political, regulatory and economic environment in which Walkabout will operate in the future, which may not be reasonable, and are not guarantees or predictions of future performance. No representation or warranty is made that any of these statements or forecasts (express or implied) will come to pass or that any forecast result will be achieved. Forward looking statements speak only as at the date of this Presentation and to the maximum extent permitted by law, Walkabout and its Related Parties disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this Presentation (including, any assumptions or expectations set out in this Presentation).

All figures in this Presentation are A\$ unless stated otherwise and all market shares are estimates only. A number of figures, amounts, percentages, estimates, calculations of value and fractions are subject to the effect of rounding. Accordingly, the actual calculations of these figures may differ from figures set out in this Presentation.

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.

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 presentation that relates to Ore Reserves is based on and fairly represents information compiled by Mr Clive Brown (Principal Consultant (Mining), Bara International Ltd) and a fellow of the Southern African Institute of Mining and Metallurgy (FSAIMM). Mr Brown has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves".

The information in this report relates to the Metallurgical test work and results are based on information compiled by Dr Evan Kirby, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy. Dr Kirby is a full-time employee of Metallurgical Management Services, a specialist metallurgical consultancy and an independent consultant to Walkabout Resources Ltd. Dr Kirby has sufficient experience that is relevant to the style of mineralogy and type of deposit under consideration and the typical beneficiation thereof. Dr Kirby consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

The Company confirms that all material assumptions underpinning the production target and the forecast financial information derived from the production targets continue to apply and have not materially changed.



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An aerial photograph of a large-scale construction or mining site, showing extensive earthmoving, roads, and various pieces of heavy machinery. The image is framed by large, overlapping orange geometric shapes that create a modern, angular design. The text 'EXECUTIVE SUMMARY' is prominently displayed in white on the right side of the orange overlay.

EXECUTIVE SUMMARY

OUR BUSINESS

COMMODITIES LEGEND

//// Lead //// Zinc //// Silver //// Graphite //// Gold

SCOTLAND

Base and Precious Metals

TANZANIA

Kimoingan Project

TANZANIA

Amani Gold Project

TANZANIA

Lindi Jumbo Graphite Project

PERTH
Head Office

VALUE PROPOSITION

ATTRACTIVE SHORT-TERM RETURNS AND EXCITING GROWTH POTENTIAL

HIGHEST MARGIN
GRAPHITE PROJECT
IN DEVELOPMENT
IN THE WORLD TO
PRODUCE + 40KTPA
*(Benchmark Minerals
Intelligence, 2019)*

COMPELLING
ECONOMICS, A
LONG-LIFE
PROJECT WITH
A PAYBACK
PERIOD OF
~ 2 YEARS

ONE OF TWO
MAJOR
GRAPHITE
PROJECTS IN
CONSTRUCTION
GLOBALLY

DERISKED WITH
ALL APPROVALS,
MAJOR
CONTRACTS,
OFFTAKES IN
PLACE

~ 60%
GROUNDWORKS
AND CIVILS
CONSTRUCTION
COMPLETION.
COMMISSIONING
IN 1H CY23. ONLY
US\$11M OF CAPEX
TO BE INCURRED.

OUTSTANDING
LOW CAPEX
GROWTH
POTENTIAL VIA
SCALABLE
PRODUCTION &
DOWNSTREAM
EXPANSION

INVESTMENT DRIVERS

+24 YEAR²
LIFE OF MINE



~24 MONTH²
PAYBACK PERIOD



~US\$44M / A\$64M^{1&2}
AVE ANNUAL EBITDA



119%²
POST-TAX IRR



US\$197M / A\$286M^{1&2}
POST TAX NPV₁₀



¹FX AUD/USD 0.6876 AS OF 30 AUG

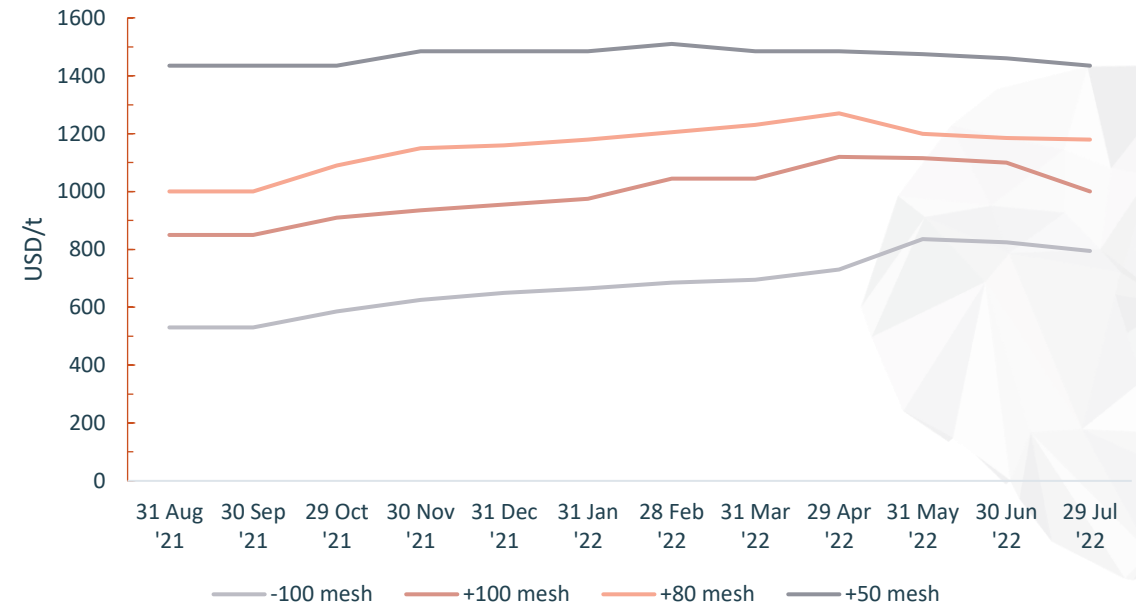
²ASX Announcement of 7 March 2019 – Updated DFS confirms standout graphite project

GRAPHITE MARKET TAILWINDS

EV THEMATIC RUNS STRONGLY

- Graphite has been declared a **critical mineral** in the USA, EU, UK, Japan and Australia given its importance to the energy transformation and high supply risk.
- The 25% tariff on artificial graphite imports from China into the USA – strategic need for diversification of supply to natural graphite .
- Up to **30% rise in prices** of natural flake graphite over the last 12 months.
- There is a clear consensus amongst analysts across the globe that graphite is now one of the most, if not the **most, important minerals in the EV battery metal race**.
- Benchmark forecasts that there will be a **deficit of nearly 2M tonnes** of flake graphite by the end of the decade. ²
- Global graphite market estimated to be **US\$26.8 billion by 2025**. ³

Flake Graphite Pricing August 2021 - July 2022 ¹



“Not enough attention is paid to the potential for supply deficit and to the potential for the graphite market itself to become structurally affected by demand from electric vehicles.”

– George Miller, Benchmark Mineral Intelligence

¹ Benchmark Mineral Intelligence. Prices FOB China

² The Assay - EV Manufacturers Racing to Sign Up Battery Metals Supplies, 28 June 2022

³ The Assay - Graphite Shortage Concerns Lead to Product Supply Race, 22 February 2022.

CORPORATE OVERVIEW

LEADERSHIP WITH EXTENSIVE PROJECT DEVELOPMENT AND AFRICA EXPERIENCE

CAPITAL STRUCTURE

Share Price ¹ ~A\$0.215

Shares on issue ~452.3M

Market Capitalisation ~A\$97.2 M

Cash² A\$1.0M

Number of shareholders 3,121

24 Month liquidity A\$64.0m

BOARD AND MANAGEMENT

Mike Elliott
Non-Executive Chairman
Chartered Accountant. Global Mining & Metals Sector Leader at EY for >10 years. Key advisor of some of the largest global mining and metals companies across all continents.

Andrew Cunningham
Chief Executive Officer
Geologist. More than 8 years of graphite experience. Extensive African and project development experience.

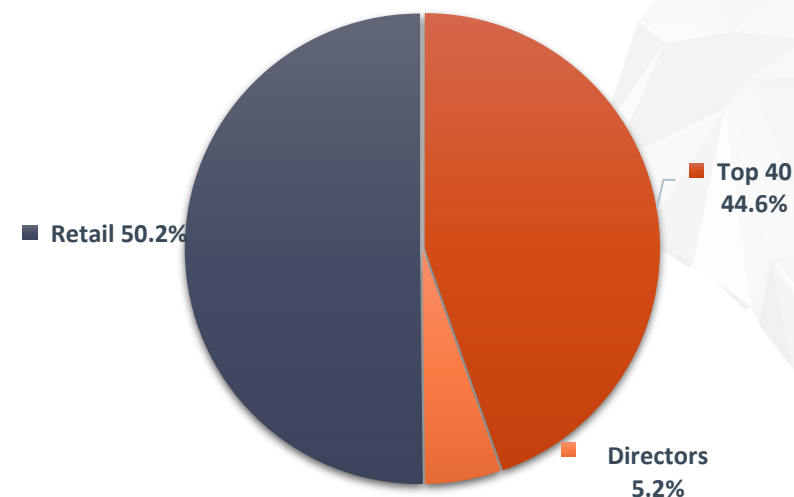
Phil Montgomery
Non-Executive Director
Engineer. Previously Vice President Projects at BHP with extensive African experience.

Peter Finnimore
Non-Executive Director
Sales and marketing executive previously Chief Marketing Officer and Chief Commercial Officer with South 32.

Tony Allen
Chief Financial Officer
Certified Practicing Accountant with over 30 years' experience in the mining industry including African experience.

Bruce White
Project Manager
Engineer with more than 20 years' experience in project management within the mining industry and with extensive African experience.

MAJOR SHAREHOLDING





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An aerial photograph showing a dense green forest. In the center, there is a cleared, brownish area with some debris and a small, partially collapsed building. A dirt road or path runs through the forest in the lower left. The image is framed by large orange geometric shapes on the left and right sides.

EQUITY RAISING

EQUITY RAISING OVERVIEW

KEY OFFER STATISTICS FOR THE RIGHTS ISSUE¹ TO RAISE A\$33 MILLION



OFFER STRUCTURE & SIZE	<p>A pro-rata non-renounceable entitlement issue of two (2) new fully paid ordinary shares ("New Shares") for every three (3) shares held by eligible shareholders registered at the record date at an issue price of A\$0.11 per share to raise up to approximately A\$33.17 million, with a minimum of A\$16.5 million ("Rights Issue").</p> <ul style="list-style-type: none">• Eligible Shareholders will comprise those shareholders at the relevant record date with a registered address in Australia or New Zealand or other countries as determined by the Board ("Eligible Shareholders").• The Rights Issue offer will be made pursuant to a prospectus issued by the Company in accordance with section 713 of the Corporations Act ("Prospectus").• The Rights Issue is non-underwritten.• A shortfall offer facility will be available allowing eligible shareholders to apply for additional New Shares over and above their respective entitlements (additional New Shares will be issued to the extent there is a shortfall under the Rights Issue).• The New Shares issued under the Rights Issue will rank pari passu with existing fully paid ordinary shares on issue as at the record date.• The Directors of Walkabout Resources Ltd have committed A\$1.6 million by way of taking up rights or applying for any shortfall.
ISSUE PRICE	<p>Issue price of A\$0.11 per new share, which represents a discount of:</p> <ul style="list-style-type: none">• 48.8% to the last closing price of A\$0.215 per share on 30 May 2022; and• 36.5% discount to the theoretical ex-rights price of A\$0.173.
RANKING	Pari passu with existing fully paid ordinary shares on issue
USE OF PROCEEDS	<ul style="list-style-type: none">• Please refer to slide 12 for details
SYNDICATE	<ul style="list-style-type: none">• Canaccord Genuity (Australia) Limited has been appointed to act as Lead Manager to the Rights Issue and Bookrunner to the placement of shortfall under the Right Issue (if any).• Brentridge Capital Pty Ltd has been appointed to act as Corporate Advisor to the Rights Issue

¹ Further details of the Rights Issue, including details on how to accept and key risks of the Rights Issue, are set out in the Prospectus released to the ASX on 25 August 2022 and the Supplementary Prospectus released to the ASX on 8 September 2022. The expected date the New Shares will commence trading on ASX may vary.

WALKABOUT'S SHARE PRICE JOURNEY



ASX: WKT

OBSERVATIONS:

- At suspension, Walkabout traded at A\$0.215 per share with a market capitalisation of A\$78.2 million and circa A\$25 million of liquidity over the last 12 months.
- Rights Issue of A\$33 million will equity fund the completion of project construction of Walkabout's Lindi Jumbo Graphite Mine.
- Walkabout's implied market capitalisation of A\$132 million at the Theoretical Ex-Rights Price ("TERP") of A\$0.173.
- EV/EBITDA of \$ ~0.9x - implied Enterprise Value ("EV") of A\$56.8 million at the issue price of A\$0.11 and DFS average LoM EBITDA of US\$44 million (A\$63 million).
- Walkabout's share price last traded below A\$0.11 over 2 years ago.
- Over the last 2 years, circa A\$64 million of WKT shares have traded at an average price of A\$0.214.
- Once Walkabout achieves nameplate production and pays down any debt its objective is to cash flow fund and expansion of production.



USE AND SOURCE OF FUNDS

EQUITY TO FUND CONSTRUCTION AND COMMISSIONING OF THE LINDI JUMBO GRAPHITE MINE



PRO-FORMA CAPITALISATION	MIN RAISE AND NO DEBT	MIN RAISE AND FULL DEBT	MAX RAISE
Shares on issue (m) ¹	452.3	452.3	452.3
Rights Issue shares (m)	150.0	150.0	301.5
Total shares on issue (m) ²	602.3	602.3	753.8
Market capitalisation (A\$0.11) (A\$m)	66.3	66.3	82.9
Cash & Cash Equivalents (A\$m)	17.65	46.63	32.73
Borrowings (A\$m)	18.15	34.60	18.15
Indicative Enterprise Value (A\$m)	66.80	54.27	68.32

USE OF FUNDS	MIN RAISE AND NO DEBT A\$m	MIN RAISE AND FULL DEBT A\$m	MAX RAISE A\$m
Debt collateral	0.00	14.49	0.00
Project creditors	11.77	11.77	11.77
Earthworks, civil and mining	0.25	5.92	5.92
EPC and subcontractors	0.00	5.17	5.17
Plant and Mine Infrastructure	0.00	2.66	2.66
Logistics	0.00	0.74	0.74
Indirect costs	0.45	1.54	1.54
Working capital	1.91	1.53	2.11
Offer expenses	0.86	0.86	2.46
Corporate Treasury Funds	1.25	0.80	0.80
Total	16.50	45.48	33.17

INDICATIVE TIMETABLE

KEY DATES FOR THE RIGHTS ISSUE



Event	Date ¹
Announcement of Rights Issue & Appendix 3B	Monday, 22 August 2022
Lodgement of Prospectus with ASIC and ASX ²	Wednesday, 24 August 2022
Ex Date	Monday, 29 August 2022
Record Date for determining entitlements	Tuesday, 30 August 2022
Prospectus despatched to Eligible Shareholders & Company announces despatch has been completed	Thursday, 1 September 2022
Last day to extend Closing Date	Friday, 16 September 2022
Closing Date	Tuesday, 20 September 2022
Securities quoted on a deferred settlement basis from market open	Wednesday, 21 September 2022
Announcement of results of the Rights Issue	Thursday, 22 September 2022
Issue Date and lodgement of Appendix 2A with ASX applying for quotation of the New Shares (before noon Sydney Time)	Tuesday, 27 September 2022

¹ The Directors reserve the right to amend this timetable and may extend the Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such, the date the New Shares are expected to commence trading on ASX may vary.

² Application for New Shares under the Rights Issue may only be made by completing an application form which will accompany the Prospectus.

PRO-FORMA BALANCE SHEET

Pro-Forma Balance Sheet at completion of the Rights Issue:



	UNAUDITED – 30/6/22	PROFORMA MAXIMUM RAISE DEBT CONVERSION	PROFORMA MAXIMUM RAISE	PROFORMA MINIMUM RAISE
	A\$	A\$	A\$	A\$
CURRENT ASSETS				
Cash	1,018,843	31,461,621	32,730,685	46,639,343
Other current assets	1,107,867	1,107,867	1,107,867	1,107,867
TOTAL CURRENT ASSETS	2,126,710	32,569,488	33,838,552	47,747,210
NON-CURRENT ASSETS				
Trade and other receivables	9,758	9,758	9,758	9,758
Mine Properties	32,421,243	32,421,243	32,421,243	32,421,243
Plant and Equipment	135,468	135,468	135,468	135,468
Deferred exploration/evaluation	2,328,148	2,328,148	2,328,148	2,328,148
TOTAL NON-CURRENT ASSETS	34,894,617	34,894,617	34,894,617	34,894,617
TOTAL ASSETS	37,021,327	67,464,105	68,733,169	82,641,827
CURRENT LIABILITIES				
Creditors and borrowings	17,152,076	16,883,012	17,152,076	17,152,076
TOTAL CURRENT LIABILITIES	17,152,076	16,883,012	17,152,076	17,152,076
NON-CURRENT LIABILITIES				
Loan	-	-	1,000,000	28,985,500
TOTAL NON-CURRENT LIABILITIES	-	-	1,000,000	28,985,500
TOTAL LIABILITIES	17,152,076	16,883,012	18,152,076	47,137,576
NET ASSETS (LIABILITIES)	19,869,251	50,581,093	50,581,093	35,504,251
EQUITY				
Share Capital	97,936,740	128,648,582	128,648,582	113,571,740
Options Reserve	580,183	580,183	580,183	580,183
Retained loss	(78,647,672)	(78,647,672)	(78,647,672)	(78,647,672)
TOTAL EQUITY	19,869,251	50,581,093	50,581,093	35,504,251

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.



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THE LINDI JUMBO GRAPHITE MINE

LINDI JUMBO - DIFFERENTIATING FACTORS

LOWEST COST, HIGHEST GRADE, HIGHEST MARGIN

RESOURCE

- **Exceptional Orebody** – High Grade & Large flake
- Low Operating Cost and CAPEX
- Highly amenable metallurgical characteristics

MINING

- **Simple, from surface** – low operating cost
- High grade mining (~ 18% TGC for LOM of 24 years)
- Low risk – small mining fleet and very modest tonnes moved

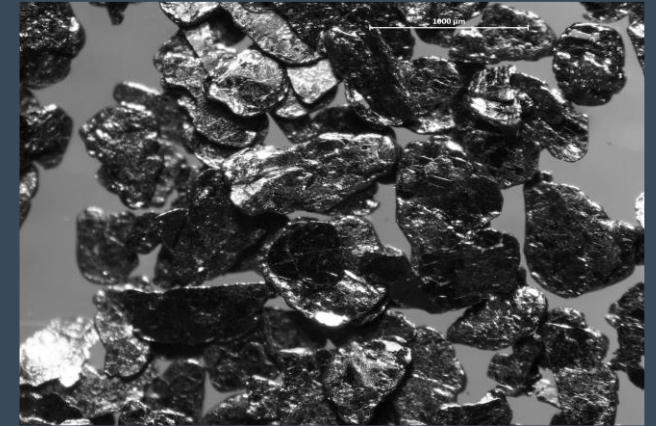
PROCESSING

- **Small, appropriately sized, simple processing facility** – low operating cost and CAPEX
- Improved control and management
- High grade ROM feed assists process efficiency

PREMIUM FLAKE

- **Outstanding product mix** – covers majority of the end-user markets
- Largely skewed towards the larger flake sizes – Premium Sales Price

PRAGMATIC SCALE



CONSTRUCTION WELL ADVANCED

EARTHWORKS AND CIVILS DUE FOR COMPLETION IN NOVEMBER 2022

- **FRONT END** (ROM wall, raw-ore bin, crushers, conveyors, fine-ore bin & associated infrastructure) - **COMPLETED**
- **CONCENTRATOR** building - **IN PROGRESS**
- **DRYING AND SCREENING** building - **IN PROGRESS**
- **Thickener** and associated infrastructure - **COMPLETED**
- **TSF - IN PROGRESS**
- **MINING - IN PROGRESS**
- **STOCKPILE** – ~ 9,000t of graphite ore (~ 1,600t of contained graphite).
- **GRID POWER – IN PROGRESS**



Tailings Storage Facility



Thickener



Fine Ore Bin



Drying and Screening Foundations

CONSTRUCTION WELL ADVANCED

MANUFACTURING OF MECHANICAL EQUIPMENT NEARING COMPLETION & INSTSALLATION IN PROGRESS

- ~ **65%** off all the mechanical equipment **on site**.
- ~ **77% of the costs** of the EPC contract has already been **incurred**.
- **MOBILE EQUIPMENT** – on site and in use.
- Majority of the remaining mechanical equipment not on site – manufactured and in storage in China and Australia.
- Orders of outstanding equipment to be placed end-September (majority is off the shelf orders).



TIMELINE TO PRODUCTION

Schedule Milestones

- ✓ Earthworks and Civils, Execution of Contract
- ✓ Earthworks and Civils, Mobilisation to Site
- ✓ Execution Process Plant EPC Contract
- ✓ Finalise Design and Procurements
- ✓ Earthworks, Process Plant
- ✓ Other Shared Infrastructure
- ✓ Civils, Process Plant
- ✓ Logistics and shipping of all consignments
- ✓ Mechanical Installation, Process Plant
- ✓ Earthworks and Civils, Construction of TSF
- Dry Commissioning
- Wet Commissioning
- Camp Construction
- First Concentrate



PRODUCT SALES AGREEMENT

BINDING SALES, PURCHASE AND MARKETING AGREEMENT – Wogen Pacific Limited



ASX:WKT

- ✓ 100% of all exported graphite from Tanzania for an initial **5 YEAR TERM** (renewable).
- ✓ **PRICING** – achieved market price less commission and distribution costs.
- ✓ Access to a **US\$3.2M WORKING CAPITAL** facility upon loading of ship.
- ✓ **EXISTING OFFTAKE AGREEMENTS** – IN PLACE & to be renegotiated under the current Wogen agreement.
- ✓ **Wogen** is a **specialist trading company** handling a wide array of speciality metals and minerals including ores and concentrates, metals and oxides, ferro alloys, mineral sands and rare earths.
- ✓ **Wogen** has a **strong presence in Asia, Europe and the USA** which includes significant logistics infrastructure, buying networks and industry relationships.



See ASX Announcement of 29 Jul 2022. Lindi Jumbo signs an exclusive binding sales agreement for the entire production of 40,000 tonnes per annum.

RESOURCE GROWTH POTENTIAL

EXISTING TENEMENT HOLDINGS OFFER SIGNIFICANT GROWTH POTENTIAL



TARGET AREA	STRIKE LENGTH CONDUCTIVE ZONES	Mt IN SITU			Quality ¹
		LOW	MID	HIGH	Flake retention > 300 µm
WEST- ML579 AND PL11409/2020	4.5KM	15	22	29	~ 50-70%
EAST - PL9993/2014	10.8 KM	35	53	71	~ 50-70%
KIMOINGAN PL11119/2017	-	22	36	72	~ 20-30%
TOTAL		72	111	172	

**Note: The Potential Mineralisation Range above excludes the existing JORC compliant Resource of 41.8 million tonnes @ 10.8 % TGC for 4.5 million tonnes of contained graphite (see ASX announcement of 19 December 2018). ¹ Quality is based on similar reported deposits in the immediate vicinity of the exploration target areas (See ASX announcement of 09 June 2021).*

**Note: The potential quantity and quality of the quoted Exploration Potential Range outside of the Gilbert Arc Mineral Resource Area is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource over any of the additional target areas. It should not be expected that the quality of the Exploration Targets is equivalent to that of Mineral Resources. Exploration targets could be tested with future exploration activities in alignment with the company's exploration and business strategy. The targeting within the tenement package was thus restricted to the areas covered by the VTEM survey and was only focused on where the Company has hard evidence of high-grade graphite occurrences (> 15% TGC) through surface mapping and sampling (See ASX Announcement of 09 June 2021).*

GRAPHITE MARKET GROWTH OPPORTUNITIES

GROWTH OPPORTUNITIES INTO EXISTING AND EMERGING MARKETS



- **Excess capacity** – initial nameplate production of 40ktpa. Excess plant capacity of ~23% requiring no further Capex¹
- **Further enhancement** of existing auxiliary equipment could also assist to further increase production = low capex.¹
- **Conversion of existing JORC resource** (36mt) to reserves = low capex.²
- **Near-mine drilling** of known graphite occurrences – potential addition to mineral resource of 15 to 29mt of high-grade large flake graphite - low capex.¹
- Drilling on **adjacent WKT owned licences** (~ 20 km radius) - potential addition to mineral resource of 35-71mt of high-grade large flake graphite - low capex.¹
- Drilling of **Kimoingan Project** - potential addition to mineral resource of 22-72mt of med-grade large flake graphite - low capex – *Standalone Operation* – mid capex.¹
- Processing of ~ 8mt of **low-grade stockpiles** at 6% TGC - no capex²
- Downstream development of an **Expandable Graphite plant** - mid capex and currently under discussion with interested parties.



Note: The potential quantity and quality of the quoted Exploration Potential Range outside of the Gilbert Arc Mineral Resource Area is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource over any of the additional target areas. It should not be expected that the quality of the Exploration Targets is equivalent to that of Mineral Resources. Exploration targets could be tested with future exploration activities in alignment with the company's exploration and business strategy (¹ See ASX Announcements of, 09 June 2021 and ² 07 March 2019).



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An aerial photograph of a large-scale mining or construction site. The site is characterized by extensive earthmoving, with large piles of dirt and sand. Various pieces of heavy machinery, including excavators and trucks, are visible. There are also several large, circular structures, possibly storage tanks or processing units. The site is surrounded by a line of trees in the background. The image is framed by orange geometric shapes on the left and right sides.

**EXCELLENT ASSET
FUNDAMENTALS**

LOGISTICS AND INFRASTRUCTURE



ROADS, PORTS & INFRASTRUCTURE

Good road network – last 60km currently being upgraded.

200km from the port of Mtwara and 460km from the port of Dar Es Salaam.

Rapid development in local district – schools, banks, hospitals etc.

Mtwara Development Corridor Recent Regional Infrastructure

Recent Developments:

- Mnazi Bay gas fields, Dar es Salaam Natural Gas Pipeline (MDNGP), Mtwara Thermal Power Station (18MW), Mtwara Port Expansion Project.

POWER

4.5 MW Grid power under development to site.

Ample spinning reserve available in southern grid circuit.

MINERAL RESOURCES AND ORE RESERVE

THE ENTIRE PROJECT IS UNDERPINNED BY A SUPERIOR MINERAL RESOURCE



CATEGORY	TONNES (MILLION)	TGC %	CONTAINED GRAPHITE (T)
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Proven Ore Reserves	2.5	19.3	489,000
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Probable Ore Reserves	1.8	16.7	498,000
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Total Ore Reserves	5.5	17.9	987,000
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CATEGORY	TONNES (MILLION)	TGC %	CONTAINED GRAPHITE (T)
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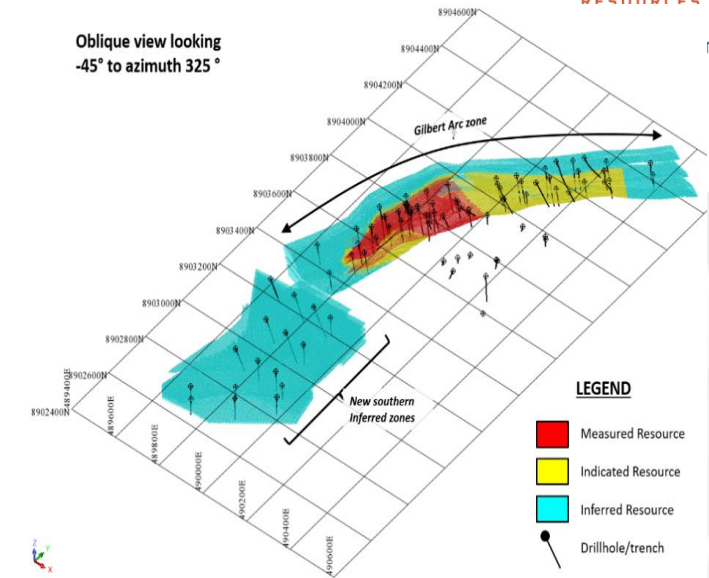
Measured	6.5	12.1	781,800
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Indicated	8.4	10.5	887,300
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Inferred	26.9	10.5	2,837,600
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Total Resource	41.8	10.8	4,506,700
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- Large and high-grade Mineral Resource – contains a super high grade continuous core of **5.0 million tonnes (Mt) at 22.5% TGC for 1.1Mt of contained graphite.**
- Ore Reserve @ 17.9% TGC for a LOM of 24 years is the **highest grade** known undeveloped graphite reserve in Africa.
- Mining commenced in July.
- ~ 9,000 of high-grade tonnes on the **stockpile** – approximately **1,620 tonnes of contained graphite.**



ASX Announcement of 19 December 2018 – Lindi Jumbo Graphite Mineral Resource increased by 41%
 ASX Announcement of 28 February 2019 – Updated Ore Reserve delivers 17.9% Graphite Grade.

DFS – COMPELLING ECONOMICS

DFS OUTCOMES	ANNUAL AVERAGES	LOM TOTAL (2019 BASE CASE)	UNITS
Revenue		1445	US\$m
Operating Costs (FOB Mtwara)		347	US\$/t
Capital Cost (Initial)		27.8	US\$m
EBITDA	44.3	1070	US\$m
WKT Free Cash	26.5	610	US\$m
Pre-Tax NPV ¹⁰		325	US\$m
Pre-Tax IRR		142	%
Post-Tax NPV ¹⁰		197	US\$m
Post-Tax IRR		119	%
Payback Period		<24	Mths
Operating Margin		77	%
2017 Tanzanian Legislative Changes factored into Model			
Royalties		41	US\$m
Taxes Paid		312	US\$m
TZ Government Dividend		118	US\$m
Total to Tanzania		472	US\$m

- **Strong economics**, Life of Mine revenue of US\$1.445B, a 21.6% increase.
- Very high **cash margins** forecasted of >US\$1,000 per tonne FOB.
- Post-tax NPV10 of US\$197m.
- Post-tax IRR10 of 119%.
- Low development capital cost of ~\$US\$32m.
- **Operational costs remain very low**, ~US\$347/tonne (FOB Mtwara Port).
- **Long mine life** of 24 years, at 40ktpa of concentrate production.

ASX Announcement of 7 March 2019 – Updated DFS confirms standout graphite project

STRONG ESG PROFILE IN TANZANIA

OUR STRATEGY IS ALIGNED TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



ASX:WKT

Local Employment and Upskilling

Recruiting Tanzanian first, national second and international third mantra.

Tanzania based management team.

Treading Lightly to Global Standards

Adopted and contextualised the 17 SDGS.

Implementing initiatives to lower carbon footprint and minimise impacts.

Natural graphite has superior environmental credentials.

Socially Enriching Local Communities

MOU signed with 3 villages and 5% ownership by Village Trust.

Developing local micro-agriculture enterprises.

Sponsoring employee children at College for Tertiary Education.

Safety First Approaches

COVID-19 Plan in place for all operations in Tanzania.

Comprehensive site risk mitigations and audits; Australian Standards benchmarked.

On-site training in English and Upskilling.

A WELL-KNOWN AND RESPECTED CORPORATE CITIZEN



HONOURABLE KASSIM MAJALIWA, TANZANIAN PRIME MINISTER

“Lindi Jumbo’s local initiatives and considerations, such as its 5% ownership by the village trust are setting the standard of how to operate in country.”

20 August 2021



AUSTRALIA-AFRICA MINERALS & ENERGY GROUP (AAMEG) AFRICA AWARDS

2021 Winner of the Best Innovation in Corporate Social Development

September 2021

RECAP

WHY WALKABOUT

- ✓ Provides tangible exposure to graphite, **one of the most critical battery minerals**, experiencing sectoral tailwinds
- ✓ Lindi Jumbo Tanzanian project is the **highest margin** graphite project in development globally¹, with **construction well advanced**
- ✓ **De-risked** with all major approvals in place
- ✓ **100% Sales Agreement** in place ³
- ✓ **Compelling economics**: >24-year mine life with a payback period of ~2 years ²
- ✓ **US\$44m** of average annual **EBITDA**, **119% IRR** and a post-tax **NPV of US\$197m** ²
- ✓ **Responsible corporate citizen** and highly-regarded ESG credentials ‘in-country’
- ✓ Rights Issue on foot to **fund construction completion** of Lindi Jumbo graphite mine
- ✓ Offer price of A\$0.11 at a **discount of 49%** to the last closing price of A\$0.215 per share on 30th May 2022

¹ Benchmark Minerals Intelligence, 2019

² ASX Announcement of 7 March 2019 – Updated DFS confirms standout graphite project

³ See ASX Announcement of 29 Jul 2022. Lindi Jumbo signs and exclusive binding sales agreement for the entire production of 40,000 tonnes per annum



walkabout
RESOURCES LTD

ASX:WKT

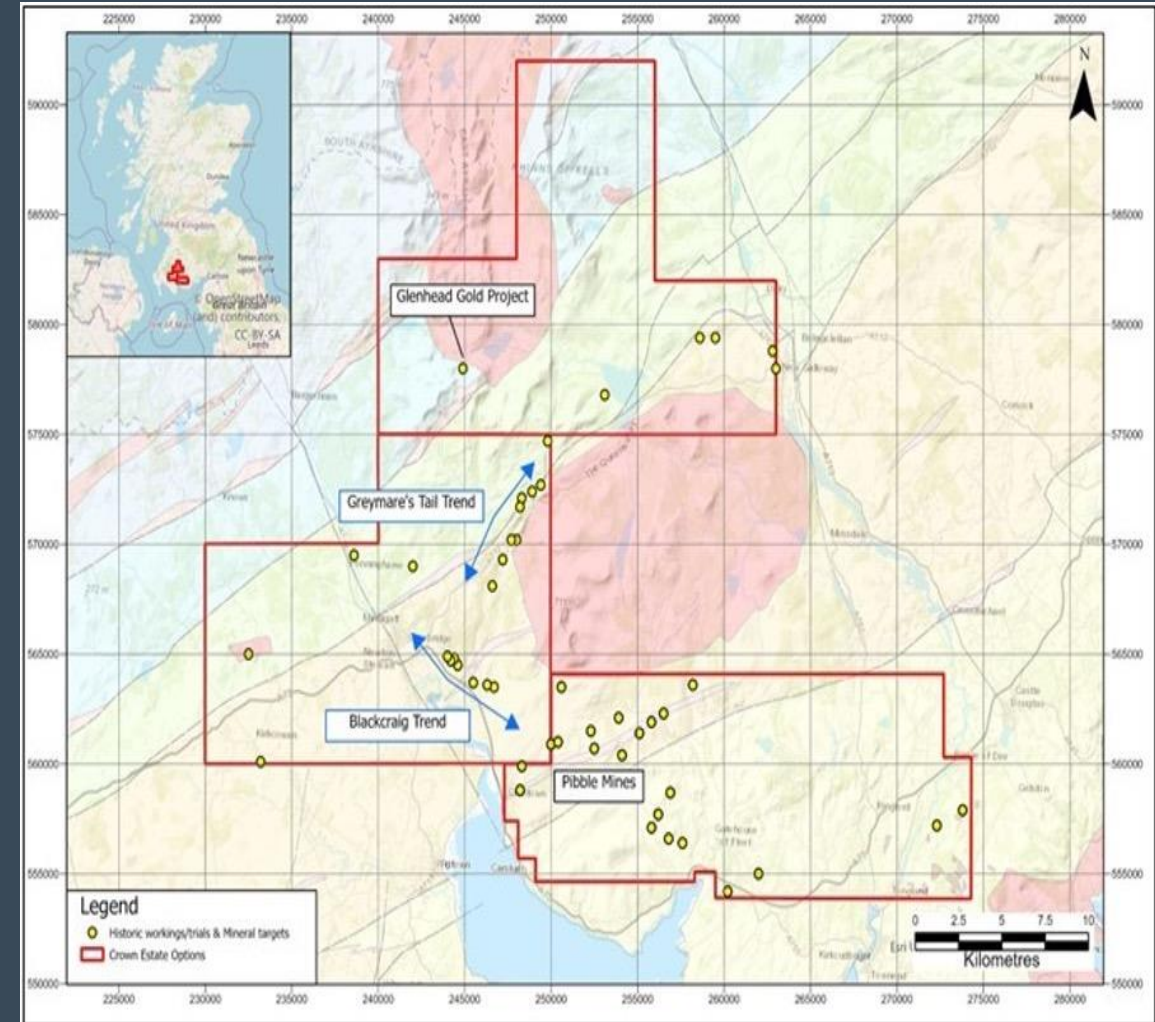
An aerial photograph of a large-scale construction or mining site, likely a water treatment plant or dam. The site features numerous rectangular concrete structures, large circular tanks, and extensive earthworks. The image is framed by large, overlapping orange geometric shapes that create a modern, angular design. The text 'APPENDIX: ADDITIONAL VALUE DRIVERS' is overlaid in white on the right side of the orange shape.

APPENDIX: ADDITIONAL VALUE DRIVERS

SCOTLAND

HIGH GRADE LEAD-ZINC AND SILVER WITH EXCITING GOLD OPPORTUNITIES

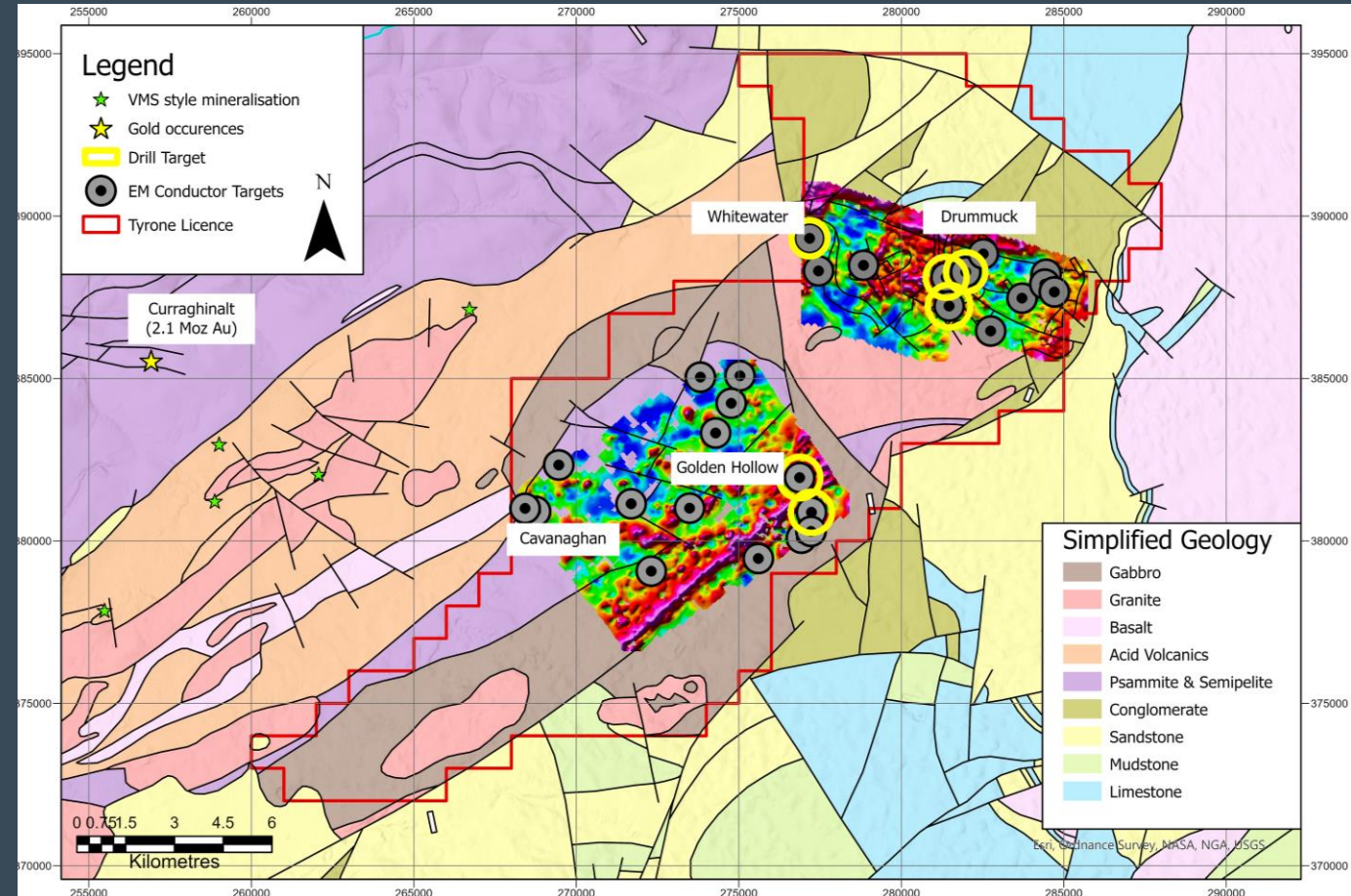
- Large landholding (3 tenements, 744 km²) - Legacy mining area (1800's and early 1900's) - Mined over 14,000t of Pb, 1,200 t of Zn, 2,000t of Cu.
 - Historically reported high grades up to 74% Pb, 109 g/t Ag, 25-31% Zn and 3.5g/t Au.
 - Maiden diamond drilling program completed (Blackcraig Project) with mineralisation "host breccia" intersected in the majority of the drillholes.
 - Drill assays of 0.8 m at 12.4% Zn and 3.7 g/t Ag from 56.2 m (BCRDD009) and 1.02 m at 4.9% Pb, 0.4% Zn and 2.1 g/t Ag from 94.69 m (BCRDD002).
 - ~3.5km of strike length remains untested.
-
- BGS target – minor drilling campaign in 1970's. - grades of up to 5.85 g/t Au
 - Rock Chip samples of 12.8 g/t Au
 - Drill ready



NORTHERN IRELAND

BASE METALS AND GOLD – TYRONE PROJECT

- Up to 0.13% Co, 50.3 g/t Ag, 2.7% Cu and 58.5g/t Au in individual rock chips
- 4 prospective areas identified to date based on rock chip, soil and airborne EM surveys.
- Drill programme designed to test conductor plates/VMS style targets.



AMANI GOLD - TANZANIA

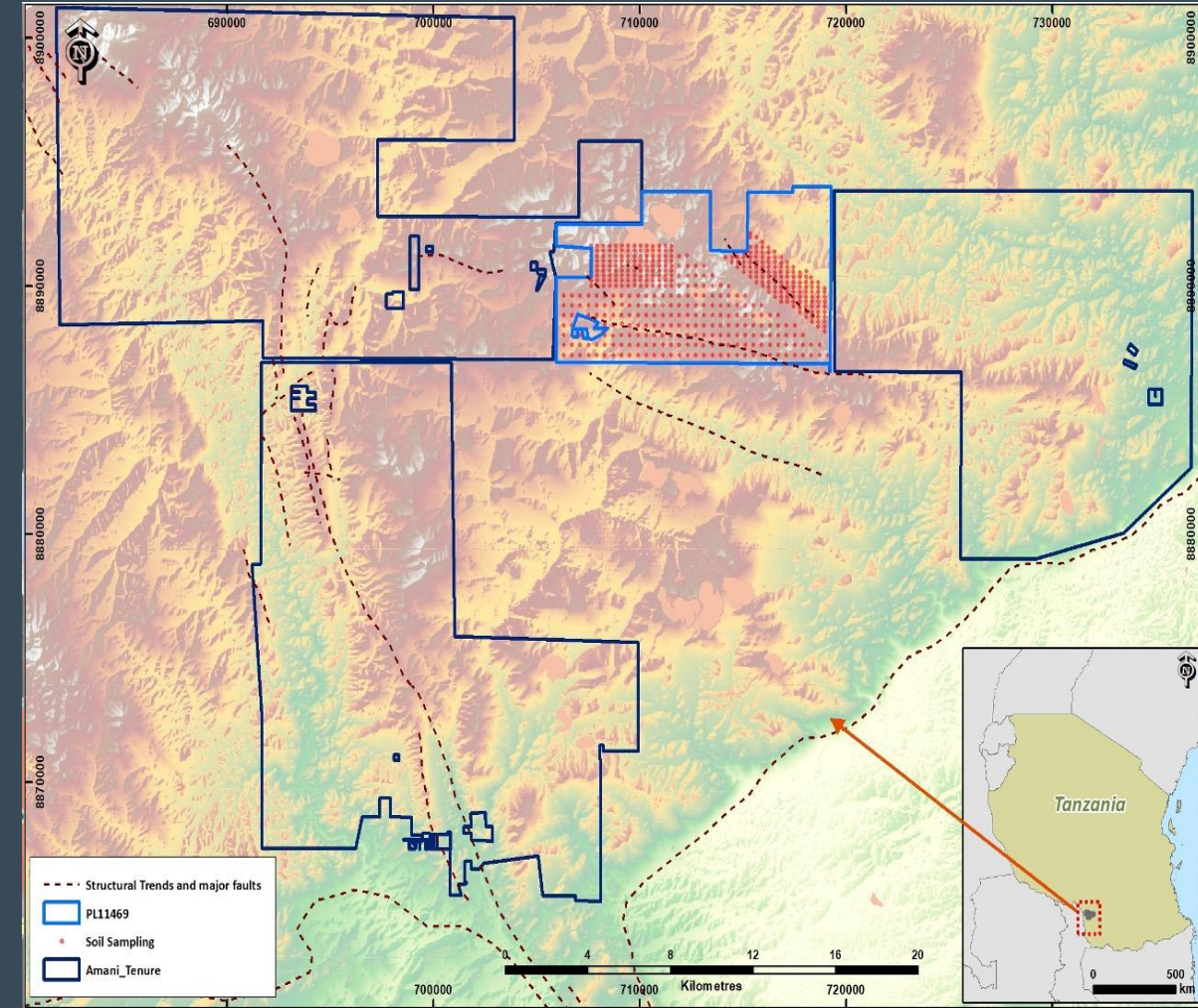
UNEXPLORED GOLD REGION LIKENED TO THE LUPA AND MPANDA GOLDFIELDS TO THE NORTHWEST



- Historical alluvial gold mining area (1990's) - Estimated > 2.5 tonnes of gold removed from one 2km stretch of alluvial workings adjacent to WKT tenure.
- Potential to host high grade orogenic gold, similar to Lupa Goldfields (Shanta Gold) 300km to the NW
- Few historical “shafts or adits” from the pre-WW1 era
- Few artisanal shafts into known hard rock gold occurrences (Samples up to 13g/t Au by WKT geologists).

EXPLORATION ACTIVITY – A SYSTEMATIC APPROACH

- Regional geophysical interpretation and targeting complete
- Regional remote sensing and targeting complete
- Baseline soil sampling complete
- Baseline stream sediment sampling complete
- Target testing planned



INTERNATIONAL OFFER RESTRICTIONS



The offers under the Prospectus do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue a Prospectus. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Accordingly, offers under the Prospectus are not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, United Kingdom, Hong Kong, United States, Singapore and the European Union.

Each country listed above permits an offer of Shares to all or a limited number of Shareholders with registered addresses in the country without the need for any locally compliant prospectus or registration pursuant to exemptions that appear applicable to the Entitlement Offer. An offer of Shares to all Shareholders will not exceed permitted limits in any of the countries listed above.

No lodging is required with any regulatory authority in any country and the Prospectus includes appropriate foreign offer restriction legends.

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
GOING CONCERN	<ul style="list-style-type: none"> The Company's Half Yearly Accounts for the period ended 31 December 2021 (Financial Report) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern. The cashflow projections of the Company's group indicate that it will require additional capital for continued operations. The Group incurred a net loss for the period of \$3,058,027. Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current construction and commissioning commitments for the Lindi Jumbo Project and short-term working capital requirements. However, the Group's ability to continue as a going concern is contingent on obtaining additional capital. In the event that the Offers are not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.
POTENTIAL FOR DILUTION	<ul style="list-style-type: none"> In addition to potential control impacts set out in Section Error! Reference source not found., Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by up to 40% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus). It is not possible to predict what the value of the Company, a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.215 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.
DELAY TO TANZANIAN DEBT FACILITY	<ul style="list-style-type: none"> The Company is currently developing the Lindi Jumbo Graphite Project which requires additional equity together with debt funding as previously announced. The amount of US\$20 million in debt funding has been provisionally secured from Tanzanian Bank, CRDB Bank PLC (CRDB), but this facility is subject to certain conditions precedent as described in the ASX announcement on 13 April 2021. As at the date of this Prospectus the final condition precedent to be completed, the provision by the Company of a standby letter of credit (SBLC) to CRDB, has not yet been satisfied. There can be no guarantee that the Company will be able to provide a satisfactory SBLC to CRDB or provide acceptable alternate collateral to complete the final outstanding condition precedent and access the debt facility. Alternative options to the SBLC have been presented to CRDB management and these are currently under consideration If the Company is unable to access the CRDB debt facility to fund the project, then the development will be delayed while alternative finance is sought unless the Maximum Subscription is raised which will allow completion of the project construction.
RESTRICTIONS ON USE OF FUNDS USED AS DEBT COLLATERAL	<ul style="list-style-type: none"> The Company has previously secured US\$20 million in debt funding from CRDB, subject to satisfaction of certain conditions. The Company must provide acceptable alternate collateral to CRDB to complete the final outstanding condition precedent and access the debt facility. In the event that the Company is able to provide acceptable alternate collateral to complete the final condition precedent and access the debt facility, there is no guarantee that the restrictions imposed on how the funds advanced as collateral can be used, will be favourable to the Company. The Company confirms that as of the date of this Supplementary Prospectus, the Company is awaiting CRDB's determination as to the level of additional collateral to be provided to enable full dent drawdown of the debt facility.

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
SUSPENSION OF SHARES ON ASX	<ul style="list-style-type: none"> The Company's securities have been in a voluntary suspension since 2 June 2022 due to a delay by the Company in satisfying the conditions precedent to the agreement to drawdown the US\$20 million debt facility through CRDB. The final condition precedent to be completed by the Company is the provision of a SBLC to CRDB. As the Company's Shares are suspended, there is currently no public market for Shares. There is a risk that if the minimum subscription under the Offers is not reached or the Company is not able secure an alternative financing solution, that the Company's listed securities may remain suspended from quotation until such time as the Company is able to access alternate funds. Further, there is no guarantee that any future funding required by the Company would be available or on terms acceptable to the Company. If funding was not available on terms acceptable to the Company, it may need to scale back its operations, which may impact adversely on the Company, or it may not be able to secure opportunities to acquire new projects or other corporate opportunities.
BMGC REPAYMENT RISK	<ul style="list-style-type: none"> On 25 June 2021, the Company entered into a subscription agreement with Battery Metals Capital Group, LLC (Battery Metals), a US-based institutional investor (Subscription Agreement). Under the Subscription Agreement, Battery Metals agreed to invest an aggregate amount of up to USD \$10,000,000 in the Company, and in return, the Company agreed to issue Shares with an aggregate subscription price of up to USD \$10,500,000. Under the terms of the Subscription Agreement, as the Company has been suspended for more than 5 days in the last 12 months, Battery Metals has the rights to issue the Company with a default notice requiring the Company pay Battery Metals the remaining US\$2.9 million which Battery Metals is yet to call to be issued in Shares. Battery Metals have confirmed to the Company that they are supportive of the Offers and have not as of the date of this Prospectus issued a default notice however there is no guarantee that Battery Metals will not issue a default notice in the future at which point the Company would be required to make payment of US\$2.9 million to Battery Metals.
CONSTRUCTION RISK	<ul style="list-style-type: none"> The capital expenditure required to complete the Lindi Jumbo Project may differ from the current expectations of the Company. In addition, actual operational costs may differ from current estimates. Increases in capital or operating expenditure will adversely affect the profitability of the Lindi Jumbo Project and the Company's other projects.
SOVEREIGN RISK	<ul style="list-style-type: none"> The Company has projects located in Northern Ireland, Scotland and Tanzania, some of which are developing countries. Due to the location of the Company's projects, the Company will be exposed to the political, security and social risks of each of these countries. There can be no assurance that the current systems of government in any country will remain stable and conducive to foreign investment. Any changes in government policy may result in changes in laws affecting various factors including the ownership of exploration assets, taxation regime, environmental protection, labour relations, and repatriation of income, amount of royalty and return of capital. A change in these factors may in turn affect the Company's ability to undertake exploration and development activities in the manner currently contemplated. The Lindi Jumbo Graphite Project is located in Tanzania and as such subject to emerging legal and political systems compared with the systems in place in Australia. In recent years, Tanzania enacted substantive changes in its mining laws and the full impact of these is yet to be demonstrated in practice. Sovereign risks associated with operating in Tanzania include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
EXPLORATION AND DEVELOPMENT RISKS	<ul style="list-style-type: none"> The business of exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as: <ol style="list-style-type: none"> the discovery and/or acquisition of economically recoverable reserves; access to adequate capital for project development; design and construction of efficient development and production infrastructure within capital expenditure budgets; securing and maintaining title to interests; obtaining consents and approvals necessary for the conduct of exploration, development and production; and access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants. Whether or not income will result from the Company's projects undergoing an exploration and development program depends on successful exploration and establishment of production facilities. Factors including costs and reliability and commodity prices affect successful project development and operations. Mining activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of equipment. Industry operating risks include fire, explosions, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown and environmental hazards such as accidental spills or leakages, or geological uncertainty. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company. There is no assurance that any exploration on current or future interests will result in the discovery of an economic mineral deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.
	<ul style="list-style-type: none"> The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Company's Shares. In addition, the price of the Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the Australian dollar and United States dollar performance on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general or Australian mining stocks in particular, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares. In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.
TRADING PRICE OF COMPANY SHARES	

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
TITLE RISK	<ul style="list-style-type: none"> Interests in mineral licences in Tanzania are governed by the respective relevant legislation in Tanzania and are evidenced by the granting of licenses or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, its mineral licences if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. If the Mining Licence is not renewed, the Company may suffer damage through loss of opportunity to discover and develop any mineral resources to which it otherwise would have had a right to do so. There is also a risk that the mineral licence applications in which the Company acquires an interest in the future may not be able to be transferred to the Company and mineral licences applications may not be approved, or tenement terms renewed.
FOREIGN EXCHANGE RATE RISK	<ul style="list-style-type: none"> The Company currently has interests in tenures located in Northern Ireland, Scotland and Tanzania. Expenditure in Tanzania is required in both United States dollars and the local currency, the Tanzanian schilling. Furthermore, international prices of various commodities are denominated in the United States dollar, whereas the income and expenditure of the Company will be taken into account in Australian currency, which will expose the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets. To comply with Australian reporting requirements, the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and the volatility of the rate of exchange between other currencies and the Australian dollar, as determined by international markets. In addition, at this stage, the Company has decided not to put in place any hedges in relation to foreign exchange. This may result in the Company being exposed to exchange risk, which may have an adverse impact on the profitability and/or financial position of the Company.
LICENCE APPLICATIONS AND RENEWAL RISK	<ul style="list-style-type: none"> The licences constituting the Company's projects are subject to applications for renewal or grant (as the case may be). The Company currently has a Mining Licence approved and valid until 3 October 2028. The renewal or grant of the terms of the licence is usually at the discretion of the relevant government authority. Additionally, licences are subject to a number of specific legislative conditions. The inability to meet these conditions could affect the standing of a licence or restrict its ability to be renewed. If the licence is not renewed or granted, the Company may suffer significant damage through the loss of opportunity to develop and discover mineral resources on that licence.
COMMODITY PRICE VOLATILITY	<ul style="list-style-type: none"> Any future revenue derived through any future sales of graphite exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.
LITIGATION RISK	<ul style="list-style-type: none"> There is a risk that where formal proceedings are commenced against the Company and the Company is unable to successfully negotiate a resolution or defend a matter, or any other proceedings that have been threatened or brought against the Company, an adverse damages order may be made against the Company which may impact on the Company's financial position. The outcome of such proceedings would be subject to the determination of the relevant Court.

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
COMPLIANCE RISK	<ul style="list-style-type: none"> The Company operates in a highly regulated industry and could be exposed to significant compliance costs, which may increase if regulations change.
COMPETITOR RISK	<ul style="list-style-type: none"> The Company competes with various other resource companies in relation to the identification and capture of suitable exploration and production properties. Competition with other companies may also have an impact on recruitment and retention of suitably qualified employees.
CLIMATE RISK	<ul style="list-style-type: none"> There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: <ul style="list-style-type: none"> a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
CORONAVIRUS (COVID-19)	<ul style="list-style-type: none"> The global economy is facing continuing uncertainty due to the COVID-19 pandemic which has had, and will likely continue to have, a significant impact on global capital markets, commodity prices and foreign exchange rates. The continuing impact may reduce the Company's ability to operate and have detrimental financial implications. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on any adverse impact on the Company. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.
OCCUPATIONAL HEALTH AND SAFETY	<ul style="list-style-type: none"> The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.
DEVELOPMENT RISK	<ul style="list-style-type: none"> The ability of the Company to achieve production targets or meet operating and capital expenditure estimates on a timely and accurate basis cannot be assured. The Combined Group may encounter unexpected difficulties, including shortages of materials or delays in delivery of materials, unexpected operational events, facility or equipment malfunctions or breakdowns, unusual or unexpected adverse geological conditions, cost overruns, regulatory issues, adverse weather conditions and other catastrophes, such as explosions, fires, floods and accidents, increases in the level of labour costs and the existence of any labour disputes, and adverse local or general economic or infrastructure conditions. Any delays beyond the expected development periods or increased costs above those expected to be incurred, could have a material adverse effect on the Combined Group's business, financial condition, results of operations, cash flows and ability to pay dividends.

KEY RISKS

1.1 COMPANY SPECIFIC



RISK CATEGORY	RISK
OPERATING RISKS	<ul style="list-style-type: none">The Company’s business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of Mineral Resources and the production of graphite involves significant risks, including environmental and safety hazards, industrial accidents, equipment failure, import/ customs delays, shortage or delays in installing and commissioning plant and equipment, metallurgical and other processing problems, seismic activity, unusual or unexpected rock formations, flooding, fires, or other natural disasters, outbreaks, continuations or escalations of disease (including pandemics), interruption to, or the increase in costs of, services (such as water, fuel or transport), sabotage, community, government or other interference and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production and power facilities, dams, or other properties, and could cause personal injury or death, environmental damage, pollution, delays in mining, increased production costs, monetary losses and possible legal liability. In particular, mining operations involve the use of heavy machinery, which involves inherent risks that cannot be completely eliminated through preventative efforts.
	<ul style="list-style-type: none">Costs of production may be affected by a variety of factors, including changing waste-to-ore ratios, adverse weather conditions, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore grade, metallurgy, labour costs, changes to applicable laws and regulations, general inflationary pressures and currency exchange rates. If faced by the Company, these circumstances could result in the Company not realising its operational or development plans, or in such plans costing more than expected, or taking longer to realise than expected.
	<ul style="list-style-type: none">Any of these outcomes could have an adverse effect on the Company’s financial and operational performance.

KEY RISKS

1.2 INDUSTRY SPECIFIC



RISK CATEGORY	RISK
DEVELOPMENT SUCCESS	<ul style="list-style-type: none"> The Mining Licence in which the Company has an interest is currently in a stage development, and potential investors should understand that development is a high-risk undertaking. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Mining Licence and obtaining all required approvals for its activities.
ENVIRONMENTAL RISK	<ul style="list-style-type: none"> The Company's projects are subject to rules and regulations regarding environmental matters including obtaining the approval of an environmental impact study or assessment depending on location and impacts. As with all mineral projects, the Company's project is expected to have a variety of environmental impacts should development proceed. The Company has been issued with the Environmental permit for development and an Environmental Management Plan is in place with audits done on an annual basis. Any breach of the conditions might lead to a cessation of activities and or the revoking of the environmental permit. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's costs of doing business or affect its operations in any area.
OPERATING RISK	<ul style="list-style-type: none"> The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including: <ul style="list-style-type: none"> a) adverse geological conditions including mineral variability; b) unanticipated operational and technical difficulties encountered in production activities; c) mechanical failure of operating plant and equipment; d) industrial and environmental accidents, industrial disputes and other force majeure events; e) inability to recruit and retain operating staff with specialist rare earth processing experience; f) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and g) inability to obtain necessary consent or approvals. h) collapse of commodity prices.
RESOURCE AND RESERVE ESTIMATES	<ul style="list-style-type: none"> Resource and other estimates of mineral occurrences are expressions of judgment based on knowledge, experience and industry practice. Often these estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates, including those minerals mined may be of a different quality, tonnage or strip ratio from the estimates. Resource and revenue estimates are necessarily imprecise and depend to some extent upon interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to the estimates of mineral resources and/or Ore Reserves could affect the proposed development and mining plans.
TECHNOLOGICAL	<ul style="list-style-type: none"> This risk relates mainly to the threat of substitution of minerals such as lithium and graphite by other materials in the manufacture of batteries and other applications.
CONTRACTUAL	<ul style="list-style-type: none"> General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

KEY RISKS

1.3 GENERAL



RISK CATEGORY	RISK
ECONOMIC	<ul style="list-style-type: none"> General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
MARKET CONDITIONS	<ul style="list-style-type: none"> Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as: <ol style="list-style-type: none"> general economic outlook; introduction of tax reform or other new legislation; interest rates and inflation rates; changes in investor sentiment toward particular market sectors; the demand for, and supply of, capital; and terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.
LITIGATION RISKS	<ul style="list-style-type: none"> The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
DIVIDENDS	<ul style="list-style-type: none"> Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
TAXATION	<ul style="list-style-type: none"> The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.
RELIANCE ON KEY PERSONNEL	<ul style="list-style-type: none"> The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

KEY RISKS

1.3 GENERAL

RISK CATEGORY	RISK
ECONOMIC CONDITIONS AND OTHER GLOBAL/NATIONAL ISSUES	<ul style="list-style-type: none">General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.
	<ul style="list-style-type: none">General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.
	<ul style="list-style-type: none">Specifically, it should be noted that the current evolving conflict between Ukraine and Russia as well as China related tensions are impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of its Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.



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