

WALKABOUT RESOURCES LTD
ACN 119 670 370

ENTITLEMENT ISSUE PROSPECTUS

For a pro-rata non-renounceable entitlement issue of two (2) Shares for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.11 per Share to raise up to \$33,166,842 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 24 August 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offers 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 this 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 Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities 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.

For further information on overseas Shareholders please refer to Section 2.10.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.wkt.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6298 7500 during office hours or by emailing the Company at admin@wkt.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6298 7500.

CORPORATE DIRECTORY

Directors

Michael Elliott
Non-Executive Chair

Andrew Cunningham
Chief Executive

Phil Montgomery
Non-Executive Director

Peter Finnimore
Non-Executive Director

Joint Company Secretaries

Shaun Menezes

Tony Allen

Registered Office

Level 3 681 Murray Street
WEST PERTH WA 6005

Telephone: +61 8 6298 7500
Facsimile: +61 8 6298 7501

Email: admin@wkt.com.au
Website: www.wkt.com.au

Auditor*

HLB Mann Judd (WA) Partnership
Level 4, 130 Stirling Street
PERTH WA 6000

Share Registry*

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
PERTH WA 6000

GPO Box 2975
MELBOURNE VIC 3001

Phone: 1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Email: www.investorcentre.com/contact
Web: www.computershare.com

Legal Advisers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Canaccord Genuity (Australia) Limited
Level 42, 101 Collins Street
MELBOURNE VIC 3000

Corporate Advisor

Brentridge Capital Pty Ltd
Level 36, 1 Farrer Place
SYDNEY NSW 2000

*This entity is included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

TABLE OF CONTENTS

| | | |
|----|--|----|
| 1. | KEY OFFER INFORMATION..... | 1 |
| 2. | DETAILS OF THE OFFER..... | 5 |
| 3. | PURPOSE AND EFFECT OF THE OFFER..... | 13 |
| 4. | RIGHTS AND LIABILITIES ATTACHING TO SECURITIES | 17 |
| 5. | RISK FACTORS | 20 |
| 6. | ADDITIONAL INFORMATION | 33 |
| 7. | DIRECTORS' AUTHORISATION | 41 |
| 8. | GLOSSARY | 42 |

1. KEY OFFER INFORMATION

1.1 Timetable

| Action | Date |
|---|------------------------------|
| Announcement of Rights Issue & Appendix 3B | Monday, 22 August 2022 |
| Lodgement of Prospectus with ASIC & ASX | Wednesday, 24 August 2022 |
| Ex-date | Monday, 29 August 2022 |
| Record Date for determining Entitlements | Tuesday, 30 August 2022 |
| Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed | Thursday, 1 September 2022 |
| Last day to extend the Closing Date | Friday, 16 September 2022 |
| Closing Date as at 5:00pm* | Tuesday, 20 September 2022 |
| Securities quoted on a deferred settlement basis | Wednesday, 21 September 2022 |
| ASX notified of under subscriptions | Thursday, 22 September 2022 |
| Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares | Tuesday, 27 September 2022 |

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary.

1.2 Key statistics of the Offer

Shares

| | Minimum Subscription ¹ | Maximum Subscription ² |
|--|-----------------------------------|-----------------------------------|
| Offer Price per Share | \$0.11 | \$0.11 |
| Entitlement Ratio (based on existing Shares) | 2:3 | 2:3 |
| Shares currently on issue | 452,275,112 | 452,275,112 |
| Shares to be issued under the Offers | 150,000,000 | 301,516,741 |
| Gross proceeds of the issue of Shares | \$16,500,000 | \$33,166,842 |
| Shares on issue post-Offers | 602,275,112 | 753,791,853 |

Notes:

1. Assuming the Minimum Subscription of \$16,500,000 is achieved under the Offers.
2. Assuming the Maximum Subscription of \$33,166,842 is achieved under the Offers.
3. Refer to Section 4.1 for the terms of the Shares.

Share Prepayments

| | Minimum Subscription ¹ | Maximum Subscription ² |
|---|-----------------------------------|-----------------------------------|
| Share subscription prepayment on issue | 2,950,000 | 2,950,000 |
| Share subscription prepayment on issue on completion of the Offers | 2,950,000 | 2,950,000 |

Notes:

1. Refer announcement to the ASX on 25 June 2021 for further details regarding the Battery Metals Group LLC Subscription Shares Settlement mechanism.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

| Director | Shares | Share Entitlement | \$ |
|-------------------|---------------------------|-------------------|-------------|
| Michael Elliott | 22,202,908 ^{1,2} | 14,801,939 | \$1,628,213 |
| Philip Montgomery | Nil | Nil | Nil |
| Peter Finnimore | Nil | Nil | Nil |
| Andrew Cunningham | 1,332,096 ^{3,4} | 888,064 | 97,687 |

Notes:

1. 2,300,000 Shares held directly by Mr Elliott.
2. 3,902,908 Shares indirectly held by Mr Elliott's wife, Catherine Marie Elliott; 5,000,000 Shares indirectly held by Gerroa Services Pty Ltd (a Company in which Mr Elliott is a director and shareholder); and 11,000,000 Shares indirectly held by P&M Zuvic Pty Ltd ATF Elliott Family Super, in which Mr Elliott is a beneficiary.
3. 672,223 Shares held directly by Mr Cunningham.
4. 321,105 Shares held indirectly by Tusker Resources Pty Ltd (a Company in which Mr Cunningham is a director and Shareholder) and 338,768 Shares held indirectly by Mr Cunningham's wife, Ilse Cunningham.

The Board recommends all Shareholders take up their Entitlements. The Directors expect to take up all or most of their respective Entitlement at their discretion and may participate in the Shortfall Offer.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| Shareholder | Shares | % |
|--|------------|------|
| Hong Kong Tiande Baorun Trade Co Limited | 23,043,656 | 5.10 |

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offers.

1.6 Lead Manager

Canaccord Genuity (Australia) Limited (AFSL 234666) (**Lead Manager**) has been appointed as the lead manager of the Offers. Terms of the lead manager mandate and total fees payable are set out in Section 6.4.1 below.

1.7 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Section 2.6, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by up to approximately 40% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

| Holder | Holding as at Record date | % at Record Date | Entitlements under the Offer | Holdings if Offer not taken Up | % post Offer |
|---------------------|---------------------------|------------------|------------------------------|--------------------------------|--------------------|
| Shareholder 1 | 10,000,000 | 2.21% | 6,666,667 | 10,000,000 | 1.33% |
| Shareholder 2 | 5,000,000 | 1.11% | 3,333,333 | 5,000,000 | 0.66% |
| Shareholder 3 | 1,500,000 | 0.33% | 1,000,000 | 1,500,000 | 0.20% |
| Shareholder 4 | 400,000 | 0.08% | 266,667 | 400,000 | 0.05% |
| Shareholder 5 | 50,000 | 0.01% | 33,333 | 50,000 | 0.01% |
| Total Shares | 452,275,112 | | 301,516,741 | | 753,791,853 |

Notes:

1. This is based on the Offer ratio of 2:3.
2. This is based on a share capital of 452,275,112 Shares as at the date of the Prospectus.

3. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a pro-rata non-renounceable entitlement issue of two (2) Shares for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.11 per Share. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming Shares are issued prior to the Record Date) approximately 301,516,741 Shares may be issued under the Offer.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.

2.2 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at <https://wktoffer.thereachagency.com>. Eligible Shareholders may choose any of the options set out in the table below.

| Option | Key Considerations | For more information |
|--|--|------------------------------|
| Take up all of your Entitlement | <ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at https://wktoffer.thereachagency.com. Please read the instructions carefully.Payment can be made by the methods set out in Section 2.3. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. | Section 2.3 and Section 2.4. |
| Take up all of your Entitlement and also apply for Shortfall Securities | <ul style="list-style-type: none">Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at https://wktoffer.thereachagency.com. | Sections 2.3, 2.4 and 2.6. |

| Option | Key Considerations | For more information |
|--|---|-----------------------------|
| | <p>Please read the instructions carefully.</p> <ul style="list-style-type: none"> • Payment can be made by the methods set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. • If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Securities may be scaled-back. • The Company's decision on the number of Shortfall Securities to be allocated to you will be final. | |
| Take up a proportion of your Entitlement and allow the balance to lapse | <ul style="list-style-type: none"> • If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus and can be accessed at https://wktoffer.thereachagency.com for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form. | Section 2.3 and Section 2.4 |
| Allow all or part of your Entitlement to lapse | <ul style="list-style-type: none"> • If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. | N/A |

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.3 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00PM (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please contact the Company Secretary on +61 8 6298 7500. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

(c) Payment by offset of debt

Please refer to Section 2.7.

(d) **By Cheque**

Payment by cheque will not be accepted.

2.4 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

The minimum subscription in respect of the Offers is \$16,500,000.

No Securities will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.11 being the price at which Shares have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Sections 2.3.

The Board presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to parties who, as at the date of this Prospectus, the Company owes money to (e.g., through debt agreements, financing facilities or as any other creditor); and then

- (c) to other parties identified by the Directors, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer and as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.7 Payment by Offset of Debt

If, as at the date of this Prospectus, the Company owes you money (e.g., through debt agreements, financing facilities or as any other creditor), you are permitted to pay for your Entitlement by way of offset of the Application Monies against those amounts owing to you by the Company.

To elect to satisfy the Application Monies in respect of your Entitlement by converting some of all of the existing debt owed to you by the Company, you will need to contact the Company Secretary on +61 8 6298 7500.

This will require you specifying the total amounts owing to you by the Company for which you intend to offset payment under the Offers, which will be based on an issue price of \$0.11 per Share. For clarity, the payment by way of offsetting does not enable any creditor Shareholders to take up more Shares under the Offers than if the facility was not available. That is, creditor Shareholders may only convert the amount owed to them (including interest accrued on debt) by the Company for Application Monies in respect of application of Shares under their Entitlement, for Shortfall Shares.

The offset will be undertaken on a dollar-for-dollar basis (subject to foreign exchange conversion) at the issue price of the Offers (being \$0.11 per Share), and, in the case of any fractional entitlements, the number of Shares arising from the conversion of the debt shall be rounded up to the nearest whole number.

To the extent that Entitlements are taken up through the use of the offsetting debt facility, the debt payable to creditor relevant Shareholders will reduce by the equivalent amount from the effective cash proceeds of the Offers.

2.8 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

2.9 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offer will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.10 Overseas shareholders

This Offer does not, and is 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 this 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, the Offers 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.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United Kingdom

Neither the information in this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of Shares. This presentation is issued on a confidential basis to "qualified investors" (within the meaning of Article 2(e) of the UK Prospectus Regulation) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of this presentation, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This presentation should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company. In the United Kingdom, this prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (FPO), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this presentation relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this presentation or any of its contents.

Hong Kong

WARNING: The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

United States

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States. In addition, outside the United States, the rights are only entitled to be acquired or exercised, and the Shares may only be offered and sold, in "offshore transactions" (as defined by Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

Singapore

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document relating to the Shares may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the SFA) or another exemption under the SFA. This Prospectus has been given to you on the basis that you are an existing holder of the Company's Shares. If you are not such a shareholder, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore. Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

European Union

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this presentation may not be made available, nor may the Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purpose of the Offer is to raise a minimum of \$16,500,000 and up to and a maximum of \$33,166,842, before costs to enable it to fully fund construction and commissioning of the Lindi Jumbo Graphite Mine in Q1 2023 ahead of ramp up of graphite production.

The Company currently has several active parallel funding initiatives including the continuation of the negotiations towards drawdown of the CRDB debt. The Company has received a commitment from CRDB to allow US\$10m drawdown on the posting of US\$10m of collateral. The Company is awaiting CRDB determination as to the level of additional collateral to be provided to enable full debt drawdown.

Other parallel funding options currently under negotiation are:

- (a) prepayment on product offtake;
- (b) alternative secured debt; and
- (c) structured Finance Loan.

A final determination of the total amount raised under the Offer will be made at the close of the offer period in conjunction with any final debt facility resolution.

Depending on the success of these parallel initiatives, Walkabout may not require the maximum subscription to be raised via the Offer.

The funds raised from the Offer are intended to be applied in accordance with the table set out below:

| Scenario | Minimum Subscription and Debt Funding | Maximum Subscription ² |
|------------------------------------|---------------------------------------|-----------------------------------|
| SOURCE OF FUNDS | AUD | AUD |
| Capital Raised | 16,500,000 | 33,166,842 |
| Debt Funding | 28,985,500 | - |
| TOTAL | 45,485,500 | 33,166,842 |
| | | |
| USE OF FUNDS | | |
| Project Completion | 27,800,000 | 27,800,000 |
| Debt Collateral | 14,490,000 | - |
| Expenses of the Offer ¹ | 865,000 | 2,455,000 |
| Corporate Treasury Funds | 800,000 | 800,000 |
| Working capital | 1,530,500 | 2,111,842 |
| Total | 45,485,500 | 33,166,842 |

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Offer.
2. As set out at Section 2.7, a Shareholder who is also owed money by the Company may elect to pay for their Entitlement or application under the Shortfall Offer by means of offsetting some or all of the existing debt owed to them by the Company. To the extent that Shares are subscribed through the offsetting debt facility, the working capital will reduce, and the equivalent amount will go towards general debt/creditor repayment.

The Board advises that it will not proceed with completion of the Offer, unless it reasonably believes that the Company will have access to sufficient funding to enable it to achieve its stated objectives. If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act.

It should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations. The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements and no shares are accepted prior to the Record Date, will be to:

- (a) increase the cash reserves immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 452,275,112 as at the date of this Prospectus up to 753,791,853 Shares.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted under the Maximum Subscription prior to the Record Date, is set out below.

Shares

| | Number |
|---|--------------------|
| Shares currently on issue | 452,275,112 |
| Shares offered pursuant to the Offers | 301,516,741 |
| Total Shares on issue after completion of the Offers | 753,791,853 |

No Shares on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2022 and the unaudited pro-forma balance sheet as at 30 June 2022 shown below have been prepared on the

basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offers.

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.

| | UNAUDITED 30/6/22 | PROFORMA Maximum Raise | PROFORMA Minimum Raise |
|----------------------------------|----------------------|------------------------------|---------------------------|
| | \$ | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash | 1,018,843 | 31,730,685 | 45,639,343 |
| Other current assets | 1,107,867 | 1,107,867 | 1,107,867 |
| TOTAL CURRENT ASSETS | 2,126,710 | 32,838,552 | 46,747,210 |
| | | | |
| NON-CURRENT ASSETS | | | |
| Trade and other receivables | 9,758 | 9,758 | 9,758 |
| Mine Properties | 32,421,243 | 32,421,243 | 32,421,243 |
| Plant and equipment | 135,468 | 135,468 | 135,468 |
| Deferred exploration/evaluation | 2,328,148 | 2,328,148 | 2,328,148 |
| TOTAL NON-CURRENT ASSETS | 34,894,617 | 34,984,617 | 34,984,617 |
| | | | |
| TOTAL ASSETS | 37,021,327 | 67,733,169 | 81,641,827 |
| | | | |
| CURRENT LIABILITIES | | | |
| Creditors and borrowings | 5,616,400 | 5,616,400 | 5,616,400 |
| TOTAL CURRENT LIABILITIES | 5,616,400 | 5,616,400 | 5,616,400 |
| | | | |
| NON-CURRENT LIABILITIES | | | |
| Loan | - | - | 28,985,500 |

| | UNAUDITED 30/6/22 | PROFORMA Maximum Raise | PROFORMA Minimum Raise |
|--|----------------------|------------------------------|---------------------------|
| | \$ | \$ | \$ |
| TOTAL NON-CURRENT LIABILITIES | - | - | 28,985,500 |
| TOTAL LIABILITIES | 5,616,400 | 5,616,400 | 34,601,900 |
| | | | |
| NET ASSETS (LIABILITIES) | 31,404,927 | 62,116,769 | 47,039,927 |
| | | | |
| EQUITY | | | |
| Share capital | 97,936,740 | 128,648,582 | 113,571,740 |
| Options Reserve | 580,183 | 580,183 | 580,183 |
| Retained loss | (67,111,996) | (67,111,996) | (67,111,996) |
| TOTAL EQUITY | 31,404,927 | 62,116,769 | 47,039,927 |

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

| Risk Category | Risk |
|---------------|---|
| Going Concern | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |

| Risk Category | Risk |
|---|--|
| Potential for dilution | <p>In addition to potential control impacts set out in Section 1.7, 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).</p> <p>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.</p> <p>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.</p> |
| Delay to Tanzanian debt facility | <p>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.</p> <p>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.</p> <p>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</p> <p>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.</p> |
| Suspension of Shares on ASX | <p>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.</p> <p>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</p> |

| Risk Category | Risk |
|----------------------------|---|
| | <p>the Company is able to access alternate funds.</p> <p>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.</p> |
| BMCG Repayment Risk | <p>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.</p> <p>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.</p> <p>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.</p> |
| Construction Risk | <p>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.</p> |
| Sovereign Risk | <p>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.</p> <p>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</p> |

| Risk Category | Risk |
|--|---|
| | <p>undertake exploration and development activities in the manner currently contemplated.</p> <p>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.</p> |
| Exploration and development risks | <p>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:</p> <ul style="list-style-type: none"> (a) the discovery and/or acquisition of economically recoverable reserves; (b) access to adequate capital for project development; (c) design and construction of efficient development and production infrastructure within capital expenditure budgets; (d) securing and maintaining title to interests; (e) obtaining consents and approvals necessary for the conduct of exploration, development and production; and (f) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants. <p>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.</p> <p>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.</p> <p>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</p> |

| Risk Category | Risk |
|--|--|
| | <p>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.</p> <p>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.</p> |
| Trading price of the Company Shares | <p>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.</p> <p>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.</p> |
| Title Risk | <p>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.</p> |

| Risk Category | Risk |
|--|---|
| | <p>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.</p> |
| Foreign Exchange Rate Risk | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| Licence applications and renewal risk | <p>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.</p> <p>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.</p> |
| Commodity Price Volatility | <p>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</p> |

| Risk Category | Risk |
|------------------------|---|
| | 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 | 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. |
| Compliance risk | The Company operates in a highly regulated industry and could be exposed to significant compliance costs, which may increase if regulations change. |
| Competitor risk | 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 | <p>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:</p> <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 |

| Risk Category | Risk |
|---------------------------------------|---|
| | which the Company operates. |
| Coronavirus (COVID-19) | <p>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.</p> |
| Occupational health and safety | <p>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.</p> |
| Development risk | <p>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.</p> <p>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.</p> <p>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.</p> |
| Operating Risks | <p>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</p> |

| Risk Category | Risk |
|---------------|---|
| | <p>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.</p> <p>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.</p> <p>Any of these outcomes could have an adverse effect on the Company's financial and operational performance.</p> |

5.3 Industry specific

| Risk Category | Risk |
|----------------------------|---|
| Development Success | <p>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.</p> <p>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.</p> |
| Environmental Risk | <p>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</p> |

| Risk Category | Risk |
|---------------------------------------|---|
| | <p>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.</p> |
| Operating Risk | <p>The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:</p> <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 | <p>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.</p> |
| Technological | <p>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.</p> |

| Risk Category | Risk |
|--------------------|--|
| Contractual | 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. |

5.4 General risks

| Risk Category | Risk |
|--------------------------|--|
| Economic | 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 | <p>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:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>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.</p> |
| Litigation risks | 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 | 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 |

| Risk Category | Risk |
|--|---|
| | be given by the Company. |
| Taxation | <p>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.</p> <p>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.</p> |
| Reliance on key personnel | <p>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.</p> |
| Economic conditions and other global or national issues | <p>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.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>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.</p> |

5.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

| Date | Description of Announcement |
|------------|------------------------------------|
| 30/09/2021 | Appendix 4G - Corporate Governance |
| 30/09/2021 | Corporate Governance Statement |
| 21/10/2021 | Scotland Exploration Update |

| Date | Description of Announcement |
|------------|--|
| 25/10/2021 | Walkabout's Tanzanian Vaccination Program |
| 25/10/2021 | Lindi Jumbo Project Update |
| 29/10/2021 | Quarterly Appendix 5B Cash Flow Report |
| 29/10/2021 | Quarterly Activities Report |
| 29/10/2021 | Letter to Shareholders |
| 29/10/2021 | Notice of Annual General Meeting/Proxy Form |
| 11/11/2021 | Application for quotation of securities - WKT |
| 11/11/2021 | Cleansing Notice |
| 29/11/2021 | Lindi Jumbo Project Update |
| 30/11/2021 | Chairman's Address to Shareholders |
| 30/11/2021 | Annual General Meeting 2021 Presentation |
| 30/11/2021 | Results of Meeting |
| 17/12/2021 | Notification of cessation of securities - WKT |
| 17/12/2021 | Change of Director's Interest Notice |
| 20/12/2021 | Change of Director's Interest Notice (Corrected) |
| 21/12/2021 | Lindi Jumbo Project Update |
| 04/01/2022 | Scotland Project Update |
| 07/01/2022 | Application for quotation of securities - WKT |
| 07/01/2022 | Cleansing Notice |
| 20/01/2022 | Application for quotation of securities - WKT |
| 20/01/2022 | Cleansing Notice |
| 20/01/2022 | Ceasing to be a substantial holder |
| 31/01/2022 | Appendix 5B - Quarterly Cash Flow Report |
| 31/01/2022 | Quarterly Activities Report |
| 21/02/2022 | Retraction of Annual General Meeting 2021 Presentation |
| 17/03/2022 | Half Yearly Report and Accounts |
| 18/03/2022 | Shareholder Roadshows |
| 29/03/2022 | Investor Presentation |
| 29/04/2022 | Appendix 5B - Quarterly Cash Flow Report |
| 29/04/2022 | Quarterly Activities Report |
| 31/05/2022 | Trading Halt |
| 02/06/2022 | Suspension from Official Quotation |
| 06/06/2022 | Lindi Jumbo Project Update - Delay of Debt Drawdown |
| 09/06/2022 | Voluntary Suspension Extension Request |

| Date | Description of Announcement |
|------------|---|
| 16/06/2022 | Lindi Jumbo Project Update |
| 21/06/2022 | Drilling at Blackcraig Confirms High-Grade Mineralisation |
| 8/07/2022 | Lindi Jumbo Project Update |
| 29/07/2022 | Lindi Jumbo Binding Sales Agreement |
| 29/07/2022 | Quarterly Activities Report |
| 29/07/2022 | Appendix 5B - Quarterly Cash Flow Report |
| 4/08/2022 | Voluntary Suspension Extension Request |
| 22/08/22 | Rights Issue to Raise up to A\$33.17 million |
| 22/08/22 | Proposed issue of securities - WKT |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.wkt.com.au.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

| | (\$) | Date |
|---------|---------|-------------------|
| Highest | \$0.225 | 30 May 2022 |
| Lowest | \$0.205 | 25 to 27 May 2022 |
| Last | \$0.215 | 30 May 2022 |

6.4 Material Contracts

6.4.1 Lead Manager Mandate

The Company has signed a mandate letter to engage Canaccord Genuity (Australia) Limited to act as lead manager of the Offers (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

| Fees | <p>Under the terms of this engagement, the Company will pay the Lead Manager:</p> <p>(a) a management fee of 2% of total funds raised under the Prospectus (plus GST);</p> <p>(b) a selling fee of 5% of the total funds raised from the Shortfall Offer by Canaccord or third parties procured by Canaccord;</p> |
|------|---|
|------|---|

| | |
|---------------------------|--|
| | <p>(c) an incentive fee of A\$175,000 if the Minimum Subscription is raised pro-rated up to a maximum of A\$350,000 should the Maximum Subscription be raised under the Offers; and</p> <p>(d) any reasonable disbursements and out of pocket expenses, which will be agreed upon between the Lead Manager and the Company prior to their incursion.</p> |
| Termination Events | <p>The Lead Manager may terminate this agreement by written notice at any time.</p> <p>The Company may terminate this agreement by providing the Lead Manager with 3 months' written notice at the following times only:</p> <p>(a) at any time prior to the Prospectus being lodged with ASIC by the Company; or</p> <p>(b) at any time after the Prospectus has been lodged but the Company subsequently withdraws the Prospectus or the Offer or otherwise publicly announces that it will not proceed with the Offer or any similar capital raising.</p> |

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

6.4.2 Corporate Advisory Mandate

The Company has signed a mandate letter to engage Brentridge Capital Pty Limited (**Brentridge**) to act as corporate advisor to the Company (**Corporate Advisory Mandate**), the material terms and conditions of which are summarised below:

| | |
|---------------------------|---|
| Role of Brentridge | Pursuant to the terms of the Corporate Advisory Mandate, Brentridge will act as corporate advisor to the Company on matters related to the Offers. |
| Fees and Expenses | <p>Under the terms of this engagement, the Company will pay Brentridge:</p> <p>(a) an advisory fee equal to 1.5% of the total funds raised under the Prospectus;</p> <p>(b) a selling fee equal to 5% of the amount raised under the Shortfall Offer by Brentridge or third parties procured by Brentridge; and</p> <p>(c) any reasonable disbursements and out of pocket expenses, directly related to the Offers.</p> |
| Termination Events | The Company may terminate the Corporate Advisory Mandate at any time before any of the Offer is taken up by eligible shareholders if Brentridge fails to rectify any material breach of the Corporate Advisory Mandate having been given 10 business days' notice in writing by the Company of such breach having occurred. |

| | |
|--------------------------|---|
| | Brentridge may terminate the Corporate Advisory Mandate at any time, on 10 business days' notice in writing to the Company. |
| Future Financings | The Company agrees to offer Brentridge to act in the capacity of corporate advisor in any further equity capital raisings undertaken by the Company within 12 months of the completion of the Offer. Any such additional engagements will be governed by separate agreements. |

The Corporate Advisor Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions

by each non-executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2021 Annual Report.

| Director | FY ending 2021 | FY ending 2022 |
|-------------------|----------------|----------------|
| Michael Elliott | \$20,000 | \$86,667 |
| Philip Montgomery | Nil | \$82,500 |
| Peter Finnimore | Nil | \$82,500 |
| Andrew Cunningham | \$255,400 | \$321,250 |

6.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or

(h) the Offer.

Canaccord Genuity (Australia) Limited has acted as the lead manager of the Offer. The Company estimates it will pay Canaccord Genuity (Australia) Limited \$505,000 for the Minimum Subscription or \$1,850,000 for the Maximum Subscription (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Canaccord Genuity (Australia) Limited has not received any fees from the Company for any other services

Brentridge Capital Pty Ltd has acted as the lead manager of the Offer. The Company estimates it will pay Brentridge Capital Pty Ltd a minimum of \$247,500 for the Minimum Subscription or \$497,503 for the Maximum Subscription (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Canaccord Genuity (Australia) Limited has not received any fees from the Company for any other services

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$89,753 (excluding GST and disbursements) for legal services provided to the Company.

6.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Canaccord Genuity (Australia) Limited has given its written consent to being named as the lead manager to the Offer in this Prospectus.

Brentridge Capital Pty Ltd has given its written consent to being named as the corporate advisor to the Offer in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

6.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$865,000 on raising Minimum Subscription and \$2,455,000 on Maximum Subscription (excluding GST) and are expected to be applied towards the items set out in the table below:

| | Minimum Subscription (\$) | Maximum Subscription (\$) |
|---------------------------|------------------------------|------------------------------|
| ASIC fees | 3,206 | 3,206 |
| ASX fees | 40,537 | 40,537 |
| Legal fees | 15,000 | 15,000 |
| Printing and distribution | 10,000 | 10,000 |
| Broker Fees | 752,500 | 2,344,182 |
| Miscellaneous | 43,757 | 42,075 |
| Total | 865,000 | 2,455,000 |

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Michael Elliott
Chairman
For and on behalf of
WALKABOUT RESOURCES LIMITED

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Walkabout Resources Ltd (ACN 119 670 370).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Offers means the Offer and the Shortfall Offer

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

WST means Western Standard Time as observed in Perth, Western Australia.