

ASX ANNOUNCEMENT

LINDI JUMBO PROJECT - GEOLOGY

Lindi Jumbo Project Update and Potential Exploration Targets

Highlights

22 October 2015

- Initial diamond drilling program completed
- Diamond twinning of RC hole correlates well with initial findings confirming wide graphite intersections with visible jumbo flakes
- Drilling completed to facilitate definition of maiden resource within the Gilbert ARC antiformal structure
- Additional near surface graphite targets identified within the western VTEM Zone for further drilling during phase 2 exploration

Overview

Perth-based African-focussed junior explorer Walkabout Resources (ASX:WKT) is pleased to report that activities on site for the maiden drilling campaign are winding down. An additional 200m of RC drilling will be completed this weekend.

The exploration target for the western VTEM zone is estimated at approximately 12 to 29 million tonnes of graphite bearing ore of which the grade is unknown. The target range is based on mapped graphitic outcrops and surface samples which overlap with the VTEM targets and further supported by drilling.

The company's strategy is to develop a small, shallow, large flake and high grade resource which has resulted in drilling being fast-tracked within the Gilbert Arc prospect area in order to provide adequate drill cover for the definition of a maiden resource.

Allan Mulligan, Managing Director of Walkabout commented, *"While our initial focus is on the Gilbert Arc area with extensive graphite zones and visible jumbo flakes, it is pleasing to know that significantly more graphite is potentially available within the western VTEM zone for further exploration and continued project growth. Furthermore, we have not yet considered the central VTEM zone with its significant exploration potential or the mapped outcrops and high grade surface samples from the eastern zone."*

"We are not developing a boutique-project at Lindi Jumbo, we are following a carefully considered, sensible development strategy to conserve funds and mitigate market risk. There is definitely no shortage of graphite at Lindi Jumbo!" Mulligan further stated.

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Exploration Targets Western Zone

Multiple VTEM targets were modeled within the western VTEM zone within PL9992/2014. The targets were interpreted to be conductive graphitic schist horizons within a highly prospective and known graphite region. The combined strike length of these priority targets is in excess of 6.5km with many of the targets coinciding with graphitic outcrops containing high grade, large flake surface samples. (ASX reports 30/10/2104, 24/11/2014, 14/05/2015, 03/06/2015)

First pass RC drilling has confirmed graphitic horizons (schists and gneisses) close to surface in each of the drilled VTEM anomalies. The Exploration Target within the western VTEM zone is estimated at approximately 12 to 29 million tonnes of graphite bearing ore of which the grade is unknown.

Target Zone West	Low	Mid	High	
	million tonnes in situ			
VTEM Target 1 & 2	1.2	2.2	3.3	2 Drill Holes
VTEM Target 3	0.2	0.4	0.6	
Gilberts Arc	6	9	12	16 Drill Holes
VTEM Target 7	0.6	1.0	1.5	1 Drill Hole
VTEM Target 9, 10 & 11	0.2	0.5	0.8	
VTEM Target 12	0.1	0.2	0.3	
VTEM Target 13	0.9	1.4	2.0	
VTEM Target 14 & 15	2.8	5.7	8.5	1 Drill Hole
Totals	12	20.4	29	

Table 1. Lindi Jumbo Graphite Project exploration targets within the western VTEM zone. TGC grade is currently unknown for the purposes of Target Exploration.

The range of Exploration Targets within the western VTEM zone is based on mapped graphitic outcrops which overlap with the VTEM targets and are further supported by drilling within some of these target areas. The potential quantity is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resources.

It should not be expected that the quality of the Exploration Targets is equivalent to that of Mineral Resources. Exploration Targets will be tested with future exploration activities in alignment with company's exploration and business strategy.

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The Exploration Target for Gilbert Arc is estimated at approximately 6 to 12 million tonnes of graphite bearing ore of which the grade is currently unknown. Surface samples over the prospect have returned between 2.3% and 43.8% TGC. (ASX report 14/5/2015)

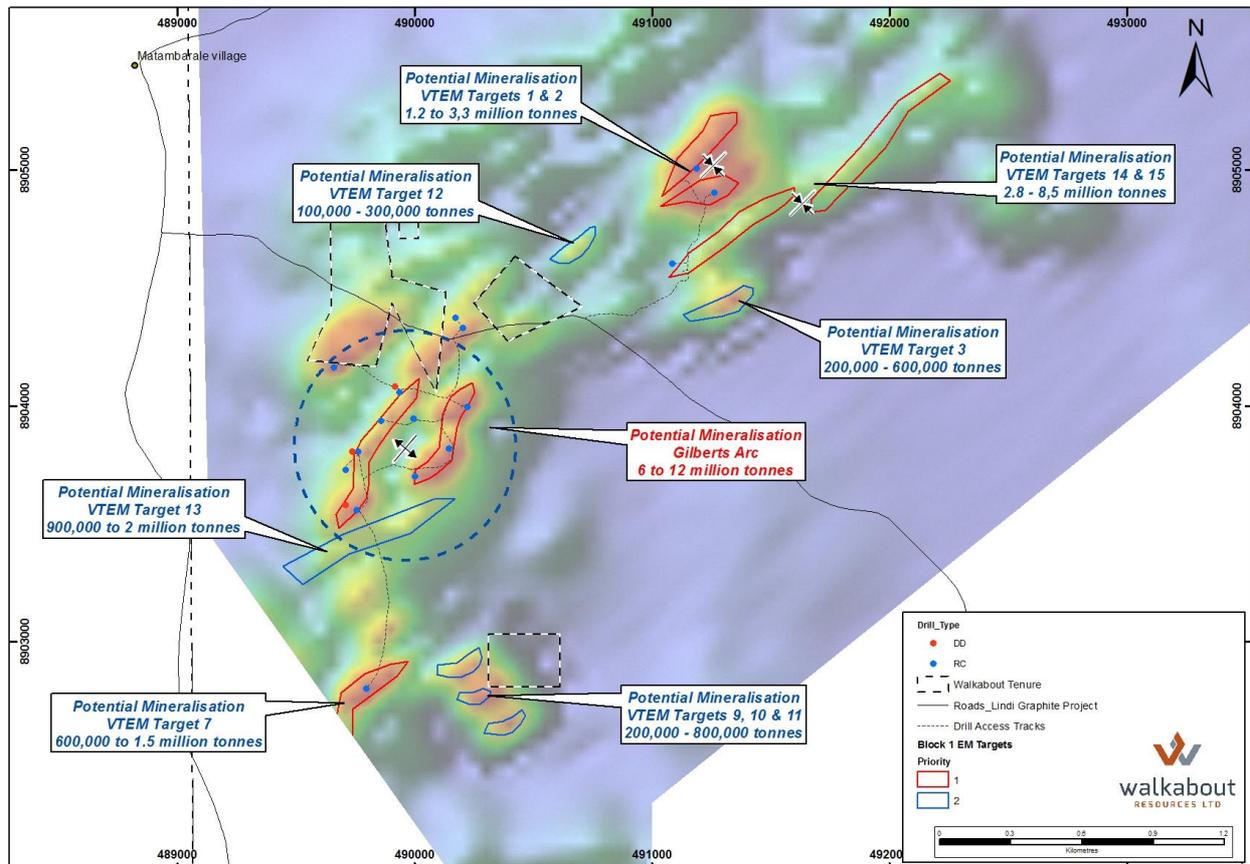


Figure 1: Phase 1 and phase 2 exploration target ranges for the western VTEM zone within PL 9992/2014.

Drilling Report

Drilling has confirmed the initial interpretation that Gilbert Arc is an antiformal structure, with shallow dipping flanks hosting multiple horizons of graphitic schists and gneisses with a strike length in excess of 1km.

Drilling was planned along the flanks of the antiform with drill lines approximately 100m apart and holes approximately 50m to 70m apart on these lines. First pass holes along Gilbert Arc have intersected shallow and often massive graphitic horizons up to 47m in thickness, sometimes with multiple graphitic horizons present in one hole.

The diamond drilling campaign of 215m to collect adequate and representative metallurgical samples for ore characterisation and flake size test work has now been completed. Core is currently being cut and logged for despatch to the laboratory based in Perth.

The holes also confirmed dip and strike of the orebody as well as geometry and thickness of graphitic layers as intersected through the RC drillholes on the representative sections.

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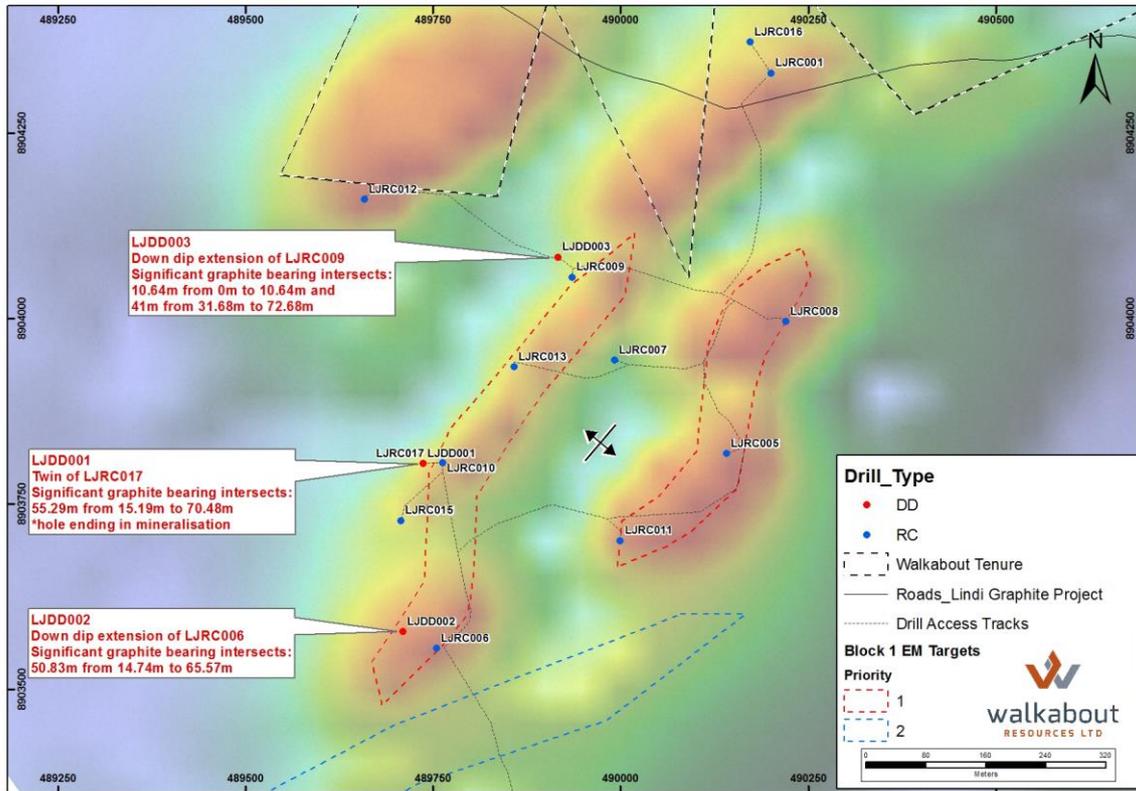


Figure 2: Results and locations of the metallurgical diamond drill holes within Gilbert Arc on PL 9992/2014.

The western limb of the Gilbert Arc appears to host wide intersections of massive graphite from shallow depths. Five of six holes on the western limb returned massive graphite in excess of 15m wide from shallow depths which have been further confirmed through the diamond drilling (see release ASX 05 Oct 2015).

Hole ID	Intersect	mFrom	mTo	Flake Size	Lithology
LJDD001	6.9	15.2	22.06	Jumbo	Graphite Schist
LJDD001	1.0	22.1	23.06	Fine	Dolomite
LJDD001	10.3	23.1	33.39	Jumbo	Graphite Schist
LJDD001	0.6	33.4	34.0	Medium	Dolomite
LJDD001	9.4	34.0	43.43	Large	Graphite Gneiss
LJDD001	4.8	43.4	48.2	Medium	Graphite Gneiss
LJDD001	22.3	48.2	70.48	Jumbo	Graphite Schist
LJDD002	4.5	14.7	19.2	Medium	Graphite Gneiss
LJDD002	16.5	19.2	35.7	Large	Graphite Schist
LJDD002	16.1	35.7	51.8	Jumbo	Graphite Schist
LJDD002	4.4	51.8	56.4	Jumbo	Graphite Schist
LJDD002	2.9	56.4	59.3	Large	Pegmatite
LJDD002	6.3	59.3	65.6	Jumbo	Graphite Schist
LJDD003	4.7	11.0	15.74	Large	Graphite Schist
LJDD003	4.8	18.6	23.42	Medium	Graphite Biotite Schist
LJDD003	8.3	23.4	31.68	Medium	Graphite Biotite Gneiss
LJDD003	41.0	31.7	72.68	Large	Graphite Biotite Schist

Table 2: Logged results of diamond drilling at Gilbert Arc

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Photo 1: Massive graphite core from diamond drill hole number LJDD001

Lindi Jumbo Graphite Project

Walkabout intends to fast track the exploration at Lindi Jumbo to validate the deposit, graphite grade, concentrate product grade and flake size distribution. These results will enable the early introduction of an end-user market partner to secure product off-take and clarify operational right-sizing.

A small, high grade and functional resource of between 5 to 10 million tonnes will be adequate to plan a first stage modular mining operation and initiate partnership discussions with an end-user group.

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

ENDS

For further information contact: Allan Mulligan – Managing Director
+61 8 6298 7500 (T) allanm@wkt.com.au

Competent Persons Statement

The information in this report that relates to exploration results is based on information compiled by Mr Andrew Cunningham who is a Member of the Australasian Institute of Mining and Metallurgy and a contract employee of Walkabout Resources Ltd. Mr Cunningham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Cunningham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Table 3: Drill Hole Locations on PL9992/2014

HOLE NUMBER	EAST	NORTH	DIP/AZI	ELEVATION	CURRENT DEPTH	GRAPHITE FROM	TOTAL GRAPHITE INTERSECTE	THICKEST GRAPHITE INTERSECTIO	MASSIVE GRAPHITE INTERSECTION	COMMENT
	m	m	deg	m	m	m	m	m	m	Down-hole measurements
LJRC001	490200	8904331	60/120	243	59	13	34	19	0	High grade graphitic schist from 13m
LJRC002	491083	8904602	-90	234	68	NA	0	0	0	Off trend - Water hole
LJRC003	491259	8904904	60/145	226	66	28	8	7	0	Graphitic schist and biotite from 28m
LJRC004	491185	8905007	60/325	230	102	17	26	8	0	Graphitic schist and biotite from 17m
LJRC005	490141	8903818	60/300	228	70	8	21	8	0	Graphitic schist and gneiss from 8m
LJRC006	489754	8903556	60/120	230	67	11	30	21	28	Massive graphite with visible flakes from 11-32m and 34-41m
LJRC007	489992	8903944	-90	232	40	19	2	2	0	Off trend - Sporadic graphitic dolomite
LJRC008	490220	8903996	60/300	229	41	9	11	9	2	Massive graphite from 9-11m and graphitic schist and gneiss
LJRC009	489935	8904056	60/120	228	55	1	49	36	42	Massive graphite with visible flakes from 3-9m and 17-53m
LJRC010	489762	8903806	60/120	214	61	7	49	36	46	Massive graphite with visible flakes from 7-23m and 29-61m
LJRC011	489999	8903701	60/300	227	41	5	34	34	2	Massive graphite from 9-11m then graphitic schist and gneiss
LJRC012	489658	8904161	60/320	221	40	3	33	33	1	Massive graphite from 3-4m then graphitic schist to 36m
LJRC013	489858	8903935	60/320	218	70	3	56	36	0	Graphitic schist from 3-39m then 42-53m and 57-69m
LJRC014	489795	8902800	60/145	234	65	3	34	34	1	1m Massive graphite from 3m then graphitic schist
LJRC015	489707	8903728	60/120	223	67	13	46	30	46	All intersections massive graphite with visible flakes
LJRC016	490172	8904373	60/120	230	51	3	17	12	12	12m of massive graphite from 30m with visible flakes
LJRC017	489736	8903805	60/120	224	98	15	75	47	18	Massive graphite with visible flakes from 15-33m and from 49m to EOH
LJDD001	489736	8903805	60/120	213	70.48	14	46	22	32	Massive graphite with visible flake from 23-33 & 48-70m and beyond EOH
LJDD002	489709	8903578	60/120	224	68.74	2	53	51	26	Massive graphite with visible flakes from 36-56m and 59-65m
LJDD003	489916	8904083	60/120	227	75.74	1	67	54	48	Massive graphite with visible flakes from 2-4m, 5-10 and 31-72m

* Shaded areas are within the Gilbert Arc target area

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JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Diamond drilling (DD) was done to collect adequate samples for metallurgical and ore characterization testwork. Graphitic zones were sampled (1/2 and ¼ HQ3 core) using a diamond saw. All DD intervals were geologically logged by a suitably qualified geologist and mineralized intersects (graphitic zones) will be dispatched to Perth for testwork.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> DD was conducted by Kuchimba Drilling using a SA1300 fully hydraulic track-mounted DD Drill rig. Core size was HQ3 (61.1mm diameter) and was orientated using a Reflex orientation tool.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between 	<ul style="list-style-type: none"> Sample recovery was measured and recorded for each core run Downhole depths were validated against core blocks and drillers sheets Minor core loss was recorded in the weathered zone

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Criteria	JORC Code explanation	Commentary
	<i>sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All drillholes were geologically logged in full by an independent geologist. • All data is initially captured on paper logging sheets, and transferred to pre-formatted excel tables and loaded into the project specific drillhole database. • The logging and reporting of visual graphite percentages on preliminary logs is semi-quantitative • All logs are checked and validated by an external geologist before loading into the database. Logging is of sufficient quality for current studies.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Half and quarter core samples were cut using a core saw • Individual meter samples within graphitic zones were packed and sealed in clearly labeled plastic bags for transport to Perth for further testwork
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of</i> 	<ul style="list-style-type: none"> • NA (Samples for metallurgical characterization testwork)

A S X A N N O U N C E M E N T

Criteria	JORC Code explanation	Commentary
	<i>accuracy (ie lack of bias) and precision have been established.</i>	
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • An external geological consultant conducted a site visit in September 2015 during the drilling program to observe all drilling and sampling procedures. All procedures were considered industry standard, well supervised and well carried out. Sample interval checks will also be done by verifying the logs against the core photos. • All data is initially captured on paper logging sheets, and transferred to pre-formatted excel tables and loaded into the project specific drillhole database. Paper logs are scanned and stored on the companies server. Original logs are stored at a secure facility in Dar Es Salaam.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Collar positions were set out using a handheld Garmin GPS with reported accuracy of 5m and reported using WGS84, sutm Zone 37. • Three pegs were lined up using a Suunto compass and a rope laid out on the ground between the three pegs to align the rig. Once the drilling was complete the final collar position was recorded using a handheld Garmin GPS. • Downhole surveys (dip and azimuth) were taken using a Reflex electronic multi shot instrument.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Drilling within the Gilbert Arc prospect area was done on a drill lines approximately 100m apart with holes approximately 50 to 70m apart on these lines. • The drilling is at exploration level and no resource is reported • No sample compositing has been done.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Surface mapping and interpretation of the VTEM data shows that the lithologies dip between 30 and 50 degrees to both the NW and SE on the limbs of various antiforms and synforms in the area. • Drillholes were planned to intersect the lithology/mineralisation at right angles.

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Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Core trays are logged on site and transported to the exploration camp for processing. Cut samples are packed and sealed in plastic bags and stored securely before transported via a courier company to SGS in Mwanza for despatching to Perth.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> An external geological consultant conducted a site visit in September 2015 during the drilling program to observe all drilling and sampling procedures. All procedures were considered industry standard, well supervised and well carried out.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The drilling was located on one granted Exploration License (PL9992/2014). Walkabout holds 75% interest in the tenure. The company is not aware of any impediments relating to the licenses or area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> As far as the company is aware no exploration for graphite has been done by other parties in this area. Some gemstone diggings for tourmaline are present in the PL.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The project area is situated in the Usagaran of the Mozambique belt and consists of graphitic gneisses and schists interpreted to occur along the flanks of various synforms in the area with the lithological units dipping at between 30 and 50 degrees to the NW and SE.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole 	<ul style="list-style-type: none"> Drillhole coordinates and orientations are provided in Table 3 of this report. This statement relates to Exploration Results.

A S X A N N O U N C E M E N T

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> ● <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	
Data aggregation methods	<ul style="list-style-type: none"> ● <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> ● <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> ● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> ● No assay results are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● <i>These relationships are particularly important in the reporting of Exploration Results.</i> ● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> ● <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i> 	<ul style="list-style-type: none"> ● The drilling is at right angles to the mapped strike of the outcropping lithologies. ● All intercepts are reported as down-hole lengths and are aimed at being as perpendicular to mineralisation as practical.
Diagrams	<ul style="list-style-type: none"> ● <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> ● A drillhole plan is provided in Figure 2.
Balanced reporting	<ul style="list-style-type: none"> ● <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> ● No drillhole assay results are reported.
Other substantive exploration	<ul style="list-style-type: none"> ● <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological</i> 	<ul style="list-style-type: none"> ● Previous announcements include the release of assay data related to surface “dig and

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data	<i>observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	grab” samples, the results of an Airborne VTEM Survey as well as the initial results of an RC drilling program.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Exploration drilling is ongoing. Further holes are planned to test targets generated through the VTEM survey and surface mapping with the aim of delineating a maiden resource.