

10 June 2015

Dear Shareholder

Walkabout Resources Ltd – pro-rata non-renounceable entitlement issue

As announced on 4 June 2015, Walkabout Resources Ltd (ACN (119 670 370)) (**Walkabout**) is undertaking a 1:2 pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 459,411,745 fully paid ordinary shares (**New Share**) to raise approximately \$1,378,235. The price of New Shares under the Offer is \$0.003 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 5 June 2015.

The funds raised from the Offer are planned to be used to drill the Lindi jumbo Graphite Project in south eastern Tanzania and also for general working capital.

The Company has secured an Agreement for the staged purchase of 70% of four highly prospective graphite tenements in Tanzania. At Lindi, test work has indicated that a high ratio of flake size can be produced which results in a premium graphite product. These products are forecasted to be priced at a significant premium to standard flake graphite.

The strategy to be adopted for the Lindi Jumbo Graphite Project is a fast-tracked but modest development model to capitalise on the current global market shortages. The Company also intends engaging an end-user partner very early in the process to assist with the development.

The Company wishes to conduct a low cost and localised ground EM survey and subsequent drill program at Lindi Jumbo during the next quarter and confirm the grade and metallurgy specifications of the deposit. Once the characteristics of the orebody have been determined, a modest resource will be drilled out and an end user partner can be engaged to assist with the fast tracked development of the project. More details regarding the allocation of funds can be found within the Prospectus.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (WST) on 15 June 2015, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 459,411,745 New Shares resulting in total Shares on issue of approximately 1,378,235,234.

A copy of the Prospectus is available on ASX's and Walkabout's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 18 June 2015. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Shortfall Offer

Entitlements which are not taken up by Eligible Shareholders will form part of the Shortfall. Subject to any restrictions imposed by law, Eligible Shareholders who have subscribed for their Entitlements in full may apply for additional shares under the Shortfall. Shortfall shares will be issued to Eligible Shareholders at the discretion of the Directors. Subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, the Directors reserve the right to deal with those shortfall shares which are not taken up by Eligible Shareholders within 3 months after the Closing Date, including by inviting persons to apply for the Shortfall Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**). To take up all your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Security Transfer Registrars Pty Limited (**Share Registry**) by no later than 5:00 pm (WST) on 25 June 2015, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5:00 pm (WST) on 25 June 2015, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.003 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer

Event	Proposed Date
Lodgement of Prospectus with the ASIC	5 June 2015
Lodgement of Prospectus & Appendix 3B with ASX	5 June 2015
Notice sent to Shareholders	10 June 2015
Existing shares quoted on an 'ex' basis	11 June 2015
Record date for determining entitlements	15 June 2015
Prospectus sent out to Shareholders & Company announces this has been completed	18 June 2015
Last day to extend the Closing Date	24 June 2015

Closing Date (5:00 pm WST)*	29 June 2015
Shares quoted on a deferred settlement basis	30 June 2015
ASX notified of under subscriptions	02 July 2015
Issue date/Shares entered into Shareholders' security holdings	06 July 2015
Normal trading of Shares commences*	07 July 2015

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

If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Mr Geoff Wallace, Walkabout's Company Secretary, on +61 8 6298 7500.

Yours sincerely



Allan Mulligan
Managing Director
Walkabout Resources Ltd