walkabout

RESOURCES LTD

and Controlled Entities

(ACN 119 670 370)

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022

COMPANY DIRECTORY	ASX Code: WKT
Directors Andrew Cunningham Michael Elliott Phil Montgomery Peter Finnimore	**Auditors** HLB Mann Judd (WA Partnership) Level 4, 130 Stirling Street Perth WA 6000 Australia
Company Secretary Shaun Menezes Tony Allen	**Securities Exchange Listing** ASX code: WKT Australian Securities Exchange Limited Level 40, Central Park 152-158 St Georges' Terrace Perth, WA 6000 Australia
Registered Office and Principal Place of Business Level 3 681 Murray Street West Perth, WA 6005 Australia Telephone: +61 8 6298 7500 Facsimile: +61 8 6298 7501 Website : www.wkt.com.au Email: admin@wkt.com.au	**Bankers:** National Australia Bank Perth West Business Banking Centre 1238 Hay Street West Perth, WA 6005 Australia
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Your Directors submit the annual financial report of the consolidated entity (or "the Group") consisting of Walkabout Resources Ltd ("the Company") and the entities it controlled during the period for the financial year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The financial report for the year ended 30 June 2022 was authorised for issue on 2 October 2022 and was lodged with ASIC on that date. The Directors have the power to amend and reissue the financial report and have resolved that for the reasons set out below, the financial report for the year ended 30 June 2022 be amended and reissued. The amended and reissued financial report was authorised for issue on 16 November 2022.

Reasons for amending and reissuing the financial report:

The original financial report for the year ended 30 June 2022, authorised for issue on 2 October 2022, disclosed that the Company had lodged with ASIC an Entitlement Issue Prospectus ("Rights Issue") for a pro-rata non-renounceable entitlement issue of two shares for every three shares held by eligible shareholders at an issue price of $0.11 per share to raise up to $33.17m. The minimum subscription under the Prospectus was $16.5m. At the date the original financial report for the year ended 30 June 2022 was authorised for issue (2 October 2022), the Company had received $11.5m of share subscriptions on the closing of the entitlements issue, and had commitments from shareholders, directors and new investors for shortfall placement that would exceed the minimum amount to be raised under the Rights Issue. The Directors also stated that they were confident that the minimum subscription would be achieved as a result of the shortfall placement that was then embarked on.

In the audit report accompanying the original financial report for the year ended 30 June 2022, the auditors stated that due to the minimum subscription not having been achieved as at the date the financial report was authorised for issue (2 October 2022), and as the going concern assertion was material and pervasive to the financial report as a whole, the auditors as of the date of their report, had been unable to obtain sufficient appropriate audit evidence as to whether the Group was able to continue as a going concern and whether it would be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. As the auditors had not been able to obtain sufficient appropriate audit evidence to provide a basis to form an opinion on the financial report, the auditors issued an audit report but were not able to express an opinion on the financial report for the year ended 30 June 2022.

As at the date of this updated report the Company has raised $16.6 million, including funds raised to date from the shortfall placement, therefore achieving the minimum subscription under the Rights Issue of A$16.5 million. As a result, the Directors resolved to amend and reissue the financial report to update the subsequent events disclosure in relation to going concern. This enabled the auditors to issue an amended audit report expressing an opinion on the amended and reissued financial report.

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name and independence status	Experience, qualifications, special responsibilities and other directorships
Mr Michael Elliott Non-Executive Director Chairman Appointed as a Director on 20 December 2018 Appointed as Chairman on 21 April 2021	Mike Elliott holds a Bachelor of Commerce from the University of New South Wales. He was the Global Mining & Metals Sector Leader at Ernst and Young (EY) for over 10 years and has over 34 years' experience working with mining and metals clients around the world. He was a Partner at EY from 1995-2015 and was a member of the Oceania governing body of EY for 5 years. Mike advised and briefed the CEOs, CFOs and Directors of some of the largest global mining and metals companies. He has advised mining and metals clients from all over the world, from countries that include Australia, New Zealand, South Africa, China, USA, Japan, Canada, Russia, Chile, Peru, Brazil, Papua New Guinea, Zimbabwe, Gabon and Colombia. As a key advisor to a number of mining companies, Mike has participated in many of the large transactions, IPOs and privatisations that have transformed the industry. Mike is a Member of Australian Institute of Company Directors (MAICD), a Fellow of Chartered Accountants Australia and New Zealand (FCA) and a member of Financial Services Institute of Australasia. Other directorships of listed companies in the last 3 years: None

Mr Andrew Cunningham Executive Director Chief Executive Officer Appointed as a Non- Executive Director on 13 November 2015 Appointed as CEO/Executive Director on 21 April 2021	Andrew Cunningham has a BSc Hons in Geology from the University of Stellenbosch in South Africa and is a member of the Australian Institute of Geosciences. Andrew has extensive cross discipline technical and management experience in the minerals industry predominantly in Africa and Australia and has worked in a range of commodities and geological styles including uranium, iron ore, graphite, diamonds, gold and base metals. During the last 15 years, Andrew has managed all facets of exploration and development projects in Africa from project generation to the completion of feasibility studies. He has held senior geology and exploration positions with major international mining companies as well as various ASX and TSX listed companies. He has been working with Walkabout Resources since 2013 and brings a wide range of exploration, resource development, mine geology and management experience to the company. Other directorships of listed companies in the last 3 years: None
Peter Finnimore Non-Executive Director Appointed as a Director 15 July 2021	Peter Finnimore is a sales and marketing executive with 20 years' experience in the mining and metals sector with majors such as Rio Tinto, Rusal, BHP and South32. Most recently, while with South32, Peter held the roles of Chief Marketing Officer and Chief Commercial Officer, with a remit including logistics, risk management, technical marketing, industry and commodity analysis and product development. Peter has a genuine international perspective, having spent majority of his executive career working and living abroad in countries including Japan, Russia, Holland, Singapore, Cyprus and Switzerland. Over his career, Peter was responsible for many tens of billions of dollars in revenue of aluminium, alumina, manganese and nickel. He also designed and executed a strategy to transform the global alumina industry's pricing mechanism. Peter holds a Bachelor of Commence and Bachelor of Laws from the University of Queensland. He is a member of the Institute of Company Directors and has previously served as a director of both the International Aluminium Institute and the International Nickel Institute. Other directorships of listed companies in the last 3 years: None
Phil Montgomery Non-Executive Director Appointed as a Director 15 July 2021	Phil Montgomery has extensive global executive experience with an exceptional pedigree in major project delivery. As an executive at BHP and its predecessor organisations, Phil was responsible for the project's quadrupling output in the WA Iron Ore Division. While with BHP he held the roles of Chief Growth Officer, Global Head of Group Project Management and Vice President – Projects, leading the Jansen potash project. Having worked in developing countries including Mozambique, the DRC, South Africa and Colombia, Phil is well positioned to manage risk and challenges as a key advisor during the construction and commissioning of the Lindi Jumbo Graphite Mine. Phil has a Bachelor of Science (Mechanical Engineering & Business Management) from Oxford Brookes University. He is currently a non-executive director at both Salt Lake Potash Limited (SO4) and Société des Mines de Fer de Guinée. Other directorships of listed companies in the last 3 years: Salt Lake Potash Limited (SO4)- appointed October 2020.
Mr Allan Mulligan Executive Director Appointed Managing Director 7 August 2012 Resigned as Director 15 July 2021	Allan Mulligan is a mining engineer with over thirty years of mine management and production experience. Allan has specialised in technical assessment and production economics, feasibilities, project design and costing of underground mines and prospects. He has worked extensively in exploration, mine development and operations across Africa and Australia. Allan is a Member of the Australian Institute of Mining and Metallurgy, a qualified Mining Engineer and the holder of a Mine Managers Certificate of Competency (Metalliferous) from South Africa. Allan was a founding Director of Walkabout Resources Pty Ltd. He has previously been on the board of several Western Australian explorers. Other directorships of listed companies in the last 3 years: None

Company Secretary

Mr Shaun Menezes Company Secretary	Appointed 9 November 2020 Shaun Menezes is a Member of Chartered Accountants Australia & New Zealand, Member of Governance Institute of Australia Ltd. Shaun is Secretary of Sterling Plantations Ltd and Secretary for Mont Royal Resources Ltd.
Tony Allen Company Secretary	Appointed 16 September 2021 Tony Allen is a Member of CPA Australia with over 30 years in the profession. Tony has acted as CFO and Company Secretary for a number of Australian companies and is experienced in exploration and mining companies.

Interests in the shares and options of the company and related bodies corporate

The following relevant interests in shares of the Company or a related body corporate were held by the directors at the date of this report.

Director	Ordinary shares	Options (listed)	Options (unlisted)
M Elliott	31,800,000	-	-
A Cunningham	1,962,062	-	-
P Finnimore	3,636,364	-	-

-

Principal Activities

The principal activities of the Group during the financial year were the exploration and development of resources and energy assets located in Tanzania, Scotland and Northern Ireland.

Operating Results

The net loss after tax of the Group amounted to $5,206,760 (2021: loss of $3,325,061).

Financial Position

The net assets of the Group were $34,479,202 at 30 June 2022 (2021: $22,051,728).

Dividends Paid or Recommended

There were no dividends paid or recommended throughout the period.

Review of Operations

Walkabout is actively engaged in developing the fully permitted, 100% owned high-grade Lindi Jumbo Graphite Project in South East Tanzania.

In addition, the Company has continued exploration on its highly prospective suite of base metal and gold tenements in Tanzania, Scotland and Northern Ireland.

Lindi Jumbo Project Development

During the period under review the Company's primary focus was the construction of the Lindi Jumbo Graphite Project with the initial mobilisation, site clearing, bulk earthworks, concrete works and civil works conducted by TNR Engineering commencing in the first quarter of FY22. Several critical tasks were completed during the period including terracing and levelling for the processing plant area in preparation for concrete works, completion of access and internal roads, completion of demarcation of the Mining Licence Boundary, ROM Retaining wall (Terra Trel wall) and completion of the raw water pond, TSF construction, topsoil removal and stockpiling. The site activities continued to support commissioning of the plant in 2023.

Also, during the period, the second material project development agreement was executed for the Engineering, Procurement and Construction (EPC) of the Lindi Jumbo Graphite Process Plant with Yantai Jinpeng Mining and Machinery Co. Limited (Jinpeng). The EPC contract includes procurement, manufacture, shipping, erection and commissioning of the process plant; training of Lindi Jumbo operations personnel; and mobile equipment for construction and processing needs.

Following the early start by Jinpeng in September, the first shipment of mobile plant and equipment left China in December and arrived in Tanzania in January 2022. There were well documented global shipping problems during the first nine months of FY22 and the Company worked closely with Jinpeng, Axis Group and the logistics contractor in Tanzania to minimise the impacts of those shipping delays. A small team from Jinpeng arrived in Tanzania in March to complete the planning of on-site activities, in preparation for the arrival of the mechanical construction team who have been active on site. EPC Contractor, Jinpeng, has now completed the manufacture and acquisition of the majority of the major equipment for the processing plant. While all previous shipments of equipment have been delivered to the Lindi Jumbo site (representing approximately 65% of all the processing plant mechanical equipment), several batches of factory acceptance tested equipment are in storage in China and remain on standby for loading. Shipping of the equipment will commence upon payment of outstanding invoices. With the mechanical construction team on site since April, the erection of the steelwork had commenced focussing on the fine-ore bin, thickener, front-end (ROM Bin), the crushing and grinding circuits and conveyor areas of the processing plant. The civils completed to date were prioritised to these areas.

During FY22 Lindi Jumbo received confirmation from the Tanzanian Electrical Supply Company (TANESCO) of their commitment to extend the existing 33Kv line to the Lindi Jumbo site and that the power infrastructure can handle the expected load of 4.5MW for continuous plant operations. The supply of grid power to site is expected to significantly lower operational costs in comparison to the diesel generators scoped in the feasibility study, reduce Lindi Jumbo's carbon footprint and improve the project's ESG credentials due to its large hydro power component; and align with Walkabout's 'local first' commitment, through fiscal contribution to Tanzania by purchasing of power from the national grid.

The first production blast was successfully completed at the end of June and mining of the pit has commenced. Within the blast area, all topsoil was removed and stockpiled for later use/rehabilitation prior to blast activity, as stipulated in the Environmental Impact Assessment. The clay rich overburden was used in the construction of the Tailings Storage Facility (TSF), with the principal purpose of current mining activities to source waste rock for the ongoing construction of the TSF. Preparation for construction of the retaining wall at the TSF is nearing completion. Waste rock from the starter pit area will be used for the various lifts of the TSF wall, while the entire area will be covered with an impervious liner. Stormwater drainage around the entire TSF area, trenching for the installation of the drainage piping, access roads and clearing for the security fencing is progressing to schedule.

Lindi Jumbo Project Financing

On 6 June 2022 Walkabout Resources advised there was a delay in the drawdown of the USD20 million project debt facility through CRDB Bank Plc (CRDB) and as a result of this the Company voluntarily suspended trading on the ASX. As part of the debt funding package there were conditions precedent ("CP") that needed to be fulfilled before drawdown of the USD20 million debt could commence. The final CP to be completed was the provision of a standby letter of credit ("SBLC"). The SBLC submitted has not been confirmed by CRDB as per the loan requirements and Lindi Jumbo has been informed that a replacement SBLC needs to be issued to the bank. To date, Lindi Jumbo has been utilising its project equity funds to meet contractor milestones. Contractors have agreed to continue site works and deferred the payment date of outstanding invoices, however further shipments of equipment from China have been suspended until payment for outstanding invoices occurs. The shipping suspension will have a negative impact on the project schedule, the full extent of which, can only be determined once shipments resume.

Obtaining an independent view on the value of security available to potential lenders was considered by the Board to be an important milestone in the finalisation of the debt drawdown. The Company engaged EY South Africa to perform an independent valuation of Lindi Jumbo with the final debt based valuation received in excess of US$120m. Lindi Jumbo continues to receive strong support from the Government of Tanzania. Several briefing sessions have been held with the Minister of Minerals, the Prime Minister and various government officials. Subsequent to year end the Company initiated an approximate $33m capital raise as an alternative to the CRDB debt facility.

Exploration

Scotland

<u>Blackcraig Lead-Zinc-Silver Project</u>

A maiden drilling program was completed at the Blackcraig Lead Zinc Silver Project during the year. The drilling program was the first exploration to be undertaken in the area and targeted possible extensions beneath the old underground Blackcraig Mine as well as potential parallel structures to the main historical mining trend. The 1,676m diamond drilling campaign took place over 11 holes between mid-October 2021 and mid-February 2022. Drilling targeted extension of the mineralised areas beneath the old underground lead-zinc mine as well as potential parallel structures to the main historical mining trend as identified through geological mapping and a close spaced ground magnetics survey completed in 2020 (see announcements 4 June 2020 and 21 October 2021). The drill programme was concentrated over approximately 880m strike length of the main WNW-ESE Blackcraig structure. All holes were drilled from the SW of the structure towards the NE, approximately perpendicular to the mineralisation and designed to intersect the mineralisation below the current workings.

The drilling and assay results released to the market in June confirmed the presence of lead and zinc mineralisation beneath the historic mines at Blackcraig, commonly occurring as high-grade stringers, blebs and disseminated mineralisation within a quartz carbonate vein breccia. Blackcraig forms part of a trend of historic workings that mined lead, zinc and silver over some 4.5km, which potentially extends further along strike to the historic Pibble Pb-Zn-Cu-Ag mining area, some 5km to the southeast.

It is believed that the mineralisation style and type at Blackcraig is representative of the lead-zinc-silver mineralisation in the region, particularly along the Blackcraig-Pibble and Greymares Tail trends within the licences. The understanding of mineralisation styles and controls at Blackcraig will be used as part of the targeting plan for future exploration efforts. The Company is currently reviewing the data in more detail and leveraging modern exploration technologies with the aim of establishing which exploration methods may be best suited to vector towards possible high-grade massive sulphide mineralisation (specifically targeting zinc ± silver) within the known trends. The UK Government's Net Zero Strategy proposes the reduction of emissions to meet upcoming carbon budgets defined by the Climate Change Act, reduction of Greenhouse Gas emissions under the Paris Climate Agreement, and the vision for a decarbonised economy by 2050. This transition will rely heavily on green and critical commodities to help support the energy transition. In parallel, the demand for copper (e.g., electricity grid), lithium, graphite, nickel, cobalt and zinc (e.g., electric vehicle batteries, energy storage), and platinum and palladium (e.g., hydrogen fuel cells, carbon capture) amongst others will increase, and Walkabout's early exploration activity aims to secure local supply of critical metals/minerals that facilitate decarbonisation pathways in a sustainable and ethical way.

Newton Stewart and Gatehouse of Fleet

Regional soil sampling was completed over several key areas along the Talnotry - Greymare's Tail trend where several historic Pb-Zn trial workings (Au-Ag-Pb-Zn targets) are known to be located along a regional scale structure, as well as a historic Ni working (Ni-PGE target). The soil sampling covers an area of approximately 24km2.

Glenhead Gold Project

During the period a detailed soil grid was undertaken on the Glenhead Gold project to expand the area covered by historic soil grid and shallow drilling undertaken by the BGS. The Glenhead Gold Project, located approximately 15km to the north of the Blackcraig Project, was originally evaluated during a mineral reconnaissance program by the British Geological Survey during the late 1970s where seven shallow holes primarily targeting the location of the outcropping quartz vein and in-soil anomalies, were drilled. Best results recorded were estimated at approximately 1m @ 5.9 g/t Au, 1m @ 4.6 g/t Au and 4.5m @ 1.5 g/t Au.

Regional and Social

A regional, drone borne aeromagnetic survey that was planned for approximately 150km2 was partially completed during the allocated "flying window". The survey was conducted by UAVE Ltd using the Prion Mk3 UAV, a purpose built fixed-wing drone but due to a combination of equipment failures (including damage to the drone upon landing early in the survey), adverse weather conditions and the unavailability of key operating staff during the approved survey period, only a portion of the planned survey area could be completed.

Important stakeholder engagement through the Scotland-based social and community risk specialist consultancy is ongoing with all parties regularly being updated on the Company's activities, progress and plans within the area and any comments and suggestions well received and incorporated into these plans.

During the reporting period the Company acquired the remaining 25% ownership of JDH Exploration, which holds two Mines Royal Options with the Crown Estate Scotland covering 500 km2 in Dumfries and Galloway, south-western Scotland. Following the completion of the deal the vendor will hold no further interest in JDH and will forfeit all further milestone payments as previously reported after the 75% earn-in milestones were reached in March 2021 (see ASX announcement of 1 October 2018). The addition of the two JDH Exploration licences (Newton Stewart and St Johns Town of Dalry) to the 100% owned Gatehouse of Fleet licence gives the Company a commanding wholly owned exploration footprint in the region of approximately 750km2.

Amani Hard Rock Gold Project

The area was previously the focus of an alluvial gold rush during the late 1990's but has remained largely unknown to the gold exploration industry within Tanzania and has never been exposed to a modern, systematic exploration program for hard-rock gold. Geological work in the area by academic institutions have resulted in internationally published research papers on the characteristics of the gold and the possible origin of the alluvial gold also highlighted striking similarities to the orogenic gold deposits of the Lupa Goldfields approximately 300 km to the northwest.

During the period under review the Company focused most of its attention in Tanzania on the Lindi Jumbo Graphite Project resulting in reduced exploration activities in the region. This will be increased in 2023.

Business Development

As a result of the Company's diverse exploration portfolio with projects at various stages of development within the exploration pipeline and the embedded technical presence and exploration expertise in various jurisdictions across the globe, longer-term, multi-commodity exploration opportunities are constantly under review.

Significant Events After Balance Date

The following significant changes in the state of affairs of the Company occurred after balance date:

Subsequent to the reporting period the Company signed a binding Sales, Purchase and Marketing Agreement with Wogen Pacific Limited for the supply of all exported graphite production from the Lindi Jumbo Graphite Mine for a period of five years. Wogen will distribute the product into the global market, drawing on its substantial expertise and resources in speciality commodities marketing. Existing offtake agreements with other customers will be renegotiated to reflect this new arrangement.

On 22 August 2022, the Company announced an Entitlement Offer to existing shareholders to raise up to $33.17 million. The proceeds from the issue will be used to fund the completion of construction at the Lindi Jumbo graphite mine currently under construction in Tanzania. The summary of the Entitlement Offer structure and size follows:

- A pro-rata non-renounceable entitlement issue of two (2) fully paid ordinary shares ("New Shares") for every three (3) shares held by eligible shareholders registered at the record date (Eligible Shareholders) at an issue price of A$0.11 per share to raise up to approximately A$33.17 million, with a minimum of A$16.5 million ("Rights Issue").

On 22 August 2022, the Group also announced that it had secured commitments from shareholders for $1,000,000 in the form of limited recourse loans to fund short-term working capital. The repayment date of these loans is 31 December 2023 but the lender may offset the repayment of the loans against any money due to them against any future capital raising by Walkabout. The lenders will receive options at $0.25 cents for the value of the loans and the 6.67 million options expire on 30 April 2023. The 6.67 million options were issued on 31 August 2022.

During September 2022 the Group raised a further $1,000,000 in the form of limited recourse loans to fund short-term working capital.

During September 2022 all providers of the limited recourse loans made to the Group in the amount of $2,000,000 elected to convert their debt to shares under the Entitlement Offer which closed on 28 September 2022. On 30 September 2022, the Company announced that a total of $11.5 million had been raised including current oversubscriptions.

As at the date of this report the Company has raised $16.6 million, including funds raised to date from the shortfall placement, therefore achieving the minimum subscription under the Rights Issue of A$16.5 million.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations, or the financial position of the consolidated entity in future financial years.

Likely Developments and Expected Results

Further information has not been presented in this report as disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity.

Environmental legislation

The consolidated entity is subject to environmental legislation in Tanzania for the development and construction works of the Lindi Jumbo Graphite Project. The independent Annual Environmental Audit completed for the 2021-2022 reporting period stipulated that the Company has demonstrated good environmental stewardship has shown a good commitment to comply with its EIA of 2016, implementing its recommendations and commissioning annual audits.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

REMUNERATION REPORT (Audited)

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel ("KMP") of the Company for the financial year ended 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and its controlled entities, directly or indirectly, including any Director (whether Executive or otherwise) of the parent company.

The Key Management Personnel of the Group during the year were:

Mr A Mulligan	Executive Director (Resigned on 15 July 2021)
Mr A Cunningham	Chief Executive Officer/Executive Director
Mr M Elliott	Chairman, Non-Executive Director
Mr P Montgomery	Non-Executive Director (Appointed 15 July 2021)
Mr P Finnimore	Non-Executive Director (Appointed 15 July 2021)
Mr T Allen	Chief Financial Officer (Appointed 19 July 2021)

Remuneration policy

The remuneration policy of Walkabout has been designed to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and potentially, at the Boards discretion, long term incentives based on key performance areas affecting the consolidated entity's financial results. The Board of Walkabout believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the consolidated entity, as well as create goal congruence between Directors, Executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the consolidated entity is as follows: the remuneration policy, setting the terms and conditions for the Executive Directors and other senior executives, was developed by the Board of Directors, and approved by resolution of the Board. All Executives receive a base salary including superannuation with the possibility of options and performance incentives.

The Board of Directors review executive packages annually by reference to the consolidated entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The performance of Executives is assessed annually with each executive and is based predominantly on operational and exploration activities and shareholders' value. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can award these if they can be reasonably justified. The policy is designed to attract and retain the highest calibre of Executives and reward them for performance that results in long term growth in shareholder value.

Directors and Executives receive a superannuation guarantee contribution required by the Government, and do not receive any other retirement benefits.

All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed.

The Board policy is to remunerate Non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Company has established a Remuneration Committee. The Remuneration Committee is responsible for determining and reviewing compensation arrangements for directors and executive team. The Board of Directors, following a recommendation from the remuneration Committee, determines payments to the Non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Any changes to the maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at an Annual General Meeting.

Performance-based remuneration

Performance based remuneration (options) were granted to Directors by shareholders at the Company's Annual General Meeting dated 15 November 2018. There was no performance based remuneration granted during the year ended 30 June 2022 nor outstanding as at that date.

Company performance, shareholder wealth and Director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and Executives. There have been two methods applied in achieving this aim, the first being a fixed market competitive salary, and the second being the potential issue of options to Directors and Executives to encourage the alignment of personal and shareholder interests.

In accordance with best practice corporate governance, the structure of Non-executive Director and Executive remuneration is separate and distinct.

Key Management Personnel Remuneration Policy

The remuneration structure for KMP is to be based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and KMP are on a continuing basis, the terms of which are not expected to change in the immediate future.

Employment Contracts

Executive Director	Contract Commencement	Contract Termination	Remuneration	Notice period	Termination entitlement
A Cunningham[1]	13 November 2015	No fixed term	$330,000	3 months	3 months' pay in lieu of notice

[1]Mr Cunningham was appointed Chief Executive Officer/Executive Director on 21 April 2021. His Total Fixed Remuneration (TFR) from 1 July 2021 is $330,000. There is no set term to the contract and it can be terminated by either party with 3 months' notice. He was previously appointed as a Non-Executive Director on 13 November 2015.

T Allen	19 July 2021	No fixed term	$250,000	3 months	3 months' pay in lieu of notice

DIRECTORS' REPORT

The table below details the nature and amount of remuneration for each Director and Executive of Walkabout Resources Ltd.

30 June 2022	Short-term Benefits				Post-employment Benefits	Share-based Payment		Total	Performance Related
	Salary and fees	Bonuses	Non-cash benefit	Other	Superannuation	Equity[5]	Options		
	$	$	$	$	$	$	$	$	%
Andrew Cunningham	321,250	-	-	-	-	-	-	321,250	-
Allan Mulligan[1]	166,640	-	-	-	9,007	-	-	175,647	-
Michael Elliott	78,000	-	-	-	8,667	-	-	86,667	-
Phil Montgomery[2]	82,500	-	-	-	-	-	-	82,500	-
Peter Finnimore[2]	54,000	-	-	-	6,000	21,059	-	81,059	-
Tony Allen[4]	237,904	-	-	-	23,790	-	-	261,694	-
	940,294	-	-	-	47,464	21,059	-	1,008,817	-

30 June 2021	Short-term Benefits				Post-employment Benefits	Share-based Payment		Total	Performance Related
	Salary and fees	Bonuses	Non-cash benefit	Other	Superannuation	Equity	Options		
	$	$	$	$	$	$	$	$	%
Trevor Benson[3]	182,957	-	-	-	13,073	-	-	196,030	-
Allan Mulligan[1]	249,996	-	-	-	23,750	-	-	273,746	-
Andrew Cunningham	255,400	-	-	-	-	-	-	255,400	-
Michael Elliott	18,100	-	-	-	1,900	-	-	20,000	-
	706,453	-	-	-	38,723	-	-	745,176	-

[1]Resigned as Director on 15 July 2021

[2]Appointed as Director on 15 July 2021

[3]Resigned as Director on 19 October 2020

[4]Appointed on 19 July 2021

[5]At a general meeting on 30 November 2021 a share plan was approved by shareholders to satisfy up to 50% of Peter Finnimore and Philip Montgomery's directors fees, through the issue of shares. These details of the shares to be issued in lieu of salary are below:

Year Ended	Director Name	Contractual Value of Services Rendered	Market Value of Shares on Grant Date	Shares Issued	Date of Issue	Share Price on Grant Date
30-Jun-22	Peter Finnimore	22,500	21,059	147,783	To be confirmed	19 cents

Shareholdings of Key Management Personnel
Ordinary Shares

30 June 2022	Balance at beginning of period	Conversion of performance rights	Acquired	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Andrew Cunningham	1,240,188	-	91,908	-	1,332,096	659,873
Allan Mulligan[1]	5,474,656	-	-	(5,474,656)	-	-
Michael Elliott	14,400,000	-	7,802,908	-	22,202,908	19,902,908
Phil Montgomery[2]	-	-	-	-	-	-
Peter Finnimore[2]	-	-	-	-	-	-
Executives	Number	Number	Number	Number	Number	Number
Tony Allen	-	-	-	-	-	-

30 June 2021	Balance at beginning of period	Conversion of performance rights	Acquired	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Trevor Benson[3]	2,050,244	-	-	(2,050,244)	-	-
Allan Mulligan[1]	5,474,656	-	-	-	5,474,656	1,705,801
Andrew Cunningham	1,240,188	-	-	-	1,240,188	629,076
Michael Elliott	14,300,000	-	100,000	-	14,400,000	12,400,000

[1]Resigned as Director on 15 July 2021
[2]Appointed as Director on 15 July 2021
[3]Resigned as Director on 19 October 2020

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length. Net change – other represents the balance on appointment / resignation.

Option holdings of Key Management Personnel

30 June 2022	Balance at beginning of period	Granted as remuneration	Expired (3)	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Allan Mulligan[1]	4,000,000	-	(4,000,000)	-	-	-
Andrew Cunningham	3,000,000	-	(3,000,000)	-	-	-
Michael Elliott	-	-	-	-	-	-
Phil Montgomery[2] Peter Finnimore[2]	-	-	-	-	-	-
Executives	Number	Number	Number	Number	Number	Number
Tony Allen	-	-	-	-	-	-

30 June 2021	Balance at beginning of period	Granted as remuneration	Expired	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Trevor Benson[3]	-	-	-	-	-	-
Allan Mulligan[1]	4,000,000	-	-	-	4,000,000	-
Andrew Cunningham	3,000,000	-	-	-	3,000,000	-
Michael Elliott	-	-	-	-	-	-

[1]Resigned as Director on 15 July 2021

[2]Appointed as Director on 15 July 2021

[3] Resigned as a Director on 19 October 2020

[4] The options were valued at $nil at the date of expiry.

At the Company's 2021 annual general meeting the remuneration report was approved by shareholders. Votes cast against the remuneration report considered at that annual general meeting were less than 25%.

Company Performance, Shareholder Wealth and Directors' and Executives' Remuneration

The remuneration policy has been tailored to align the strategic goals of the Company to create value for shareholders, Directors and executives. The Company believes the policy has been effective in in aligning the interests of the Company's key management personnel with the interests of its shareholders. Details of Directors' and executives' interests in equity securities at year end are set out above

Additional Information

The key statistics of the Group for the five years to 30 June 2022 are summarised below:

	2018	2019	2020	2021	2022
Share Price at 30 June	$0.15	$0.425	$0.135	$0.20	$0.215
Loss for the year (continuing and discontinued operations)	($1,965,876)	($2,737,501)	($4,440,408)	($3,325,061)	(5,206,760)
EPS for the year (continuing and discontinued operations)	(0.94) cents	(0.95) cents	(1.33) cents	(0.94) cents	(1.19) cents

Fixed remuneration is not linked to Group performance. It is set with reference to the individual's role, responsibilities and performance and remuneration levels for similar positions in the market.

No dividends were paid by the Company nor was there any return of capital over the past 5 years.

Other transactions with Key Management Personnel

For amounts owing to key management personnel refer to Note 18 to the financial report for details.

End of Remuneration Report

Directors' meetings

The number of meetings of directors held during the year and the number of meetings attended by each Director were as follows:

	Number of meetings held	Number eligible to attend	Number attended
Michael Elliott	15	15	15
Andrew Cunningham	15	15	15
Phil Montgomery	15	14	13
Peter Finnimore	15	14	14

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Shares under Option

Unissued ordinary shares under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under Option
31 August, 2022	30 April, 2023	$0.25	6,666,667

Auditor's independence

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 16 and forms part of this Directors' Report for the year ended 30 June 2022.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 4 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Indemnification and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Signed in accordance with a resolution of the Board of Directors.

Michael Elliott
Non-Executive Chairman
16 November 2022

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Walkabout Resources Ltd for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**L Di Giallonardo**
16 November 2022	**Partner**

hlb.com.au

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022 $	2021 $
Income	2	1,358	38,455
Depreciation expense	2	(33,782)	(12,373)
Occupancy costs		(264,991)	(259,004)
Legal and compliance fees		(345,695)	(443,938)
Administration expenses		(1,358,620)	(811,149)
Interest expense		(8)	(7)
Consulting fees		(1,341,413)	(657,167)
Professional fees		(201,193)	(169,960)
Other expenses		(82,214)	(338,407)
Exploration costs expensed or written off	2	(506,571)	(331,498)
Travel		(222,297)	(24,000)
Foreign exchange (loss)	2	(851,334)	(316,013)
Loss before income tax		(5,206,760)	(3,325,061)
Income tax benefit	3	-	-
Loss for the year		(5,206,760)	(3,325,061)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		2,190,478	(132,627)
Other comprehensive income/(loss) for the year, net of tax		2,190,478	(132,627)
Total comprehensive loss for the year		(3,016,282)	(3,457,688)
Loss attributable to:			
Owners of the parent		(5,198,092)	(3,321,221)
Non-controlling interests		(8,668)	(3,840)
		(5,206,760)	(3,325,061)
Total Comprehensive Loss attributable to:			
Owners of the parent		(3,009,413)	(3,441,629)
Non-controlling interests		(6,869)	(16,059)
		(3,016,282)	(3,457,688)
Loss Per Share			
Basic loss per share (cents per share)	5	(1.19)	(0.94)
Diluted loss per share (cents per share)	5	(1.19)	(0.94)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	Consolidated	
		2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,018,843	5,659,691
Trade and other receivables	7	2,226,228	281,911
TOTAL CURRENT ASSETS		3,245,071	5,941,602
NON-CURRENT ASSETS			
Trade and other receivables	7	9,758	9,976
Property, plant and equipment	8	135,468	31,126
Mine properties	8	44,002,506	15,540,554
Deferred exploration and evaluation expenditure	9	2,326,351	1,821,685
TOTAL NON-CURRENT ASSETS		46,474,083	17,403,341
TOTAL ASSETS		49,719,154	23,344,943
CURRENT LIABILITIES			
Trade and other payables	10	10,694,156	1,116,036
Employee benefits		35,208	177,179
Financial liability	11	4,510,589	-
TOTAL CURRENT LIABILITIES		15,239,953	1,293,215
TOTAL LIABILITIES		15,239,953	1,293,215
NET ASSETS		34,479,201	22,051,728
EQUITY			
Share capital	12	97,936,740	82,330,019
Reserves	13	1,971,295	1,249,977
Accumulated losses		(65,428,834)	(61,472,669)
Equity attributable to owners of the parent		34,479,201	22,107,327
Non-controlling interest		-	(55,599)
TOTAL EQUITY		34,479,201	22,051,728

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2022

Consolidated

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Share-based Payment Reserve	Options Reserve	Total	Non-Controlling Interest	Total Equity
	$	$	$	$	$	$	$	$
Balance as at 1 July 2021	82,330,019	(61,472,669)	(238,443)	-	1,488,420	22,107,327	(55,599)	22,051,728
Net loss for the year	-	(5,198,092)	-	-	-	(5,198,092)	(8,668)	(5,206,760)
Exchange differences arising on translation of foreign operations	-	-	2,188,679	-	-	2,188,679	1,799	2,190,478
Total comprehensive loss for the year	-	(5,198,092)	2,188,679	-	-	(3,009,413)	(6,869)	(3,016,282)
Acquisition of minority interest	-	(246,493)	-	-	-	(246,493)	62,468	(184,025)
Shares issued – net of cost	15,606,721	-	-	-	-	15,606,721	-	15,606,721
Unissued director's shares	-	-	-	21,059	-	21,059	-	21,059
Expiry of options	-	1,488,420	-	-	(1,488,420)	-		-
Balance as at 30 June 2022	97,936,740	(65,428,834)	1,950,236	21,059	-	34,479,201	-	34,479,201

Consolidated

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Share-based Payment Reserve	Option Reserve	Total	Non-Controlling Interest	Total Equity
	$	$	$	$	$	$	$	$
Balance as at 1 July 2020	76,323,619	(58,151,448)	(118,035)	-	1,488,420	19,542,556	(39,540)	19,503,016
Net loss for the year	-	(3,321,221)	-	-	-	(3,321,221)	(3,840)	(3,325,061)
Exchange differences arising on translation of foreign operations	-	-	(120,408)	-	-	(120,408)	(12,219)	(132,627)
Total comprehensive loss for the year	-	(3,321,221)	(120,408)	-	-	(3,441,629)	(16,059)	(3,457,688)
Shares issued – net of cost	6,006,400	-	-	-	-	6,006,400	-	6,006,400
Balance as at 30 June 2021	82,330,019	(61,472,669)	(238,443)	-	1,488,420	22,107,327	(55,599)	22,051,728

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	Consolidated	
		2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(3,133,960)	(2,877,848)
Grant received		-	37,500
Interest received		1,358	955
Interest paid		-	(7)
Net cash used in operating activities	15	(3,132,602)	(2,839,400)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation expenditure		(1,023,293)	(389,709)
Payments for property, plant & equipment		(15,736,876)	-
Payments for changes in ownership of a subsidiary		(190,883)	-
Net cash used in investing activities		(16,951,052)	(389,709)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		7,622,546	6,006,400
Proceeds from borrowings	11	7,820,260	-
Net cash provided by financing activities		15,442,806	6,006,400
Net (decrease) / increase in cash held		(4,640,848)	2,777,291
Cash at beginning of financial year	6	5,659,691	2,882,400
Cash at end of financial year	6	1,018,843	5,659,691

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity (or "the Group") consisting of Walkabout Resources Ltd and its subsidiaries. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The financial statements have been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia, Botswana, Tanzania, Malawi, Northern Ireland, Scotland and Namibia. The Group's principal activities are mineral exploration and the development of resources and energy assets.

(b) Adoption of new and revised standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact to Group accounting policies.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted, however are not expected to have a material impact on Group accounting policies.

(c) Statement of Compliance

The financial report was authorised for issue on 16 November 2022.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The financial report for the year ended 30 June 2022 was authorised for issue on 2 October 2022 and was lodged with ASIC on that date. The Directors have the power to amend and reissue the financial report and have resolved that for the reasons set out below, the financial report for the year ended 30 June 2022 be amended and reissued. The amended and reissued financial report was authorised for issue on 16 November 2022.

Reasons for amending and reissuing the financial report:

The original financial report for the year ended 30 June 2022, authorised for issue on 2 October 2022, disclosed that the Company had lodged with ASIC an Entitlement Issue Prospectus ("Rights Issue") for a pro-rata non-renounceable entitlement issue of two shares for every three shares held by eligible shareholders at an issue price of $0.11 per share to raise up to $33.17m. The minimum subscription under the Prospectus was $16.5m. At the date the original financial report for the year ended 30 June 2022 was authorised for issue (2 October 2022), the Company had received $11.5m of share subscriptions on the closing of the entitlements issue, and had commitments from shareholders, directors and new investors for shortfall placement that would exceed the minimum amount to be raised under the Rights Issue. The Directors also stated that they were confident that the minimum subscription would be achieved as a result of the shortfall placement that was then embarked on.

In the audit report accompanying the original financial report for the year ended 30 June 2022, the auditors stated that due to the minimum subscription not having been achieved as at the date the original financial report was authorised for issue (2 October 2022), and as the going concern assertion was material and pervasive to the financial report as a whole, the auditors had been unable to obtain sufficient appropriate audit evidence as to whether the Group was able to continue as a going concern and whether it would be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. As the auditors as of the date of their report, had not been able to obtain sufficient appropriate audit evidence to provide a basis to form an opinion on the financial report, the auditors issued an audit report but were not able to express an opinion on the financial report for the year ended 30 June 2022.

As at the date of this report the Company has raised $16.6 million, including funds raised to date from the shortfall placement, therefore achieving the minimum subscription under the Rights Issue of A$16.5 million. As a result, the Directors resolved to amend and reissue the financial report to update the subsequent events disclosure in relation to going concern. This enabled the auditors to issue an amended audit report expressing an opinion on the amended and reissued financial report.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(d) Basis of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Walkabout Resources Ltd ('the Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Walkabout Resources Ltd and its subsidiaries are referred to in this financial report as the Group or the consolidated entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations have been accounted for using the acquisition method of accounting.

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of Walkabout Resources Ltd.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(e) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation expenditure:
The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 20. From time to time the Company makes share-based payments to other parties, other than employees, for goods or services. Where the fair value of the goods and services cannot be reliably estimated, the Company measures their fair value by reference to the fair value of the equity instruments granted.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(f) Going Concern

For the year ended 30 June 2022, the Group recorded a loss of $5,206,760 (2021: $3,325,061) and a net cash outflow from operating, investing and financing activities of $4,640,848 (2021: outflow of $2,777,291). At 30 June 2022, the Group had available cash and cash equivalents of $1,018,843 and a deficiency of working capital of $11,994,882 (2021: working capital surplus of $4,648,387). Subsequent to balance date, the Company lodged with ASIC an Entitlement Issue Prospectus ("Prospectus") for a pro-rata non-renounceable entitlement issue of two shares for every three shares held by eligible shareholders at an issue price of $0.11 per share to raise up to $33.17m. The minimum subscription under the Prospectus is $16.5m.

At the date of this report, the Company has raised $16.6 million, including funds raised to date from the shortfall placement, therefore achieving the minimum subscription under the Prospectus of A$16.5 million. As announced by the Company on 28 September 2022, the Company remains in discussion with CRDB and are awaiting formal feedback regarding the Company's proposals for alternatives to a Standby Letter of Credit. The Company confirms it has also updated CRDB based on the current status of the Entitlement Issue, however notes these discussions are ongoing. Debt funding options remain attractive to WKT as a way of minimising the overall impact of dilution to shareholders, and as previously advised the Company is continuing to advance the delivery of one or more of these parallel funding paths. Good progress has been made on a range of these potential options since the Company was able to indicate to potential funders the level of new equity obtained, with several parties currently undertaking confirmatory due diligence on the Company and Lindi Jumbo mine. The Company is focussing its corporate activities over the next two months on securing the remaining funding required to accelerate and complete construction. Completion of funding is expected no later than the first quarter of 2023.

As articulated in the Entitlement Issue offer documents, the net proceeds raised under the Entitlement Issue will be used to firstly settle outstanding amounts owing to contractors and suppliers for the equipment and services they have provided over the past few months. After a detailed analysis of the funds raised by the Offer and the status of other funding activities, the Company has decided that suspension of construction at Lindi Jumbo is not required and determined that the Company has sufficient funding to continue construction of the project, albeit on a modified basis. The Company intends to use a portion of the remaining funds from the Entitlement Issue to provide working capital in Tanzania to cover general corporate and overhead costs in country as well as expenditure to further advance the project and allow Lindi Jumbo as far as possible to continue to erect the remaining equipment already delivered to site (representing approximately 65% of the processing plant equipment). In addition, funds received from the Entitlement Issue will be used for WKT Corporate Treasury Funds including salaries, project management, audit, insurance, taxes, rent, IT, consultants, marketing, compliance costs, rent and general office overheads. Lindi Jumbo ("LJ") working capital requirements includes costs such as rents, salaries & wages (construction & administrative), transport, hire of specialised construction equipment, accounting, IT, insurances, taxes, consumables, general office and site overheads. The Company believes that, at the time of reinstatement, it will have sufficient funds to operate on this modified basis, however it is acknowledged that further funding in the form of either equity or debt (or a combination of both) will be required in order to complete construction, and eventual operation of, the project.

While the directors consider the consolidated entity a going concern, should sufficient funding not be obtained as noted above, there remains a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, as a result, whether it is able to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that may be necessary should the Group not be able to continue as a going concern.

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Group's assets and the discharge of their liabilities in the normal course of business.

(g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Walkabout Resources Ltd.

(h) Foreign Currency Translation

Both the functional and presentation currency of Walkabout Resources Ltd and its Australian subsidiaries is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

at the rate of exchange ruling at the balance date. All exchange differences in the consolidated financial report are taken to the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of the foreign operations in Botswana, Tanzania, Malawi, Namibia, Scotland and Northern Ireland is Pula, Schillings, Kwacha, Namibian Dollars and Sterling respectively.

As at the balance date the assets and liabilities of these subsidiaries are translated into the presentation currency of Walkabout Resources Ltd at the rate of exchange ruling at the balance date and their statements of comprehensive income are translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

(i) Income Recognition

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

(j) Leases

Variable lease payments for lease terms less than 12 months that do not depend on an index or rate are expensed in the period in which they are incurred.

(k) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

The Company and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Company recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

(l) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST and VAT except:

- when the GST and VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST and VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST and VAT included.

The net amount of GST and VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST and VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST and VAT recoverable from, or payable to, the taxation authority.

(m) Impairment of assets

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated

to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(n) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(o) Trade and other receivables

Trade and other receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(p) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
  - (a) has transferred substantially all the risks and rewards of the asset, or
  - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de recognition

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(q) Property, Plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a diminishing value basis or units of production basis over the estimated useful life of the assets at the following rates:

Plant and equipment – 20%

Computer equipment – 30%

Motor Vehicles – 33.3%

Furniture and Fittings – 22.2%

Mine properties – Amortised over units of production.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

(ii) Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Mine Properties

Mining assets, including mineral property interests and mine plant facilities, are initially recorded at cost. Costs incurred to develop the property are capitalised as incurred until the mine is considered to have moved into the production phase, after which they are measured at cost less accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of and construction of the asset. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Borrowing costs are capitalised to the extent that they are directly attributable to the acquisition and construction of qualifying assets. Qualifying assets are assets that take a substantial time to get ready for their intended use. These costs are capitalised until the asset moves into the production phase. Other borrowing costs are expensed.

Depreciation and amortisation of mineral property interests and mine plant facilities are computed principally by the units of production method over the life of mine, based on estimated quantities of economically recoverable proved and probable reserves, which can be recovered in future from known mineral deposits. Changes in management’s estimates of economically recoverable reserves and resources impact depreciation and amortisation on a prospective basis.

Where a depreciable asset is used in the construction or extension of a mine, the depreciation is capitalised against the mine’s cost.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(r) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(t) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the balance date are recognised in other payables in respect of employees' services up to the balance date, they are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expect future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the balance date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(u) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

Where appropriate, fair value is determined by using a Black-Scholes model, further details of which are given in Note 12(b). From time to time the Company makes share-based payments to other parties, other than employees, for goods or services. Where the fair value of the goods and services cannot be reliably estimated, the Company measures their fair value by reference to the fair value of the equity instruments granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Walkabout Resources Ltd (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 5).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(v) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Earnings per share

Basic earnings/loss per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/loss per share are calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(x) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

The decision to capitalise or expense exploration and evaluation expenditure is made separately for each area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Expenditure on exploration and evaluation is capitalised and disclosed in the ASX Appendix 5B Quarterly Cash Flow Reports if the expenditure is in line with, and meets, the criteria for capitalisation in accordance with Group Policies. During the course of assessing the exploration expenditure at financial year end, in line with AASB6, some items of expenditure previously capitalised may be written off or treated as operating cash flows in the Annual Financial Report causing differences to the ASX Appendix 5B reports.

(y) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(z) Parent entity financial information

The financial information for the parent entity, Walkabout Resources Ltd, disclosed in Note 17 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Walkabout Resources Ltd. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share-based payments

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTE 2: INCOME AND EXPENSES

	Consolidated	
	2022 $	**2021 $**
Income		
Interest received	1,358	955
Government incentive	-	37,500
	1,358	38,455
Expenses		
Foreign exchange gain / (losses)	(851,334)	(316,013)
Depreciation	(33,782)	(12,373)
Exploration costs expensed or written off	(506,571)	(331,498)

NOTE 3: INCOME TAX EXPENSE

a. The components of income tax expense comprise:

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	2022 $	2021 $
Accounting loss before tax	(5,206,760)	(3,325,061)
Income tax (benefit) calculated at 30% (2021: 26%)	(1,562,028)	(864,516)
Non-deductible expenses	737,926	193,847
Non-assessable income	(62,318)	(9,750)
Difference in tax rate of subsidiaries operating in other jurisdictions	(15,730)	(37,462)
Unused tax losses not recognised as deferred tax assets	723,152	736,958
Eliminations on consolidation	209,570	11,497
Other deferred tax assets and tax liabilities not recognised	(30,572)	(30,574)
Income tax expense/(benefit) reported in the consolidated statement of comprehensive income	-	-

b. Unrecognised deferred tax balances

The following deferred tax assets/(liabilities) have not been brought to account:

Deferred tax assets / (liabilities) comprise:

	2022 $	2021 $
• Losses available for offset against future taxable income –	8,911,339	5,804,534
• Losses available for offset against future taxable income – capital	22,496	18,747
• Depreciation timing differences	3,779	(683)
• Accrued expenses and liabilities	95,888	54,252
• Deferred gains and losses on foreign exchange contracts	(353,695)	450,697
• Exploration expenditure capitalised	(1,198,693)	(1,103,454)
	7,481,114	5,224,093

c. Income tax benefit not recognised direct in equity

	2022 $	2021 $
• Share issue costs	-	78,720
	-	78,720

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

NOTE: 4: AUDITOR'S REMUNERATION

	Consolidated	
	2022 $	2021 $
Remuneration of the auditor for:		
Auditing or reviewing the financial report – HLB Mann Judd	37,043	56,708
Taxation compliance services – HLB Mann Judd	13,450	13,500
	50,493	70,208

NOTE 5: EARNINGS/(LOSS) PER SHARE

Basic and diluted earnings/(loss) per share		
Basic loss per share (cents per share)	(1.19)	(0.94)
Diluted loss per share (cents per share)	(1.19)	(0.94)

Earnings

Earnings used in the calculation of basic and diluted earnings per share

	Consolidated	
	2022 $	2021 $
Loss for the year	(5,206,760)	(3,325,061)
Weighted average number of ordinary shares		
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	436,332,476	353,929,891
Weighted average number of ordinary shares outstanding during the year used in calculating diluted EPS	436,332,476	353,929,891

NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	1,018,843	5,659,691

Cash at bank earns interest at floating rates based on daily bank deposit rates

NOTE: 7: TRADE AND OTHER RECEIVABLES

CURRENT

Other debtors	2,226,228	281,911

Primarily VAT Receivable and Security Deposit

NON-CURRENT

Security bonds	9,758	9,976

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2022 $	**2021 $**
NON-CURRENT		
Property, plant and equipment		
At cost	44,311,446	15,708,726
Accumulated depreciation	(173,472)	(137,046)
Total property, plant and equipment	44,137,974	15,571,680

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Consolidated	
Plant & Equipment	**2022 $**	**2021 $**
Balance at the beginning of the year	31,126	37,435
Additions	140,768	-
Depreciation expense	(33,782)	(12,373)
Foreign exchange	(2,644)	6,064
Balance at end of the year	135,468	31,126

	Consolidated	
Mine Properties – work in progress	**2022 $**	**2021 $**
Balance at the beginning of the year	15,540,554	4,165,772
Additions	27,127,405	-
Transfer from Deferred Exploration and Evaluation Expenditure	2,909	11,569,184
Foreign exchange	1,331,638	(194,402)
Balance at end of the year	44,002,506	15,540,554
Total property, plant and equipment	44,137,974	15,571,680

NOTE 9: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2022 $	2021 $
NON-CURRENT		
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	1,821,685	13,597,936
Expenditure incurred	1,106,771	580,218
Foreign currency exchange variation	(92,625)	(455,787)
Expenditure written off (i)	(506,571)	(331,498)
Transfer to Mine Properties (ii)	(2,909)	(11,569,184)
Carrying amount at end of year	2,326,351	1,821,685

(i) During the 2022 financial year, exploration and evaluation expenditure totalling $506,571 (2021: $331,498) was written off due to tenement relinquishments in Namibia and UK and the Directors' assessment of the value of some of the Group's projects as a result of no further exploration being planned.

(ii) In 2021, the Lindi Jumbo project costs have been transferred from Exploration to Development in line with the Group policies as the Company has made the decision to develop the project with the funding secured. Upon transfer, this asset was tested for impairment in accordance with the requirements of AASB 6. The result of this was that no impairment was required to be recorded.

Ultimate recovery of exploration and evaluation expenditure carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively, by sale of the respective areas.

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated	
	2022 $	2021 $
CURRENT		
Trade payables	9,811,732	609,642
Sundry payables and accrued expenses	882,424	506,394
	10,694,156	1,116,036

The majority of trade payables at 30 June 2022 relate to contractors associated with the Lindi Jumbo construction project who had agreed to deferred payment terms with the Company at year end.

All other trade payables are non-interest bearing and are normally settled on 30 day terms.

NOTE 11. FINANCIAL LIABILITY

	Consolidated	
	2022 $	2021 $
Prepaid share placements	4,510,589	-
	4,510,589	-

NOTE 11. FINANCIAL LIABILITY (continued))

The movement in prepaid share placement liability is as follows:

	Consolidated		
	30 June 2022		
	Tranche 1	Tranche 2	Total
	$	$	$
Balance at beginning of the year	-	-	-
Drawdown[(1)]	1,941,823	5,878,437	7,820,260
Commencement fee charge equivalent to 2,360,496 shares [(1)]	331,685	-	331,685
Conversion to shares – US$400,000[(2)]	(543,478)	-	(543,478)
Conversion to shares – USD$1,000,000	(1,392,176)	-	(1,392,176)
Conversion to shares – USD1,950,000	(538,085)	(2,187,282)	(2,725,367)
Finance charge – 5%[(3)]	104,572	245,779	350,351
5% VWAP discount provided[(3)]	-	275,060	275,060
Realised forex on conversion to shares	95,659	31,334	126,993
Unrealised loss on translation at year end rates	-	267,261	267,261
Balance at end of the year	-	4,510,589	4,510,589

1. As announced on 25 June 2021, the Company entered into a Share Placement Agreement with Battery Metals Capital Group LLC (BMCG) for a placement of ordinary shares via an institutional placement of up to US$10 million. The placements will be made available in three tranches, with the third tranche of US$4 million at the option of the Company.

    - The first tranche raised US$1.7 million on 7 July 2021 equivalent to 1,785,000 share subscriptions prepayment units. The Company also issued 2,360,496 shares as a Commencement Fee with a nominal value of US$300,000. The Company elected to allocate the full Commencement Fee amount to the first tranche based on the relative fair value of the shares to be issued which is US$2,085,000. Accordingly, the cash received of US$1.7 million was allocated to financial liability Prepayment of Tranche 1 – US$1,455,396 ($1,941,823) and equity (share issue) – US$244,604 ($543,478). The Commencement fee recognised in the profit and loss for the year ended 30 June 2022 amounted to $331,685.

    - The second tranche raised a further $US4.3 million on 31 August 2021, and is equivalent to 4,515,000 share subscriptions prepayment units.

    - The third tranche may raise US$4 million no later than 10 months following the second tranche, subject to the Company exercising its option to receive the third tranche and shareholder approval (if required). The Company elected to not take up the third tranche.

2. On 10 November 2021, the Company received notice from BMCG to reduce the share subscription payments outstanding by US$400,000. On 11 November 2021, the Company converted 400,000 share subscription prepayment units into 3,105,590 ordinary shares at an issue price of $0.175 per share amounting to $543,478. The fair value of shares issued as at 11 November 2021 is $651,863 at $0.2099 per share. The difference between the settlement amount and the fair value was recognised as finance charge paid by the Company.

3. On 7 January 2022, the Group issued 8,189,270 ordinary fully paid shares at an issue price of $0.17 per share. A total of 1,000,000 units of shares subscription prepayment was converted through the Subscription Shares Settlement mechanism as initiated by Battery Metals Capital Group LLC.

4. On 19 January 2022, the Group issued 15,573,525 ordinary fully paid shares at an issue price of $0.175 per share. A total of 1,950,000 units of shares subscription prepayment was converted through the Subscription Shares Settlement mechanism as initiated by Battery Metals Capital Group LLC.

    As at 30 June 2022, there were 2,950,000 prepaid share subscription units outstanding.

NOTE 11: FINANCIAL LIABILITY (continued)

5. The share subscription prepayment is subject to a nominal finance charge of 5% based on the fair value of the finance amount and 5%-8% VWAP discount on the outstanding balance of the total value of shares to be issued in US$. Interest expense recognised during the year ended 30 June 2022 amounted to $2,311,452.

NOTE 12: SHARE CAPITAL

	Consolidated	
	2022	**2021**
	$	**$**
a) Ordinary Shares		
(i) Issued and paid-up capital 452,275,112 (2021: 381,133,645) fully paid ordinary shares	97,936,740	82,330,019

	2022		2021	
	No. of Shares	**$**	**No. of Shares**	**$**
(ii) Movements in share capital				
Opening balance	381,133,645	82,330,019	349,133,645	76,323,619
Issued – commencement shares[a]	2,360,495	326,356	-	-
Issued – initial placement shares[b]	3,800,000	665,000	-	-
Issued for cash – placements[c]	38,112,587	7,622,546	32,000,000	6,400,000
Issued on conversion of prepaid share subscriptions[d]	26,868,385	6,992,819	-	-
Less costs of issues	-	-	-	(393,600)
Closing balance	452,275,112	97,936,740	381,133,645	82,330,019

a) On 1 July 2021, the Company issued 2,360,495 fully paid ordinary shares to BMCG as a Commencement Fee under the Share Placement agreement.

b) On 1 July 2021, the Company also issued 3,800,000 fully paid ordinary shares to BMCG at an issue price of $0.00 per share as Initial Placement shares in accordance with the Share Placement agreement. BMCG has a choice to offset these shares as settlement of the Company's obligation to issue Placement shares (arising under Tranche's 1 to 3) or alternatively to pay for these shares applying the VWAP pricing mechanism outlined in the Share Placement agreement.

On 17 January 2022, BMCG elected to settle the issuance of the shares by cash, equivalent to 95% of the average of five daily VWAPs per share selected by BMCG during the period commencing on the date that is 20 actual trading days prior to the date of such payment, rounded down to the next rounding number, being half a cent. On 17 January 2022, the Company received $665,000 as final consideration for the issue of the 3,800,000 shares at a price of $0.175 per share based on 95% of VWAPs per share.

c) On 12 July 2021, the Company issued 20,089,679 fully paid ordinary shares amounting to $4.0 million under its 1 for 10 Entitlement Issue out of the 38,113,364 shares offered under the Entitlement issue.

The shortfall shares in the Entitlement Issue of 18,022,908 was issued on 23 July 2021 for total proceeds of $3.6 million.

NOTE 12: SHARE CAPITAL (continued)

a) Ordinary Shares (continued)

d) During the year ended 30 June 2022, at the request of BMCG, prepaid subscription units were converted to shares:

- On 11 November 2021, the Company converted 400,000 share subscription prepayment units into 3,105,590 ordinary shares at an issue price of $0.175 per share;
- On 7 January 2022, the Company converted 1,000,000 share subscription prepayment units into 8,189,270 ordinary shares at an issue price of $0.170 per share; and
- On 18 January 2022, the Company converted 1,950,000 share subscription prepayment units into 15,573,525 ordinary shares at an issue price of $0.175 per share.

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each holder in person or by proxy has one vote on a show of hands.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

	Consolidated	
	2022 No. of Options	2021 No. of Options
b) Options		
Movements in Options		
Opening balance	7,000,000	7,000,000
Expired	(7,000,000)	-
Closing balance	-	7,000,000

Upon exercise, the options have the same rights as fully paid ordinary shares.

The balance of 7,000,000 options as at 30 June 2021, comprised of director options exercisable at $0.20 and expired on 11 December 2021. There were no options issued during the year ended 30 June 2022.

c) Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2021.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

NOTE 13: RESERVES

	Consolidated	
	2022 $	2021 $
Balance at beginning of the year	1,249,977	1,370,385
Expiry of options	(1,488,420)	-
Translation of foreign operations	2,188,679	(120,408)
Reserve for unissued shares to a director	21,059	-
Balance at end of the year	1,971,295	1,249,977

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

Balance at beginning of the year	(238,443)	(118,035)
Translation of foreign operations	2,188,679	(120,408)
Balance at end of the year	1,950,236	(238,443)

Share-based Payment Reserve

The share-based payments reserve represents the fair value of shares to be issued to directors. This reserve will be transferred to capital once the shares are issued.

Balance at beginning of the year	-	-
Shares to be issued to directors	21,059	-
Balance at end of the year	21,059	-

Option Reserve

The option reserve records the value of options issued to directors and service providers as part of their remuneration.

Balance at beginning of the year	1,488,420	1,488,420
Expiry of options	(1,488,420)	-
Balance at end of the year	-	1,488,420

NOTE 14: SEGMENT REPORTING

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its graphite project in Tanzania, copper projects in Northern Ireland and Scotland, other developing prospects in Tanzania and Namibia and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

NOTE 14: SEGMENT REPORTING (continued)

Types of reportable segments

Graphite
Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Tanzania are reported in this segment.

Gold
Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Tanzania, Scotland and Northern Ireland are reported in this segment

Lithium
Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Tanzania and Namibia are reported in this segment.

Base Metals
Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Northern Ireland and Scotland are reported in this segment.

Corporate
Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- net gains on disposal of equity investments;
- income tax expense;
- deferred tax assets and liabilities;
- intangible assets; and
- discontinuing operations.

Note 14: Segment Reporting – continued

Segment performance

	Corporate	Graphite	Gold/Base Metals	Lithium	Total
30 June 2022	$	$	$	$	$
Segment revenue	1,358	-	-	-	1,358
Segment result	(3,904,870)	(882,965)	(87,606)	(331,318)	(5,206,760)
included with segment results:					
• Depreciation	(6,232)	(27,550)	-	-	(33,782)
• Interest revenue	1,358	-	-	-	1,358
Segment assets	1,278,484	46,046,737	2,281,426	112,507	49,719,154
Segment liabilities	(4,844,358)	(10,362,024)	(33,571)	-	(15,239,953)
30 June 2021					
Segment revenue	38,455	-	-	-	38,455
Segment result	(2,246,716)	(633,487)	(428,964)	(15,894)	(3,325,061)
included with segment results:					
• Depreciation	(1,808)	(10,565)	-	-	(12,373)
• Interest revenue	955	-	-	-	955
Segment assets	469,467	20,918,155	1,527,044	430,277	23,344,943
Segment liabilities	(573,095)	(674,577)	(44,226)	(1,317)	(1,293,215)

Geographical Information

	Revenue		Non-Current Assets	
	2022 $	2021 $	2022 $	2021 $
Australia	1,358	38,455	1,907	2,732
Tanzania	-	-	44,423,622	15,705,393
United Kingdom	-	-	2,048,554	1,355,363
Other	-	-	-	339,853
	1,358	38,455	46,474,083	17,403,341

NOTE 15: CASH FLOW INFORMATION

	Consolidated	
	2022 $	**2021 $**
Reconciliation of net cash flow from operating activities with loss after income tax		
Loss after income tax	(5,206,760)	(3,325,061)
Non-cash flows in loss		
- Foreign exchange gain/(loss)	851,334	316,013
- Exploration written off	506,571	331,498
- Depreciation	33,782	12,373
Increase in trade and other receivables	(1,944,317)	(144,487)
Increase in trade payables and accruals	2,768,759	10,498
Decrease in provisions	(141,971)	(40,234)
Net cash used in operating activities	(3,132,602)	(2,839,400)

NOTE 16: EVENTS AFTER THE BALANCE DATE

On 22 August 2022, the Company announced to offer Walkabout shareholders the entitlement to participate in a Rights Issue to raise up to $33.17 million. The proceeds from the Rights Issue will be used to fund the completion of construction at the Lindi Jumbo graphite mine currently under construction in Tanzania. The summary of the Rights Issue structure and size follows:

- A pro-rata non-renounceable entitlement issue of two (2) fully paid ordinary shares ("New Shares") for every three (3) shares held by eligible shareholders registered at the record date (Eligible Shareholders) at an issue price of A$0.11 per share to raise up to approximately A$33.17 million, with a minimum of A$16.5 million ("Rights Issue").

On 22 August 2022, the Group also announced that it secured commitments from shareholders for $1,000,000 in the form of limited recourse loans to fund short-term working capital. The repayment date of these loans is 31 December 2023 but the lender may offset the repayment of the loans against any money due to them against any future capital raising by Walkabout. The lenders will receive options at $0.25 cents for the value of the loans and the 6.67 million options expire on 30 April 2023. The 6.67 million options were issued on 31 August 2022.

During September 2022 the Group raised a further $1,000,000 in the form of limited recourse loans to fund short-term working capital.

During September 2022 all providers of the limited recourse loans made to the Group in the amount of $2,000,000 elected to convert their debt to shares under the Rights Issue which closed on 28 September 2022.

As at the date of this report the Company has raised $16.6 million, including funds raised to date from the shortfall placement, therefore achieving the minimum subscription under the Rights Issue of A$16.5 million.

The Company has made an application to the ASX to exit the suspension of trading in its shares.

There were no other matters or circumstances that have arisen since the end of the year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 17: PARENT ENTITY DISCLOSURES

Financial position

	2022 $	2021 $
Assets		
Current assets	1,217,576	392,348
Non-current assets	38,086,686	22,151,690
Total assets	39,304,262	22,544,038
Liabilities		
Current liabilities	4,825,061	492,310
Total liabilities	4,825,061	492,310
EQUITY		
Issued capital	97,936,740	82,330,047
Reserves	25,144	1,408,913
Accumulated losses	(63,482,683)	(61,687,232)
TOTAL EQUITY	34,479,201	22,051,728
Financial performance		
Total comprehensive loss for the period	(1,535,869)	(1,312,407)

The parent entity has no contingent liabilities or commitments at balance date.

NOTE 18: RELATED PARTY TRANSACTIONS

	Consolidated	
Amounts owing to related parties at year end:	2022 $	2021 $
Other Related Parties		
Andrew Cunningham	-	28,480
Peter Finnimore - Share Based Payments (shares to be issued)	21,059	-

Transactions between related parties are on normal commercial terms which are no more favourable than those available to other parties unless otherwise stated.

The fees payable to Directors and options issued to Directors are disclosed in the Remuneration Report included in this Financial Report. Key management personnel remuneration is disclosed in Note 23.

Michael Elliott entered into an underwriting agreement during the period to partly underwrite a pro-rata non-renounceable entitlement issue of 1 share for every 10 shares held by those shareholders who had registered at the record date as permitted under ASX Listing Rule 10.12 (Exception 2) and disclosed in ASX announcements of 28 May 2021, 1 July 2021 and 23 July 2021 and took up 6.373m shares as part of this underwriting agreement.

		2022	2021
Parent Entity:			
Walkabout Resources Ltd	Australia		
Subsidiaries of Walkabout Resources Ltd:			
Reveal Resources Pty Ltd	Australia	100%	100%
Walkabout Resources Australia Pty Ltd	Australia	100%	100%
Walkabout Resources (Pty) Ltd	Botswana	100%	100%
Wizard Investments (Pty) Ltd	Botswana	70%	70%
Triprop Energy (Pty) Ltd[1]	Botswana	40%[1]	40%[1]
Walkabout Resources Pty Ltd	Malawi	100%	100%
Walkabout Resources Pty Ltd	Tanzania	100%	100%
Lindi Jumbo Ltd	Tanzania	100%	100%
Aardvark Minerals (Pty) Ltd	Namibia	100%	100%
Shackleton Resources Ltd	Northern Ireland	100%	100%
JDH Exploration Pty Ltd[2]	UK	100%	75%

* Percentage of voting power is in proportion to ownership.

[1] The Group has consolidated Triprop Energy (Pty) Ltd as the Directors' consider the Group controls this company through the terms of the farm-in agreement.

[2]. The Group acquired the remaining 25% holding in JDH Exploration during the year for $190,883.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are therefore not disclosed in this note.

NOTE 19: FINANCIAL INSTRUMENTS

a. **Financial Risk Management**

The consolidated entity's financial instruments consist of deposits with banks, accounts receivable and payable, loans to a controlled entity and a cash advance to a third party.

i. Treasury Risk Management

The Company's funds are held with an Australian "four pillar" bank with the majority residing in a high interest low transaction fee account.

The Company's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board on a regular basis. These include the formulation of credit risk policies and future cash flow requirements.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

Iii Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the group's measurement currency.

b. **Foreign Currency Risk Sensitivity**

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. Exchange rate exposures are managed within approved policy parameters, the Group does not engage in forward exchange contracts.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2022	2021	2022	2021
Consolidated	$	$	$	$
US Dollars	437,499	5,312,460	-	-
Tanzania Schilling	1,350,015	62,512	10,361,863	679,937
Namibian Dollars	111,708	89,149	-	466
Great British Pounds	65,262	41,050	31,296	33,866
Botswanan Pula	14,044	15,226	2,276	2,329
	1,978,528	5,520,397	10,395,435	716,598

Foreign currency risk

The following table illustrates the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currency. The sensitivity includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number indicates a decrease in profit and other equity where the Australian dollar strengthens against the respective currency. For a weakening of the Australian dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be positive.

	Consolidated	
	2022	2021
	$	$
Profit or loss impact:		
US Dollars	43,750	531,246
Tanzania Schilling	-901,185	-61,743
Namibian Dollars	11,171	8,868
Great British Pounds	3,397	718
Botswanan Pula	1,177	1,290

NOTE 19: FINANCIAL INSTRUMENTS CONTINUED

c. Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's expected maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

Consolidated

	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	$	$	$	$	$
2022					
Non-interest bearing	122,337	165,893	14,916,515	-	-
	122,337	165,893	14,916,515	-	-

Consolidated

	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	$	$	$	$	$
2021					
Non-interest bearing	657,017	262,082	196,937	-	-
	657,017	262,082	196,937	-	-

d. Credit risk

The main exposure to credit risk as at 30 June 2022 relates to three separate advances made to the Company's wholly owned subsidiaries, Walkabout Resources (Pty) Ltd ($19,383,697), Reveal Resources Pty Ltd ($448,105), Lindi Jumbo Ltd ($28,879,687) and Shackleton Resources Ltd ($3,366,768). These separate advances have been made for the purpose of funding the day to day operations of the subsidiaries and their exploration activities. The loans are unsecured. The risk associated with these advances is exploration risk. These advances will not be repaid if the exploration does not provide an economic deposit. This risk is mitigated by providing the best opportunity to make an economic discovery by utilising exploration professionals of the highest standard and by obtaining the necessary funding.

e. Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities are detailed in the liquidity risk section of this note. At balance date, the Group is not materially exposed to interest rate risk.

f. Fair Value

The carrying amount of the Group's financial assets and liabilities approximate their carrying amount at balance date.

NOTE 20: SHARE-BASED PAYMENT PLANS

At 30 June 2022 there remained outstanding the issue of shares to directors as part of the election to receive part directors' fees as shares in lieu of cash.

The following share-based payment arrangements were in place as at 30 June 2021:

Series	Date options granted	Number of shares under option	Exercise price of option	Expiry date of option	Fair value at grant date $	Vesting date
3	11 December 2018	7,000,000	$0.20	11 December 2021	301,258	11 December 2018

On 15 November 2018, shareholders granted the directors 7,000,000 options with no vesting conditions. These expired on 11 December 2021.

NOTE 21: CONTINGENT LIABILITES

The Directors are not aware of any contingent liabilities as at the date of this report.

NOTE 22: CAPITAL AND LEASING COMMITMENTS

	Consolidated	
	2022 $	**2021 $**
a. **Property Lease Commitments**		
Payable — minimum lease payments		
- not later than 12 months	34,992	33,207
- between 12 months and 5 years	-	-
	33,207	33,207
b. **Capital Expenditure Commitments**		
Minimum expenditure commitments for mining tenements:		
- not later than 12 months	1,411,774	1,919,958
- between 12 months and 5 years	633,519	753,212
	2,045,293	2,673,170

NOTE 23: DIRECTORS AND EXECUTIVES DISCLOSURES

Details of Key Management Personnel

Directors

Andrew Cunningham	Chief Executive Officer/Executive Director
Michael Elliott	Chairman, Non-Executive Director
Phil Montgomery	Non-Executive Director
Peter Finnimore	Non-Executive Director

Executives

Tony Allen	Chief Financial Officer

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

NOTE 23: DIRECTORS AND EXECUTIVES DISCLOSURES CONTINUED

The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	Consolidated	
	2022 $	2021 $
Short-term employment benefits	940,294	706,453
Post-employment benefits	47,464	38,723
Equity	21,059	-
Total KMP compensation	1,008,817	745,176

DIRECTORS' DECLARATION

1. In the opinion of the directors of Walkabout Resources Ltd (the 'Company'):
   a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
      i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of their performance for the year then ended; and
      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
   b. subject to the matters disclosed in note 1(f), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

This declaration is signed in accordance with a resolution of the Board of Directors.

M. Elliott

Michael Elliott
Non-Executive Chairman

Dated this 16th day of November 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Walkabout Resources Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Walkabout Resources Ltd ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1(f) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Regarding Going Concern* section above, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Carrying amount of deferred exploration and evaluation expenditure **Note 9 of the financial report**	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group capitalises all exploration and evaluation expenditure, including acquisition costs. Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Group.	Our procedures included but were not limited to the following: ▪ We obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest; ▪ We considered the Directors' assessment of potential indicators of impairment; ▪ We obtained evidence that the Group has current rights to tenure of its areas of interest; ▪ We examined the exploration budget for the year ending 30 June 2023 and discussed with management the nature of planned ongoing activities; and ▪ We examined the disclosures made in the financial report.
Mine Properties – work in progress Note 8 of the financial report	
The carrying amount of mine properties - work in progress at balance date was $42,002,506 and is being recognised in accordance with AASB 116 *Property, Plant and Equipment*. Our audit focussed on the Group's assessment of the carrying amount of the capitalised asset due the significance of this asset to readers of the financial report.	Our procedures included but were not limited to the following: ▪ We obtained an understanding of management's assessment of recognising costs in accordance with AASB 116 *Property, Plant and Equipment*; ▪ We considered the Directors' assessment of impairment which was required to be carried out due to the existence of impairment indicators; ▪ We critically evaluated the Directors' assessment of impairment, including the inputs used, and applied sensitivities to those inputs;

	▪ We substantiated a sample of costs incurred; and ▪ We examined the disclosures made in the financial report.
Financial Liability Note 11 of the financial report	
In the prior period, the Company entered into a Share Placement Agreement with Battery Metals Capital Group LLC for a placement of an aggregate amount of up to US$10,000,000. The accounting treatment and classification of this financial instrument was complex and as such this matter was determined to be a key audit matter.	Our procedures included but were not limited to the following: ▪ We examined the agreement to understand the key terms and conditions; ▪ We considered the expert assessment obtained by management relating to the accounting for this transaction; ▪ We vouched the funds received for tranches 1 and 2; ▪ We confirmed the accounting treatment upon the issue of shares is in line with the agreement and accounting advice obtained, ensuring appropriateness; ▪ We assessed the adequacy of the presentation and disclosures in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Walkabout Resources Ltd for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
16 November 2022

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

The following additional information is provided as at 28 September 2022.

Distribution of Shareholders	Fully Paid Ordinary Shares	
Category (size of holding)	Number of Holders	Number of Shares
1 – 1,000	445	133,010
1,001 – 5,000	604	1,875,978
5,001 – 10,000	406	3,157,449
10,001 – 100,000	1,174	44,096,665
100,001 – and over	493	403,012,010

The number of shareholdings held in less than marketable parcels is 628.

The names of the substantial shareholders are:

	Number	
Shareholder	**Ordinary**	**%**
Hong Kong Tiande Baorun Trade Co Limited	23,043,656	5.10

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

The names of the twenty largest shareholders of ordinary fully paid shares are listed below :

Rank	Name	Units	% Units
1	HONG KONG TIANDE BAORUN TRADE CO LIMITED	23,043,656	5.10
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	17,972,366	3.97
3	MARCOLONGO NOMINEES PTY LTD <MARCOLONGO FAMILY A/C>	17,455,481	3.86
4	BNP PARIBAS NOMS PTY LTD <DRP>	16,317,096	3.61
5	OODACHI PTY LTD <P & M KERR FAMILY A/C>	11,730,000	2.59
6	P & M ZUVIC PTY LIMITED <ELLIOTT FAMILY SUPER A/C>	11,000,000	2.43
7	CATHEDRAL FRONT PTY LTD <R & R SUPER FUND A/C>	8,612,396	1.90
8	PANTAI INVESTMENTS PTY LTD <ORCHARD SUPER FUND A/C>	8,000,000	1.77
9	IAN DAVID PENNY	7,989,237	1.77
10	CITICORP NOMINEES PTY LIMITED	7,662,471	1.69
11	MR JOHN RICHARD TURNER + MRS CLARE FRANCES TURNER <TURNER SUPER FUND A/C>	7,097,386	1.57
12	MR ROBERT LINCOLN WESTLAKE	6,448,142	1.43
13	GERROA SERVICES PTY LIMITED	5,000,000	1.11
14	MR NATHAN ALAN JOHN ELL	4,050,000	0.90
15	MR ALLY MBARAK NAHDI	3,973,203	0.88
16	MR NAVEEN TEJPAL + MRS JYOTI TEJPAL	3,944,651	0.87
17	MRS CATHERINE MARIE ELLIOTT	3,902,908	0.86
18	MR JUNYAN ZHOU	3,801,000	0.84
19	MR DAVID ALAN CLARKSON + MRS HEATHER JOY CLARKSON	3,155,500	0.70
20	MR CAMERON TROY GRAY	3,150,000	0.70
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**174,305,493**	**38.54**
Total Remaining Holders Balance		**277,969,619**	**61.46**

CORPORATE GOVERNANCE STATEMENT

Walkabout Resources Ltd and the Board are committed to achieving and demonstrating high standards of corporate governance. Walkabout Resources Ltd has modelled its corporate governance policies against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2022 Corporate Governance statement was approved by the board on 30 September 2022 and is current as at 30 September 2022. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.wkt.com.au/investor-information/report/corporate-governance/.

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

Schedule of mining tenements and beneficial interests

Project / Location	Tenement Type	Tenement Number	Interest at Start of Period	Interest at End of Period	Comment	Holding Company
Namibia						
Eureka	EPL	6309	100%	0%	Relinquished	Aardvark Minerals Pty Ltd
Tanzania						
Lindi	ML	579/2018	0%	100%		Lindi Jumbo Ltd
Lindi	PL	9993/2014	70%	70%		Lindi Jumbo / Ali Mbarak
Lindi	PL	11409/2020	100%	100%		Lindi Jumbo Ltd
Lindi	PL	11377/2019	70%	70%		Lindi Jumbo Ltd / Ali Mbarak
Kimoingan	PL	11119/2017	100%	100%		Walkabout Resources Ltd (Tz)
Buhingu	PL	11470/2020	100%	100%		Walkabout Resources Ltd (Tz)
Amani	PL	11469/2020	100%	100%	Granted being transferred	Walkabout Resources Ltd (Tz) Duma Resources Pty Ltd (Tz)
Amani	PL	16627/2020	0%		Application Recommended	Duma Resources Pty Ltd (Tz)
Amani	PL	11597/2021	0%	100%		Duma Resources Pty Ltd (Tz)
Amani	PL	16629/2020	0%		Application	Duma Resources Pty Ltd (Tz))
Northern Ireland						
NE Antrim	MRO	LON01/14	50%	0%	Withdrawn from JV	Antrim Metals Ltd (CE)
Glenariff	MRO	LON02/14	50%	0%	Withdrawn from JV	Antrim Metals Ltd (CE))
Tyrone	MPL / MRO	KOZ01/16	50%	50%		Koza (UK) Ltd (CE & DfE)
Scotland						
St John's Town of Dalry	MRO	GH	75%	100%	Farm-In	JDH Resources Ltd
Newton Stewart	MRO	CN	75%	100%	Farm-In	JDH Resources Ltd
Rhins of Galloway	MRO	CG	75%	0%	Relinquished	JDH Resources Ltd
Gatehouse of Fleet	MRO		0%	100%		Shackleton Resources Ltd

2018 Resource Upgrade

A drilling and trenching program was conducted over the northern Inferred Mineral Resource area as well as a new mineralised zone directly to the south of the Gilberts Arc Graphite Deposit. The upgrade and extension program included 17 drillholes for 1,354m and 7 trenches for 654m.

The global Mineral Resource increased by 41.3% to 41.8 million tonnes at 10.8% TGC containing 4.5 million tonnes of graphite (Table 1). Fifty one percent (51%) of the mineral resource that will form part of the initial mining and economic studies is now classified as Measured (6.5 Mt @ 12.1% TGC) and Indicated (8.4 Mt @ 10.5% TGC) containing 1.67 million tonnes of graphite.

The global mineral resource now includes a new Inferred Resource area which lies directly to the south of the current planned open-pit area and is made up of 6 distinct mineralised domains. This area will not form part of the upcoming mining studies, amended DFS and Reserve upgrade as further work within the area will only be done post-production.

Table 1: Resource category breakdown of the Gilbert Arc.

Resource Category	Tonnes (millions)	TGC %	Contained Graphite (tonnes)
Measured *(Including High Grade)*	6.5 *1.7*	12.1 *23.4*	781,800 *393,200*
Indicated *(Including High Grade)*	8.4 *1.5*	10.5 *21.2*	887,300 *325,300*
Inferred *(Including High Grade)*	26.9 *1.8*	10.5 *22.7*	2,837,600 *411,900*
Grand Total *High Grade Domains*	**41.8** ***5.0***	**10.8** ***22.5***	**4,506,811** ***1,127,800***

Note: Appropriate rounding applied.

2020 Ore Reserve Update

The Resources considered for mining are based on the JORC 2012 Mineral Resource Estimate (see ASX announcement of 19 December 2018). The Ore Reserve is based only on the Measured and Indicated Mineral Resources in the current mining schedule which is summarised in Table 2.

Thus, the Inferred Resource zone to the south of the mining pit is not currently included in the mine design reserves and remains available for further consideration or potential expansion opportunities. The Ore Reserve estimate was prepared and signed off by and independent consultancy, Bara International of Johannesburg, South Africa.

Table 2: Lindi Jumbo Project Ore Reserve.

Ore Reserves			
Category	**Tonnes (million)**	**TGC %**	**Contained Graphite (tonnes)**
Proven Ore Reserves	2.54	19.3	489,000
Probable Ore Reserves	2.97	16.7	498,000
Total Ore Reserves	**5.51**	**17.9**	**987,000**

2020 Updated Definitive Feasibility Study

The main areas of adjustment for the 2019 study update was the application of the updated Mineral Resource *(ASX Announcement 19 December 2018)* to the mining plan and a revision of Capital expenditure following detailed scope of work contract agreements with contract partners.

The mining depletion was completely remodelled following the upgrade of the previous Inferred Resource to the north of the pit into an Indicated Resource category. As a result of the increased LoM grade to 17,9% Total Graphitic Carbon, the average annual mill feed requirement has reduced from an average of 280,000 tonnes per year to an average of 230,000 tonnes per year.

Pre-Production direct capital costs were further reduced by 6.4% to US$27.8M from US$29.7M in 2017. An upfront saving of some US$2.5m was achieved through vendor funding of a large portion of the camp infrastructure costs.

Capital costs have been determined through a combination of fixed tender pricing, firm quotations and data-base references based on similar operations. The costs presented have a base date of December 2018 and are presented in United States Dollars (US$). The costs presented are definitive costs and include the US$2.1m provision for the Relocation Assistance Programme (RAP), *(ASX Announcement 31 January 2019).*

Furthermore, updated estimates for product pricing was applied to the financial modelling.

Walkabout conducts an annual review of its Mineral Resources and Ore Reserves. This process is managed by the Directors and competent person. As of 30 June 2021, the Mineral Resources and Ore Reserves statement remains the same as that stated above. The governance arrangements and internal controls in place with respect to its estimates of mineral resources and ore reserves and the estimation process include oversight of the competent person by the Managing Director and review by the Board. No mining has commenced and no additional mining studies have been completed.

Competent Person's Statement

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

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

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

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

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