

ASX ANNOUNCEMENT

26 September 2018

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ORDINARY SHARES
270,916,321

OPTIONS
40,664,321

PERFORMANCE RIGHTS
6,086,957

PROJECTS
Lindi Jumbo Graphite Project
Tanzania (70% - 100%)

Northern Ireland Gold and Base
Metals (50% -100%)

Eureka Lithium Project
Namibia (100%)

Takatokwane Coal Project
Botswana (60%)

Mining Licence Update and Resource Upgrade Drilling

Walkabout Resources Ltd (ASX:WKT) is pleased to provide an update on its Projects in Tanzania and Namibia.

Highlights

Tanzania

- All conditions met for final Lindi Jumbo Mining Licence approval.
- The Company continues to advance its design and engineering based activities at the Lindi Jumbo Graphite Project while administering its Mining Licence in-country logistical issues.
- Recent Resource upgrade drilling and trenching completed at the Lindi Jumbo Graphite Project indicates high grade graphite mineralisation extends for at least another 300 metres to the northeast and remains open along strike to the north and south.
- Hydrology drilling delineates sufficient water for construction and operational activities.
- Relocation Assistance Program (RAP) process completed and ready for settlement.

Namibia

- Vast areas with additional pegmatite swarms identified within previously unmapped areas of the Company's large tenement portfolio.
- Spodumene in pegmatite sampled with assays due in October.

Lindi Jumbo Graphite Project

The Company has recently received the Mining Licence Approval from the Mining Commission of the Ministry of Minerals of Tanzania. The licence offer is subject to four conditions;

- An acceptance of the boundaries and co-ordinates as per the application as amended,
- The approval of the Local Content Plan which was submitted prior or as amended,
- Notice by the Company to accept the proposed licence,
- Payment of US\$1,000 in preparation fees.

The implications of the award of the Mining Licence are significant for the Project, the Company and a range of Tanzanian and International stakeholders.

The licence award triggers multiple concurrent events across the three Project epi-centres and these are;

Functional Area	Location	Activity	Effect
RAP final sign off	Site	Audit and sign	Access to site
Execute construction Agreements	TNZ & Yantai	Execute	Technical progress
Finalise engineering, equipment procurement and commence manufacturing	TNZ & Yantai	Project controls	Construction
Finalise insurances	TNZ & Perth	Commissioning	Risk cover
Import permits	TNZ	Administrative	Authorisations
Funding strategy and options	International	Negotiating	Optimised capital
Offtake and marketing	International	Negotiating	Fiscal reassurance
Manning and Recruitment	TNZ	Assessing needs	Skills cover

The Company has responded to the Ministry and has accepted the Licence conditions and awaits an update of the Tanzanian Ministry of Minerals Cadastre System.

The original strategy of project fast-track through concurrent design and engineering based activities has been maintained throughout the period of licence application.

In addition, the appointment of pre-selected “Project Partners” has been advanced to the stage of legal agreements, final scopes of works and construction plans being well advanced across the range of primary and secondary level construction partners.

The Company has engaged a Project Manager to manage the co-ordination and project interface detail between the partner contractors. This close association between the Company and the Project Manager allows the contracting and construction to be closely managed.

RAP and Community Relations

The Relocation Assistance Program (RAP) report has been finalised in draft by the Department of Public Valuations. The Company is in the process of reviewing and auditing these assessments prior to accepting the final schedule for payout and ultimately securing development land access.

On Site Activities

Resource upgrade drilling and trenching

During July and August a total of 7 RC holes for 490m were drilled and 7 trenches for 654m were excavated as part of a resource upgrade program over the northern section of the Inferred resource (Figure 1). Indications from limited outcrop and artisanal mining pits in the area were that this portion of the resource was high grade with minimal topsoil cover.

Although closer to the plant, this portion of the Mineral Resource did not form part of the current mine plan (Ore Reserve) due to access restrictions at the time of the 2016 drilling campaign.

Trenching was conducted on lines between 100 and 130m apart to the north of the current Indicated Resource boundary. From the onset of the trenching campaign it was clear that the very high-grade zones intersected in the previous drilling and trenching campaigns continue for at least another 300m to the northeast and remain open along strike to the north.

Furthermore, the high-grade zones (>20% TGC) which are visually distinct from the lower grade enveloping graphitic schists (10-15% TGC) are very predictable in their tenure and were intersected through both the drilling and trenches in very close proximity to the “predictive mineralisation model” used for drill planning. The significance of this is that it will simplify mine planning and operations once mining commences on site.

Trenching was important as it was proof of concept that:

- The mineralised zones extend to surface;
- Modeled widths of mineralisation were indeed correct;
- Stripping in what is envisaged to be the first 3 to 5 years of mining will be minimal, and;
- High-grade mineralisation is located another 300m closer to the ROM pad at the plant which could mean a possible further reduction in operating costs during the initial years of mining.

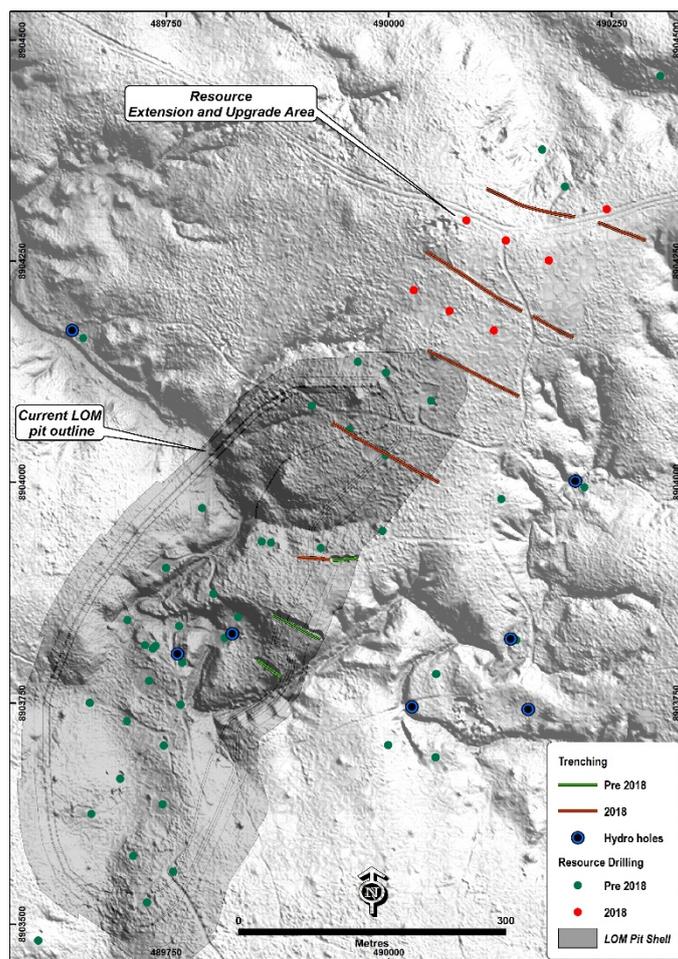


Figure 1: Resource extension and upgrade RC drilling and trenching as well as the hydrology wells in relation to the current life-of-mine pit shell.

All samples have been sent to the prep-lab in Mwanza and will be sent for analyses as soon as the consignment is checked and verified by representatives of the Ministry of Minerals in Tanzania.

This is standard procedure for all mineral exports from Tanzania, and the Company's employees in Tanzania are familiar with the process and assisting the Ministry officials to ensure a speedy turnaround. Currently all assays are hoped to be available towards the end of October. The resource will then be upgraded to include the new area of close spaced drilling and trenching into the higher categories of confidence (Indicated and Measured) which will then form the basis for an updated mining study and Ore Reserve.



Figure 2: (Left) Trench LJTR008 with high grade zone in the immediate foreground. (Right) High-grade weathered graphite schist in trench.

Hydrology

A hydrological study was conducted over two campaigns to firstly study the groundwater systems in the region and then to establish a suitable source of groundwater for construction, plant operations and potable water on site. Following the desktop work and conceptual modeling and targeting of prospective sites for groundwater extraction, various ground geophysical traverses (EM and Mag) were completed to determine potential sites for drilling.

Holes were prioritized taking into consideration the results of the geological mapping, historical and regional groundwater observations, previous drilling and ground geophysics, while their location relative to mine infrastructure and local topography was also considered where possible.

Early indications while the drilling was underway was that groundwater within certain structures delivered at higher volumes than others (Figure 3) and the focus could thus be shifted to only drill the more prospective targets and thus save on metres and costs.

A total of 5 hydrological holes 178 m were drilled and developed for water extraction when needed. The holes were subsequently pump tested to determine their yield recovery times between pumping. Results from the testing indicate that the groundwater that can be extracted from the limited wells developed on site will deliver enough water for construction and the plant operations when activities start on site.

All wells historical and from the new drilling campaign are monitored on a monthly basis, and have been sampled and chemically analyzed and these results form an integral part of the environmental baseline studies that have been ongoing for more than a year.



Figure 3: Water blown out of the standpipe during drilling operations.

During August a water well was cleared and repaired for the neighboring village of Matambarale. This well has been in a state of disrepair for a number of years forcing the villages to carry or transport water from a well more than 3km to the south. This is the third well that the Company has either fixed or installed from scratch and through this and the numerous other initiatives and contributions the Company enjoys a very strong relationship with the local population who also supply 100% of the Company's workforce when active on site.



Figure 4: Newly renovated village water pump at the Matambarale Village.

Namibia

A campaign of follow-up mapping and reconnaissance sampling has been completed on the Company's 100% owned EPL's 6308 and 6309 in southern Namibia. The aim of the program was to follow up on the trends of the previously identified Lithium- Caesium-Tantalum (LCT) type pegmatites identified during the first sampling program as well as to explore previously unmapped areas of the large licences (*ASX Announcement 11 April 2018*).

Sampling was done along what is interpreted to be the main structural trends controlling the emplacement of the LCT-type pegmatites within EPL6309. Reconnaissance mapping and sampling was also completed on both licences where favorable structural settings were interpreted from the regional geophysical data in areas interpreted on the geological maps to be predominantly covered by soil with very sparse outcrop. The exploration program successfully identified large areas with pegmatite swarms (Figure 5) where large spodumene crystals were identified in pegmatite outcrop (Figure 6).

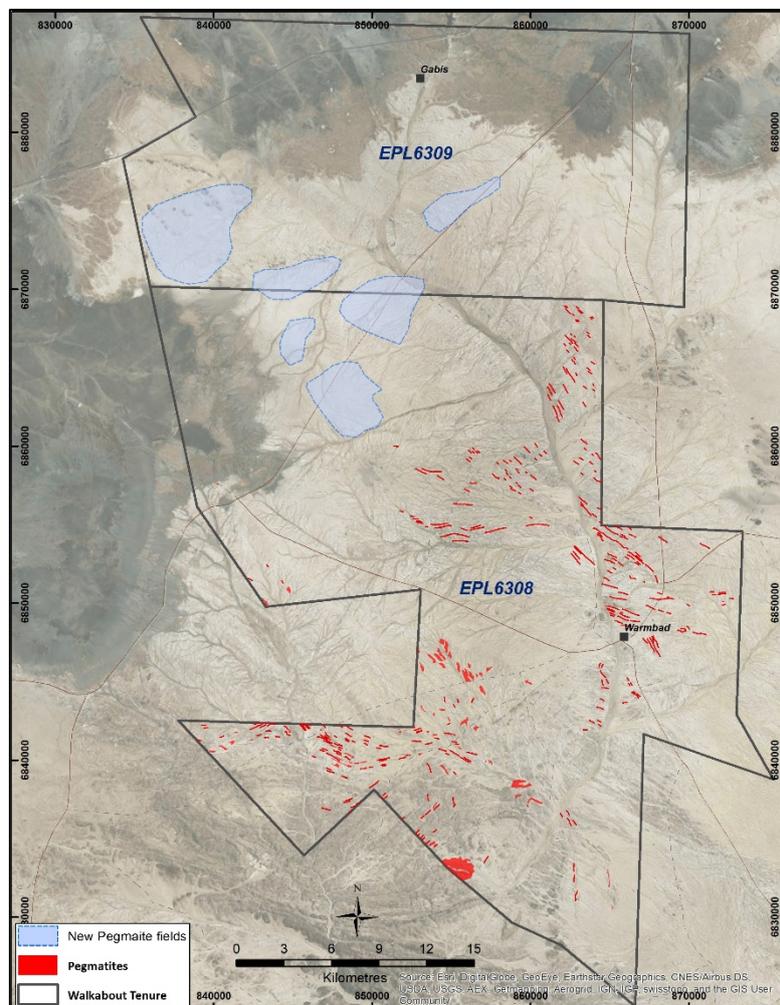


Figure 5: Walkabout tenure in southern Namibia indicating the numerous known mapped pegmatite bodies as well as the new areas of pegmatite swarms identified.

These pegmatite bodies have not before been mapped and do not form part of the more than 600 pegmatite dykes and sills identified on the published geological maps.

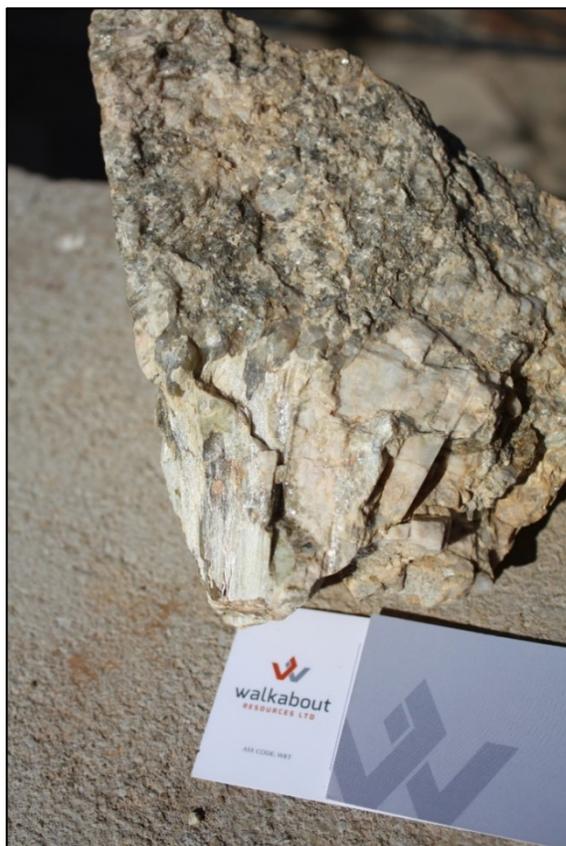


Figure 6: Spodumene crystals ~ 5cm in length within a pegmatite rock sample from EPL6308.

Due to the extensive sediment cover in the area (thin veneer of windblown sand and alluvium) the size and extent of individual pegmatite bodies could not be fully mapped out. All rock samples have been sent for analyses (180 samples) and results for these are expected by mid-October.

Trevor Benson
Executive Chairman

Competent Persons Statement

The information in this report that relates to Exploration Results 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.

About Walkabout

Walkabout is developing the high-grade Lindi Jumbo Graphite Project to take advantage of forecast market conditions for Large and Jumbo flake graphite products.

The Company holds 100% of a Mining Licence and 70% of an adjacent graphite prospecting licence at Lindi Jumbo with an option to acquire the remaining 30% share. A high-grade graphite Mineral Reserve has been delineated within the Mining Licence area.

In addition to the Lindi Jumbo Project, Walkabout is also exploring in southern Namibia at the Eureka Lithium Project with known lithium occurrences and 90 linear kilometres of mapped pegmatites targeted for exploration.

The Company has also acquired an exciting exploration portfolio for gold and base metals in Northern Ireland and is participating in the Tyrone Joint Venture where cobalt, copper and silver occurrences are being explored.

ENDS