

12 October 2018

Dear Shareholder

### SHARE PURCHASE PLAN

Your board is writing to you with an offer to participate in a Shareholder Share Purchase Plan (**SPP**) which entitles all shareholders to apply for parcels of new shares in WKT valued at up to \$15,000.

WKT is pleased to confirm that Patersons Securities Limited (**Underwriter or Patersons**) has agreed to underwrite the SPP to the amount of \$3,000,000, subject to standard terms and conditions. The Underwriter has also agreed to act as the lead manager to the SPP.

The Company will offer eligible shareholders who are registered holders of ordinary fully paid shares (**Shares**) in Australia or New Zealand (**Eligible Shareholders**) at 5pm (WST) on 4 October 2018 (**Record Date**) the opportunity to apply for new Shares (**New Shares**) in the Company (**Offer**) under the SPP.

Additionally, the Company has agreed to grant Patersons the right to facilitate an offer of New Shares to be issued at the same price as those under the Plan (**Top Up Placement**). The maximum number of New Shares that may be issued under the Top Up Placement will be equal to the Company's remaining placement capacity on completion of the Offer. Existing shareholders may also request to participate in the Top Up Placement. Current available capacity is 67,729,080 shares.

The terms and conditions of the SPP and your Application Form to complete (if you wish to participate) are included in this package.

Your Company has reached a significant milestone with the recent awarding of the Mining Licence for the Lindi Jumbo Graphite Project in southern Tanzania. We are now able to re-engage with certainty as to being able to operate in country and move forward the various funding options available.

This Share Purchase Plan, offered to all shareholders, along with the Top Up Placement forms an integral part of the total funding package solution being implemented to enable the development of the Lindi Jumbo Project, and move towards production. The economics and robust nature of the Project are compelling, and will enable outstanding returns in terms of profitability for your Company.

I would encourage all shareholders to participate in this offer.

Your continuing support is greatly appreciated.



On behalf of your Board  
Trevor Benson  
Executive Chairman

## WALKABOUT RESOURCES LIMITED SHARE PURCHASE PLAN – TERMS AND CONDITIONS

These are the Terms and Conditions of the Share Purchase Plan (**Plan**) of Walkabout Resources Limited (**WKT** or the **Company**) that have been approved by the board of WKT.

### 1. Offer

Under the Plan, Eligible Shareholders (defined below) are offered the opportunity to participate in the Plan to apply for parcels valued at up to \$15,000 of ordinary fully paid shares in WKT pursuant to these Terms and Conditions (**Offer**). Please read these Terms and Conditions carefully, as Eligible Shareholders will be bound by them by participating in the Plan. All ordinary fully paid shares in WKT (**Shares**) issued under the Offer will rank equally with existing Shares from the date of issue, and carry the same voting rights, dividend rights and other entitlements as existing Shares. All amounts referred to in these Terms and Conditions are in Australian dollars.

### 2. Participation in the Plan

Shareholders who are entered in the register of members at 5.00pm (WST) on 4 October 2018 (**Record Date**) and who have a registered address in Australia or New Zealand (**Eligible Shareholders**) may apply to participate in the Offer in accordance with this Plan. The following rules apply to participation by Eligible Shareholders in the Plan:

- (a) **Single holders** – If you are the registered holder of Shares, but you receive more than one Offer under the Plan (for example, due to multiple registered holdings), you may only apply for up to a maximum amount of \$15,000 worth of Shares.
- (b) **Joint holders** – If you are recorded with one or more persons as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purpose of the Plan. Joint holders are only entitled to participate in the Plan in respect of that single holding. If the same joint holders receive more than one Offer under the Plan due to multiple identical holdings, the joint holders may only apply for up to one maximum amount of \$15,000 worth of Shares.
- (c) **Custodians and nominees** – If you are an Eligible Shareholder who holds Shares as a custodian, trustee or nominee (within the definition of 'custodian' in Australian Securities and Investments Commission (**ASIC**) Class Order 09/425) (**Custodian**) or in any more specific relief granted to WKT in relation to this Offer, and hold Shares on behalf of one or more persons ("**beneficiaries**"), this Offer is made to you and you have the discretion whether to extend this Offer to the beneficiaries on whose behalf you hold Shares. You may apply for up to a maximum amount of \$15,000 worth of Shares in respect of each beneficiary, however, WKT will not issue Shares under the Plan to you unless you certify the following in writing to WKT:
  - (i) that you hold the Shares on behalf of one or more persons (each a "**participating beneficiary**") on the Record Date who have subsequently instructed you to apply for Shares on their behalf under the Plan;
  - (ii) the number of participating beneficiaries;
  - (iii) the name and address of each participating beneficiary;
  - (iv) the number of Shares that you hold on behalf of each participating beneficiary;
  - (v) the number and dollar amount of Shares which each participating beneficiary has instructed you to apply for on their behalf;

- (vi) there are no participating beneficiaries in respect of which the total of the aggregate application price for the following exceeds \$15,000:
  - (1) the Shares applied for by you on behalf of a participating beneficiary under the Plan; and;
  - (2) any Shares issued to you in the 12 months before the application as a result of an instruction given by a participating beneficiary to you to apply for Shares on their behalf under an arrangement similar to the Plan;
- (vii) that a copy of the Plan was given to each beneficiary; and
- (viii) where you hold Shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed Custodian.

Custodians should request a custodian certificate when making an application on behalf of participating beneficiaries (**Custodian Certificate**). To request a Custodian Certificate, and if you would like further information on how to apply, you should contact our share registry Computershare Investor Services Pty Ltd (**Share Registry**) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

- (d) **Participation** – Applications under the Plan may only be made in the following amounts:

<b>Total \$</b>
\$500
\$1,000
\$2,500
\$5,000
\$7,500
\$10,000
\$12,500
\$15,000

Eligible Shareholders who receive more than one offer under the Plan (for example, because they have more than one holding under a separate account) may apply on different Application Forms for Shares but they are not permitted to acquire more than \$15,000 worth of Shares in aggregate. The total application price for the Shares acquired by the Eligible Shareholder on his or her own behalf, by a Custodian on his or her behalf and by a Custodian in relation to which another Custodian holds beneficial interests in the Shares his or her behalf must not exceed \$15,000 in any 12 month period.

If you apply for Shares under the Plan, you are applying for a certain value of Shares at the Offer Price (**as defined below**), rather than a certain number of Shares. Fractional Shares will not be issued and any fraction of a Share will be rounded up to the nearest whole number of Shares.

Participation in the Plan is entirely optional and the Offer of Shares under the Plan is not a recommendation. You should seek independent advice if you are unsure whether you should participate in the Plan. The Offer of Shares under the Plan is non-renounceable which means that Eligible Shareholders cannot transfer their entitlement to purchase Shares under the Plan to another person.

The Application Form attached to these Terms and Conditions (**Application Form**) specifies a minimum (\$500) and maximum (\$15,000) value of Shares for which applications may be made and application may not be made for a value of Shares less than the minimum or greater than the maximum. If an Eligible Shareholder applies for:

- (i) a value of Shares greater than the maximum that is provided for in the Application Form, the maximum number of Shares under the Plan will be issued and the excess amount paid will be refunded without interest; or
  - (ii) a value of Shares less than the minimum that is provided for in the Application Form, no Shares will be issued under the Plan and any amount paid will be refunded without interest.
- (e) **Limit** – If total applications exceed the \$3,000,000 to be raised under the Plan, the directors of WKT may, in their absolute discretion, accept or scale-back all applications on an equitable basis.

### **3. Application Form**

Unless payment is made by using the BPAY<sup>®</sup> facility, applications to participate in the Plan must be made on the enclosed Application Form and must be received by the Share Registry (with the correct payment) no later than 5.00pm (Perth time) on 26 October 2018. WKT reserves the right to return any payment and not issue any Shares if payment is received after that time. By returning the enclosed Application Form or by making a BPAY<sup>®</sup> payment, you agree to be bound by the Terms and Conditions of this Plan and certify that the aggregate of the application price paid by you for the Shares the subject of the Application Form or BPAY<sup>®</sup> payment, and any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf, under the Plan or under any similar arrangement operated by WKT in the 12 months prior to the date of application under the Plan, does not exceed \$15,000. Applications and payments under the Plan may not be withdrawn once they have been received. Any payment made to WKT pursuant to an application to participate in the Plan will not bear interest under any circumstances.

### **4. Payments by cheque, bank draft, money order or BPAY<sup>®</sup>**

If payment is made using the BPAY<sup>®</sup> facility (Australian bank accounts only), there is no requirement for the Application Form to be returned. Payment must be received by no later than 2.00pm (Perth time) on 26 October 2018. Eligible Shareholders must ensure that funds submitted through BPAY<sup>®</sup> are received by this time as their own financial institutions may implement earlier cut off times with regards to electronic payment.

Applicants should be aware that their own financial institution may implement earlier cut off times for electronic payments and should take this into consideration when making a payment via BPAY. You may also have your own limit on the amount that can be paid by BPAY. It is your responsibility to ensure that the amount you wish to pay via BPAY does not exceed your limit and is received by the Share Registry prior to the close of the Offer. If you have multiple holdings you will have multiple customer reference numbers. To ensure you receive your Shares in respect of that holding, you must use the customer reference number shown on each personalised Application Form when paying for any new Shares that you wish to apply for in respect of that holding. Shareholders who have multiple holdings must ensure they comply with the requirements in clause 2. Applications can only be made for Shares in the amounts specified on the Application Form. Please do not forward cash. Receipts for payment will not be issued. Application Forms returned by fax will not be accepted. Payments made pursuant to an application for Shares will only be accepted if your cheque, bank draft or money order is drawn, or your BPAY payment is made, in Australian currency.

Cheques must be drawn on an Australian financial institution. Payments made pursuant to an application for Shares will not bear interest as against WKT under any circumstances.

## 5. Offer Price

The Shares under the Plan will be issued at a 15% discount to the volume-weighted average market price (**VWAP**) for the Shares of WKT calculated over the last 5 days on which sales in the Shares were recorded before the Issue Date (**as defined in the Indicative Timetable below**) down to the nearest tenth of a cent.

The Shares of WKT are a speculative investment, and the price of the Shares might rise or fall between the date of this Offer and the date the Shares are issued. This means that the price paid for a Share under the Plan may be greater or less than the price of Shares at the time they are issued to Eligible Shareholders and affect the actual number of Shares to be issued to each applicant pursuant to the Plan.

The VWAP of Shares over the last 5 days on which sales in the Shares were recorded on ASX immediately prior to the record date was \$0.14.

## 6. Shares to be Issued

Shares issued under the Plan will rank equally in all respects with existing Shares of WKT. Promptly after issue, application will be made by for Shares issued under the Plan to be listed for quotation on the official list of the Australian Securities Exchange Transaction Confirmation Statements will be despatched to the Issuer Sponsored and CHESS participants for Shares issued under the Plan. No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible shareholders for their application for, or issue of, Shares under the Plan. This Offer of Shares under the Plan is made in accordance with ASIC Class Order 09/425 and Class Order 10/105, which grants relief from the requirement to prepare a prospectus for the offer of shares under the share purchase plans.

The maximum number of Shares to be issued under the Plan is limited by the ASX Listing Rules to a maximum of 30% of the Company's existing share capital.

At the date of this invitation the number of Shares on issue is 270,916,325, therefore the maximum number of Shares that may be issued under the Plan is 81,274,898 Shares.

## 7. Underwriting

The Offer is underwritten by Patersons Securities Limited (ABN 69 008 896 311) (**Underwriter**) to the value of \$3,000,000 (**Underwritten Amount**). In the event that Eligible Shareholders do not subscribe for Shares under the Plan to the Underwritten Amount, then the resultant shortfall up to the Underwritten Amount will, subject to the terms of the Underwriting Agreement, be placed at the discretion of the Underwriter. The Underwriting Agreement contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by either parties.

In addition to the Underwritten Amount, WKT may in consultation with the Underwriter elect to undertake a placement of additional shares at the same price as the Offer of Shares under the Plan (**Top-Up Placement**). If a Top-Up Placement occurs, the New Shares issued under it will be issued using the Company's existing 15% and 10% capacity under Listing Rules 7.1 and 7.1A, being 67,729,080 New Shares.

The Underwriter will be entitled to a fee of 6% of the funds raised under the SPP and the amount raised in the Top-Up Placement.

The Company may exercise the right to terminate the capital raising at its discretion subject to the Underwriting Agreement. If the Underwriting Agreement is terminated by the Company without cause, the Company has agreed to pay a termination fee of \$10,000 to the Underwriter.

#### **8. WKT's discretion with regard to application**

WKT may accept or reject any application under the Plan at its discretion. When determining if an application is to be accepted or rejected, or the amount (if any) by which to scale back an application, the Company may take into account a number of factors, including the size of an applicant's shareholding, the extent to which Eligible Shareholders have sold (If existing holders sell shares after the Record Date then Directors will deem the entitlement under the SPP to be forfeited) or bought additional shares after the Record Date and the date an application was made.

Without limiting the above, WKT may issue to any person fewer Shares than the person applied for under the Plan if the issue of Shares applied for would contravene any applicable law or the Listing Rules of ASX.

If WKT rejects or scales-back an application or purported application, WKT will promptly return to the shareholder the relevant application monies, without interest.

#### **9. Modification and termination of the SPP**

The Company may modify or terminate the Plan at any time.

The Company will notify ASX of any modifications to, or termination of, the SPP. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

#### **10. Variations, Waivers and Resolution of Disputes**

The Plan is governed by the law in force in Western Australia and WKT reserves the right to:

- (a) vary the Closing Date (including closing the Offer early) and Issue Date for Shares under the Plan;
- (b) waive compliance with any of these Terms and Conditions;
- (c) refuse to issue Shares where it believes there has been a breach of the Terms and Conditions of this Plan;
- (d) amend or vary these Terms and Conditions or suspend or terminate the Plan at any time (In the event the Plan is terminated before the issue of Shares, all application monies will be returned to you, without interest as soon as practicable.);
- (e) scale back applications; and
- (f) settle in any manner it thinks fit any disputes or anomalies which may arise in connection with the Plan. Any determinations by WKT will be binding on all Eligible Shareholders and other persons to whom the determination relates.

WKT's rights may be exercised by the board of WKT or any delegate thereof.

### 11. Applications and Notices

Applications and notices given to WKT for the Plan must be in writing and in such form as WKT may from time to time require. Such applications and notices will be effective on receipt by WKT subject to:

- (a) these Terms and Conditions; and
- (b) in the case of applications, acceptance by WKT before the Closing Date **(as defined in the Indicative Timetable below)**.

### 12. Raising Amount and Scale Back

WKT seeks to raise \$3,000,000. Notwithstanding this, WKT reserves absolute discretion regarding the amount raised under the SPP. In the event of an oversubscription by the Closing Date the directors of WKT may, in their absolute discretion, accept or scale-back all applications on an equitable basis.

If applications under the Plan are received in excess of \$3,000,000, WKT retains the discretion to issue more Shares to satisfy all or part of such applications, subject to the maximum number of Shares to be issued under the Plan not exceeding 30% of the issued share capital WKT immediately preceding the Issue Date. If WKT rejects or scales- back an application or purported application, WKT will promptly return to the shareholder the relevant application monies, without interest.

### 13. Indicative Timetable

Event	Date
Record Date	Thursday, 4 October 2018
Announce Plan	Friday, 5 October 2018
Dispatch Plan booklet to shareholders and release Offer Letter on the ASX	Friday, 12 October 2018
Opening Date	Friday, 12 October 2018
Closing Date	Friday, 26 October 2018
Company to notify Underwriter of Shortfall	Tuesday, 30 October 2018
Lodge Appendix 3B, Issue Date of New Shares under the Plan	Friday, 2 November 2018
Quotation on ASX of New Shares under the Plan	Friday 2 November 2018

These dates are indicative only. WKT may vary the dates and times of the Offer without notice. WKT reserves the right to close the Plan early. Accordingly, Eligible Shareholders wishing to subscribe under the Offer are encouraged to submit their application Forms as early as possible.

### 14. Questions

If you have any questions, please contact WKT's Company Secretary Ian Hobson at [ianh@wkt.com.au](mailto:ianh@wkt.com.au).