

## ASX ANNOUNCEMENT

9 October 2019

WALKABOUT RESOURCES LTD  
ACN 119 670 370

ASX Code: WKT

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### DIRECTORS

Chairman: Trevor Benson  
Exec: Allan Mulligan  
Tech: Andrew Cunningham  
Non Exec: Mike Elliott

ORDINARY SHARES  
316,908,837  
LISTED OPTIONS  
39,783,666

UNLISTED OPTIONS  
7,000,000

### PROJECTS

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

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

Scotland Base Metal Projects  
(Farm-in to earn 75%)

Eureka Lithium Project  
Namibia (100%)

Takatokwane Coal Project  
Botswana (40% - 70%)

## Walkabout shareholders provide \$5m loan to bridge funding

Walkabout Resources Ltd (**the Company**) is pleased to announce completion of an important first step in its Lindi Jumbo Project financing. Unrelated sophisticated shareholders and a director of the Company have agreed to provide a short-term Bridging Debt Facility of \$5m while the Company finalises a debt-based project funding facility with an International Investment Bank.

The Bridging Debt will be used to meet due diligence and operating costs of the Company including the continued development of the Lindi Jumbo Project until further project financing is available. The significant terms of the bridging loan are:

- A term of 31 December 2019;
- An interest rate of 14% per annum, for approximately three months to the year-end;
- Funds from the proceeds of exercise of the Company's listed \$0.15 options (expiring 31 December 2019) will be first used to repay the loan;
- Should these proceeds (and the proceeds of exercise of the Bridge Options described below) not be adequate, the remaining debt will be satisfied by the issue of fully paid ordinary shares in the capital of the Company (**Shares**) at a conversion price equal to a 10% discount to the previous 10 trading day volume weighted average price of Shares; and
- "Put and Call" options in the capital of the Company (**Bridge Options**) priced at \$0.35 each will be issued to the lenders in the ratio of 5 Bridge Options per \$1.00 advanced to the Company.

The "Put" facility of the options may provide up to \$8.75 million in funds to complement the expected equity portion of the project funding package to be proposed by the International Investment Bank.

The advance of the Bridging Debt Facility will occur in two tranches. The first tranche for approximately \$2.967m will be provided to the Company within 5 business days of this announcement and the second tranche of approximately \$2.033m will be advanced within 5 business days of receipt of shareholder approval for the ratification and issue of the Bridge Options and the possible conversion of the Bridge Debt into Shares, and includes participation by a director of the Company. Further details regarding the Bridge Debt Facility and the Bridge Options will be set out in the Company's notice of annual general meeting which will be dispatched to shareholders shortly.

The key benefits of the Bridge Debt Facility to the Company are:

- The continuity of Lindi Jumbo Project development is maintained by way of a seamless transition through project debt and equity arrangements which will save the Company considerable time;
- Access to project funding equity through the exercise of the premium priced Bridge Options;
- The Bridge Options once exercised will provide a significant component of the Project equity at a known price; and
- A declaration of high confidence in the Company's funding strategy and in the Project by current significant shareholders of the Company.

Chairman of Walkabout Resources Ltd, Trevor Benson said *"The Company welcomes this financial support from our shareholders which enables us to maintain significant momentum towards the development of the Lindi Jumbo Project and to finalising the project financing. This bridging loan, through the exercise of the options, provides a substantial component of the required equity essential to accessing the proposed debt facility."*

END

### *About WKT*

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

The Company holds 100% of a Mining Licence and between 70% and 100% of adjacent graphite prospecting licences at Lindi Jumbo. 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 and the Company has also acquired an exciting exploration portfolio for gold and base metals in Northern Ireland and Scotland.

Details of Walkabout Resources' projects are available at the Company's website, [www.wkt.com.au](http://www.wkt.com.au).

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