



M Elliott
Chairman
01 July 2021

WALKABOUT RESOURCES LIMITED
ACN 119 670 370
SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 28 May 2021 (**Prospectus**) issued by Walkabout Resources Limited (ACN 119 670 370) (**Company**).

This Supplementary Prospectus is dated 1 July 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus in hard copy or as an electronic copy and may be accessed on the Company's website at <https://www.wkt.com.au/>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

2. REASONS FOR THE SUPPLEMENTARY PROSPECTUS

As announced on 25 June 2021, the Company has entered into an agreement to raise up to US\$10 million in an institutional placement of ordinary shares in the Company (**Shares**) to Battery Metals Capital Group, LLC (**Capital Raising**).

The Supplementary Prospectus has been prepared to provide investors with updated information in relation to the Capital Raising. The Supplementary Prospectus will also provide investors with an update on the consequential changes to the information in the Prospectus regarding the Company's capital structure and related disclosures.

As the content of this Supplementary Prospectus is not considered by the Company to be materially adverse to investors, no action needs to be taken by investors who have already subscribed under the Prospectus to the date of this Supplementary Prospectus.

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3. AMENDMENTS TO THE PROSPECTUS

The Prospectus is amended as set out below.

3.1 Key Statistics of the Offer

The table and notes set out in section 1.2 of the Prospectus are amended and replaced with the following:

	Minimum Subscription (\$3,630,000) ¹	Maximum Subscription (\$7,622,673) ²
Offer Price per Share	\$0.20	\$0.20
Entitlement Ratio (based on existing Shares)	1 to 10	1 to 10
Shares currently on issue	381,133,645	381,133,645
Shares to be issued under the Offer	18,150,000	38,113,364
Initial Shares issued to Battery Metals Capital Group LLC ⁴	3,800,000	3,800,000
Fee Shares issued to Battery Metals Capital Group LLC ⁴	2,360,495	2,360,495
Gross proceeds of the issue of Shares	\$3,630,000	\$7,622,673
Shares on issue Post-Offer	405,444,140	425,407,504

Notes:

1. Assuming the Minimum Subscription of \$3,630,000 is achieved under the Offer.
2. Assuming the Maximum Subscription of \$7,622,673 is achieved under the Offer.
3. Refer to Section 4.1 for the terms of the Shares.
4. Refer to ASX announcement on 25 June 2021 'Institutional Placement to US Battery Minerals Investor' attached at Annexure A to this supplementary prospectus. Shares were issued on 1 July 2021.

3.2 Details of Substantial Holders

The table set out in notes set out immediately beneath '**Details of Substantial Holders**' in section 1.4 of the Prospectus is amended and replaced with the following:

Shareholder	Shares	%
Hong Kong Tiande Baorun Trade Co Limited	23,043,656	5.95

3.3 Underwriting

The second table and notes set out in Section 1.6 of the Prospectus is amended and replaced with the following:

Underwriter ⁵	Shares ⁶	Entitlement [†]	Amount Underwritten	Underwritten Shares	Total Shares ²	Minimum Subscription Post-Offer Voting Power ²	Maximum Subscription Post-Offer Voting Power ²
Michael Anthony Elliott (a Director) ³	14,300,000	1,430,000	\$1,600,000	8,000,000	23,730,000	5.85%	5.58%
Marcolongo Nominees Pty Ltd ⁴	14,955,481	1,495,548	\$500,000	2,500,000	17,455,481	4.31%	4.10%
Nathan Alan John Ell ⁴	2,700,000	270,000	\$130,000	650,000	3,350,000	0.83%	0.79%
Oodachi Pty Ltd ⁴	9,600,000	960,000	\$300,000	1,500,000	11,100,000	2.74%	2.61%
EFCT Pty Limited ⁴	50,000	5,000	\$400,000	2,000,000	2,050,000	0.51%	0.48%
Robert Westlake ⁴	5,413,824	541,382	\$100,000	500,000	5,913,824	1.46%	1.39%
Pantai Investments Pty Ltd ⁴	9,200,000	920,000	\$200,000	1,000,000	10,200,000	2.52%	2.40%
Cathedral Front Pty Ltd ⁴	7,418,694	741,869	\$200,000	1,000,000	8,418,694	2.08%	1.98%
Ian David Penny ⁴	5,419,675	541,968	\$100,000	500,000	5,919,675	1.46%	1.39%
Deborah Henderson ⁴	2,277,777	227,778	\$100,000	500,000	2,777,777	0.69%	0.65%

Notes:

1. Including their associated entities.
2. This table assumes that all Shares that are offered under this Prospectus are issued.
3. Michael Elliott's (Director) total Shares include his shares currently held (14,300,000) plus his entitlement (1,430,000) plus his underwritten Shares (8,000,000) for a total of 23,730,000 Shares following the completion of the Offer.
4. The Shares referred to in the underwritten shares column include the Parties entitlement under the Offer.
5. Refer to Section 6.4.1 for details of the terms of the underwriting.
6. Represents shareholdings at the date of the Prospectus.

3.4 Effect on Control

The table set out in section 1.7 of the Prospectus are amended and replaced with the following:

Event	Shares held by Underwriters	Voting power of Underwriters
Date of Prospectus	71,335,451	18.42%
Fully subscribed	78,468,996	18.45%
75% subscribed	80,863,792	19.44%
50% subscribed	90,392,133	22.24%
0% subscribed (being the Underwriters full commitment).	90,915,451	22.42%

3.5 Potential dilution on non-participating Shareholders

The table and notes set out in section 1.8 of the Prospectus are amended and replaced with the following:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	7,622,673	1.97%	762,267	7,622,673	1.79%
Shareholder 2	3,811,336	0.98%	381,134	3,811,336	0.90%
Shareholder 3	1,143,401	0.30%	114,340	1,143,401	0.27%
Shareholder 4	304,907	0.08%	30,491	304,907	0.07%
Shareholder 5	38,113	0.01%	3,811	38,113	0.01%
Total	381,133,645		38,113,365		425,407,504

Notes:

1. This is based on a share capital of 387,294,140 Shares as at the date of the Prospectus and assumes no Options currently on issue are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3.6 Effect on capital structure

The table and notes set out in section 3.3 of the Prospectus are amended and replaced with the following:

Shares

	Number
Shares currently on issue ¹	387,294,140
Shares offered pursuant to the Offer	38,113,364
Total Shares on issue after completion of the Offer	425,407,504

Notes:

1. This includes 3,800,000 initial Shares and 2,360,495 Fee Shares issued to Battery Metals Capital Group LLC on 1 July 2021 as announced in the ASX announcement on 25 June 2021 'Institutional Placement to US Battery Minerals Investor' attached to this supplementary prospectus at Annexure A.

4. CONSENTS

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

5. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



M ELLIOTT
CHAIRMAN
For and on behalf of
WALKABOUT RESOURCES LIMITED

ANNEXURE A – CAPITAL RAISING ANNOUNCEMENT

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ASX ANNOUNCEMENT

25 June 2021



ASX:WKT

INSTITUTIONAL SHARE PLACEMENT TO U.S. BATTERY MINERALS INVESTOR CLOSES THE FINAL STAGE OF THE PROJECT DEVELOPMENT CAPITAL REQUIREMENT

Emerging graphite producer Walkabout Resources Ltd (ASX:WKT) (the **Company**) has finalised the third of its 3-stage companion equity fund raising process by agreeing a placement of Ordinary Shares of up to USD10m with Battery Metals Capital Group LLC (the **Investor** or **BMCG**), a U.S.-based institutional investor.

HIGHLIGHTS

- Placement agreed with Battery Metals Capital Group LLC, raising up to USD6m in two tranches;
- Further USD4m available within 10 months at the Company's election;
- Additional capital raising capacity provides risk cover towards start up of Lindi Jumbo Graphite Mine and;
- The total of USD12m companion equity required to access the USD20m project loan funding from CRDB Bank in Tanzania has now been secured.

USD4m raised in the first 2 tranches of the placement will be used as the third and final companion equity stage 3 payment to be made shortly after the second tranche of the placement is approved by shareholders. The balance of USD2m from the placement will be available for company activities outside Australia including exploration of its other international assets and further growth projects associated with Lindi Jumbo. By placing these shares in US dollars, the company has a natural hedge for the future issue of shares to BMCG, as well as for its costs which are largely USD-denominated.

CEO of Walkabout Resources, Andrew Cunningham commented: *"The confidence demonstrated by BMCG in the Lindi Jumbo Graphite Project and in management reflects the underlying quality of the Project.*

This final tranche in the funding requirements for Lindi Jumbo marks an inflection point in the Company's progress and puts us in an enviable situation where international market timing is also working in our favour.

We have already made the first stage US\$4m payment into Tanzania and commenced with execution of the Material Agreements. Sufficient subscriptions have been received under the current Entitlement Offer for the Stage 2 US\$4m payment to be made to Tanzania next month. This is a very exciting time for Walkabout Resources."

Investment Summary

The placement will be made in three tranches, each by way of the Investor making a lumpsum cash prepayment of the subscription price of Shares (**Subscription Shares**). The first tranche will raise US\$1.7m using the Company's current capacity under Listing Rule 7.1, and is expected to occur in the next week.

The second tranche will raise a further US\$4.3m following (and subject to) approval at a meeting of shareholders to be held in the next month or so.

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Finally, an optional third tranche may raise US\$4m no later than ten months following the second tranche, subject to the Company exercising its option to receive this third tranche and shareholder approval (if required).

The placement agreement closes out an aggregate requirement of the US\$12m in equity required to be received, in order to unlock a further US\$20m in debt funding from Tanzanian Bank, CRDB, and means that the construction of the Lindi Jumbo Graphite Project is fully funded to production. *(See ASX announcements 13/04/21, 12/05/21 and 22/06/21)*

Investment Detail

The first tranche will raise US\$1.7m in cash proceeds for US\$1.785m of Subscription Shares utilizing the Company's current available capacity under Listing Rule 7.1. The second tranche will raise US\$4.3m for US\$4.515m of Subscription Shares following (and subject to) approval from shareholders at a General Meeting to be held shortly.

The third tranche may raise US\$4.0m for US\$4.2m worth of Subscription Shares no later than ten months following the second tranche, subject to the Company deciding to exercise an option to receive that tranche.

BCMG will request for the Subscription Shares to be issued by the Company, in whole or in part, no later than 24 months after each subscription payment having been made by BCMG. The number of shares so issued by the Company will be determined by applying the Purchase Price (as set out below) to the subscription amount, but subject to a Floor Price (as set out below).

Subject to the Floor Price described below, after two months following the first tranche, the Purchase Price will be the average of the five daily volume-weighted average prices selected by the Investor during the 20 consecutive trading days immediately prior to the date of the Investor's notice to issue shares, less a 5% discount (or an 8% discount if the Subscription Shares are issued after 12 months) (rounded down to the next half of a cent, or if the share price exceeds fifty cents, the next whole cent). The Purchase Price will, nevertheless, be the subject of the Floor Price of \$0.12. If the Purchase Price formula results in a price that is less than the Floor Price, the Company may forego issuing shares and instead opt to repay the applicable subscription amount in cash (with a 5% premium), subject to the Investor's right to receive Subscription Shares at the Floor Price in lieu of such cash repayment. The Purchase Price will not be the subject of a cap.

The Company will have the right (but no obligation) to forego issuing shares in relation to the Investor's request for issuance and instead to repay the subscription amount by making a payment to the Investor equal to the number of shares that would have otherwise been issued multiplied the Purchase Price or, if greater, the market value of the Subscription Shares at that time.

The Investor will not be obligated to provide the second or third tranche, and/or may reduce the size of the second or third tranche, if the market price of the Company's shares is below \$0.135 and does not recover to above that level within two months after the Investor notifies the Company. In addition, the Company and the Investor will each have the right to postpone the third tranche by up to two months.

The Company will make an initial issuance of 3.8 million shares to the Investor at the time of the funding of first tranche, towards the ultimate number of Subscription Shares to be issued. Alternatively, in lieu of applying these shares towards the aggregate number of the Subscription Shares to be issued by the Company, the Investor may make a further payment to the Company equal to the value of these shares determined using the Subscription Price at the time of the payment.

The proceeds from the second and third tranches will not exceed 4% and 6%, respectively, of the Company's market capitalisation, without the Investor's consent.

Neither the Investor nor the Company has any obligation in relation to the third tranche unless the Company exercises its option to put the third tranche to the Investor during the five month period following the funding of the second tranche. In order to exercise this option, the Company must have sufficient capacity under Listing Rule 7.1 to conduct the third tranche at the time of exercise of the option, thereby obligating the Investor to provide the funding. The Company will determine whether to exercise the option prior to the deadline for its exercise, based on its capital requirements, the macroeconomic conditions, its share price, and its capacity under Listing Rule 7.1.

The Company has agreed to issue 2,360,495 shares in satisfaction of a fee payable to the Investor.

This announcement is authorised for release by the Board.

-ENDS-

For further information, please contact:

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Or

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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 with an enduring 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 south west Tanzania at the Amani Hard Rock Gold Project and southern Namibia at the Eureka Lithium Project.

The Company has also acquired an exciting exploration portfolio for gold and base metals in Northern Ireland and Scotland and is conducting ongoing mineral exploration in these areas.

Learn more at wkt.com.au

