

# ASX ANNOUNCEMENT

29 July 2022



## Lindi Jumbo signs an exclusive binding sales agreement for the entire production of 40,000 tonnes per annum.

Walkabout Resources Ltd (ASX:WKT, 'Walkabout' or the 'Company') is pleased to advise the signing of an amended binding Binding Sales, Purchase and Marketing Agreement with Wogen Pacific Limited for the supply of all exported graphite production from its Lindi Jumbo Graphite Project in southeast Tanzania. The Agreement replaces the one signed with Wogen in 2019 (see ASX announcement of 11 April 2019).

### HIGHLIGHTS

- Binding Sales, Purchase and Marketing Agreement for the full nameplate capacity of the Lindi Jumbo Mine.
- Term of the Agreement is for five years.
- The average realised pricing of graphite concentrate will be more influenced by short term market movements while still having some longer duration.

**Walkabout Resources' CEO, Andrew Cunningham commented,** *"The signing of the exclusive sales agreement with Wogen Pacific is a major milestone in the development of the Lindi Jumbo Graphite Project. Wogen brings a wealth of global sales and marketing experience into the Lindi Jumbo fold and have been working diligently for more than two years marketing the Lindi Jumbo graphite concentrate to pre-selected end-users."*

**Wogen Pacific Chairman Alex Williams commented,** *"We are delighted to be enlarging the scope of our agreement with Lindi Jumbo as we continue to develop our expertise in the important area of future-focused metals and minerals. We have enjoyed working with the people at Lindi Jumbo over the past few years and look forward to continuing this in a mutually beneficial and transparent way."*

### KEY TERMS OF BINDING AGREEMENT

The original Agreement allowed for a volume of production not already committed to other customers to be sold to Wogen. Under the amended terms of the Agreement, the full export production of Lindi Jumbo shall be sold to Wogen for a minimum term of 5 years. Wogen shall 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. The existing customers are supportive of this approach.

### BENEFITS

The amended binding Agreement will allow Lindi Jumbo to harness the skills and resources of an established international commodities marketing organisation across its full production capacity. Lindi Jumbo will draw on the considerable market knowledge and relationships Wogen has established in the graphite market since partnering with Walkabout Resources and Lindi Jumbo in 2019. It is anticipated that Lindi Jumbo's sales book will be more diversified and have greater exposure to shorter term pricing than previously as a result of the new arrangement. The Agreement also provides Lindi Jumbo enhanced access to supply chain financing, supporting the objective of operating a capital-efficient balance sheet.

Key Term	Details
Length of Contract	Initial term of five years from the delivery of first shipment. Contract is renewable.
Commencement	Pre-production phase continues in line with 2019 Agreement. Production phase commences upon Lindi Jumbo reaching 15,000 tonnes per annum export rate.
Quantities	Maximum of 40,000 tonnes per annum.
Pricing	Achieved market price less Wogen's commission and distribution costs.
Contract Value	Estimated to be approximately US\$260 million (based on the DFS financial model and forecasted graphite prices).
Product Specs	395, 595, 895 and -895 Flake Graphite.
Supply chain financing	Remains in place per 2019 Agreement.
Termination	Bilateral provisions allow termination in the event of suspension of debt payments, winding up, appointment of administrator or receiver, company voluntary arrangements and related circumstances; cessation of all or substantial part of its business or a material breach of the Agreement.
Governing Law	England and Wales.

#### WOGEN PACIFIC

Wogen Pacific Limited is part of the Wogen group, a specialist trading company handling a wide array of speciality metals and minerals including ores and concentrates, metals and oxides, ferro alloys, mineral sands and rare earths. Wogen has a 50-year history of trading, selling, procurement and servicing customers across the globe. Wogen brings particular strengths in Europe and China, key locations in the graphite marketplace.

This announcement is authorised for release by the Board.

**-ENDS-**

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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.

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

Learn more at [wkt.com.au](http://wkt.com.au)

