

DEVELOPMENT PROGRESS - LINDI JUMBO PROJECT

Walkabout Resources Ltd (ASX:WKT) (Company), is pleased to provide an update of progress of the Lindi Jumbo graphite mine in Tanzania.

HIGHLIGHTS

- Detailed three-year mine plan completed.
- 42.2% reduction in waste rock mining.
- 23.5% reduction in total tonnes mined.
- Critical shipped equipment has arrived in Dar es Salaam with next shipment expected within days.
- Mechanicals for almost all previously delivered equipment have been completed.
- Substantial progress in development of the Tailings Storage Facility (TSF).
- Tax, legal & environmental due diligence for debt funding has been successfully completed.

MINE PLANNING

As part of the operational readiness planning for Lindi Jumbo, the initial 3-year mine plan was optimised to ensure that sufficient waste was being generated to supply the necessary lifts of the TSF walls, while at the same time generating sufficient medium grade (10 to 20% TGC) and high-grade (>20% TGC) ore stockpiles for blending, commissioning and ramp-up to steady state operations.

The new 3 year mine plan is a material improvement to the Life-of-Mine mine plan completed as part of the 2019 Definitive Feasibility Study (DFS) due to:

1. The incorporation of the pre-strip and waste-rock mining that is underway to build the TSF and for which the costs are part of the capital expenditure.
2. The shift of the entire first three years of mining to the north and closer to the processing plant resulting in potential cost savings due to shorter ore tramming distances.
3. The inclusion of Inferred resources which are above the cut-off of 10% TGC and which occurs within the updated pit design (previously classified as waste in the DFS).¹
4. A 39% reduction in strip ratio to the previous 3-year plan.

This has resulted in significantly less operational waste rock mining and potential cost savings (1.25 million tonnes or 42.2% less than the initial three years in the 2019 mine plan) The significant reduction in waste rock and total tonnes mined (see Table 1) has the potential to reduce the mining operating costs of the mine even at current increased per unit costs (due to inflation, increase fuel prices and ancillary mining costs).

¹ ASX Announcement 19 December 2018, Lindi Jumbo Graphite Mineral Resource Increased by 41%.

Table 1: Summary of the changes to the 3 Year mine plan - 2019 vs. 2023 ²

Mining - initial 3 year period	% Change
Ore Tonnes (MG + HG)	-3.2%
Ore Grade	0%
Low Grade tonnes (<10% TGC)	+ 9.2%
Waste Tonnes	-42.2%
Total Tonnes Mined	-23.5%
Tonnes Processed	-5.0%
Concentrate tonnes produced	-5.9%

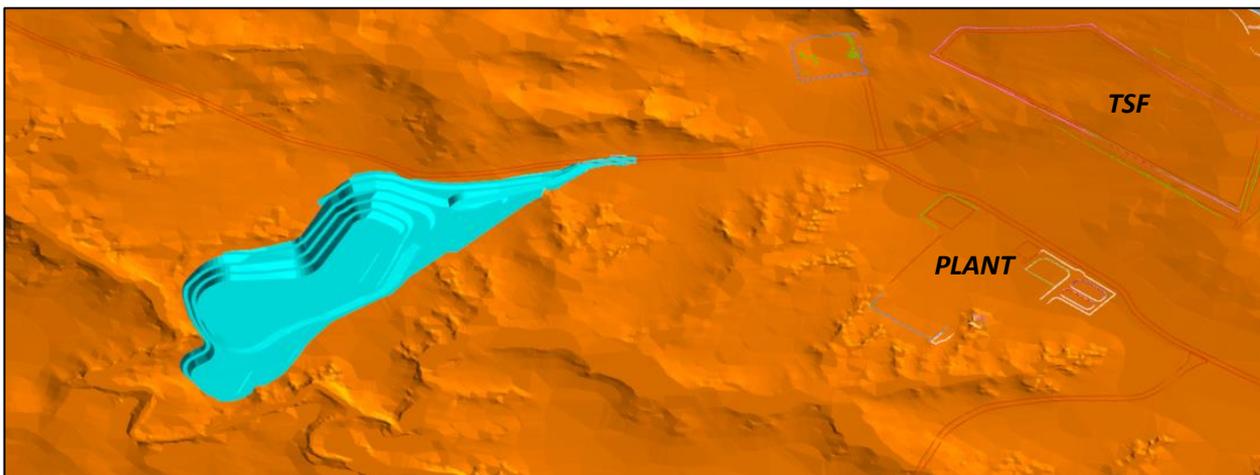


Figure 1: Oblique view from the southeast of the 3-year mining pit in relation to the Processing Plant and Tailings Storage Facility (TSF) areas.

EQUIPMENT DELIVERY AND MANUFACTURING

As previously reported, the Lindi Jumbo project development has been proceeding at full pace, made possible through the interim funding measures announced in February and March. The drawdown of the Senior Debt facility will not alter the tempo of the site-based construction activities and will primarily be used initially to refinance those interim funding measures. The timing of construction completion is most dependent on the arrival on site of the shipments that arrived in Dar es Salaam this week or are expected this weekend.

The pre-fabrication of approximately 600 tonnes of steelwork needed for the construction of the large drying and screening building has been completed and the first consignment containing the bulk of that steelwork has been delivered to the port in China and will be loaded onto the next bulk-vessel due to leave for Tanzania.

² ASX Announcement 7 March 2019, Updated DFS Confirms Standout Graphite Project.

A further team of specialist tradesmen and engineers needed for the erection of the building frameworks are expected to arrive on site during June in preparation of the arrival of the next consignments from China.

SITE WORKS

Almost all of the mechanical equipment previously delivered to site has been erected. In recent weeks this has included all the floatation cells, the apron feeder, completion of the crushing circuit, the spiral classifiers and associated steelworks.



Figure 2: Installation of the apron feeder (left) at the primary crusher and of the primary spiral classifier (right).

The TSF is now 68% complete with the rockfill at the retainer walls of the pre-deposition area at 82% completion. Clay capping of the retainer walls is progressing well and is at 37% completion. The lining of the pre-deposition area with HDPE lining is planned to commence by early July. More than 19,000 tonnes of high-grade ore are now available on the high-grade ore stockpile.



Figure 2: Oblique view from the south of the processing plant as of 25 May 2023 with the TSF in the background.

SENIOR DEBT FUNDING PROGRESS ³

There have been due-diligence activities undertaken in relation to the proposed Senior Debt Facility. These include technical, financial, legal, environmental and marketing due diligence. Since the signing of the Senior Debt Facility Term Sheet, Gemcorp has undertaken a site visit during which the Gemcorp team met with the key contractors and suppliers to Lindi Jumbo. The results of due diligence will be presented to the Gemcorp Investment Committee and form part of the final approval decision process.

CEO of Walkabout Resources, Andrew Cunningham commented;

“The arrival in Tanzania of the remaining mechanical equipment further de-risks the completion of the Lindi Jumbo construction. The interim funding measures have been critical in delivering this result. We are excited at the progress achieved to date and what is expected over the coming few months.”

This announcement is authorised for release by the Board.

-ENDS-

³ ASX Announcement 29 March 2023, US\$ 20m debt facility to complete the Lindi Jumbo Project.

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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

