

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

Interim Financial Report  
31 December 2019

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**INTERIM FINANCIAL REPORT**  
**For the Half Year Ended 31 December 2019**

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**WALKABOUT RESOURCES LTD  
ACN 119 670 370**

**COMPANY DIRECTORY**

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**DIRECTORS**

Mr Trevor Benson  
(Executive Chairman)

Mr Allan Mulligan  
(Executive Director)

Mr Andrew Cunningham  
(Non-Executive Director)

Mr Michael Elliott  
(Non-Executive Director)

**COMPANY SECRETARY**

Mr Ian Hobson

**REGISTERED OFFICE**

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WEST PERTH, WA, 6005

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[admin@wkt.com.au](mailto:admin@wkt.com.au)

**AUDITORS**

HLB Mann Judd  
Level 4, 130 Stirling Street  
PERTH WA 6000

**SHARE REGISTRAR**

Computershare Investor Services Pty Ltd  
Level 11, 172 St Georges Terrace  
Perth WA 6000, Australia  
Phone: 1300 850 505

**SECURITIES EXCHANGE LISTING**

Australian Securities Exchange  
(Home Exchange: Perth, Western Australia)  
Code: WKT

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**DIRECTORS' REPORT**

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**DIRECTORS REPORT**

Your directors submit the financial report of the Group for the half-year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

**DIRECTORS**

The names of Directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

Trevor Benson	Executive Chairman
Allan Mulligan	Executive Director
Andrew Cunningham	Non-Executive Director
Michael Elliott	Non-Executive Director

**RESULTS**

The loss after tax for the period ended 31 December 2019 was \$2,839,611 (2018: \$1,530,278).

**REVIEW OF OPERATIONS**

**Lindi Jumbo Project Funding**

During the period, the Company engaged international investment bank Pareto Securities ("Pareto") to advise on procuring the development funding for the Lindi Jumbo Project and launched a Senior Secured US\$40m Loan Note Issue (the "Loan Note" or the "Facility") in the international debt capital markets. The Company continued to engage with interested parties to secure a suitable funding solution for the Lindi Jumbo Graphite Project.

**Bridging Debt Facility from Shareholders**

As an important interim initiative towards the Lindi Jumbo financing, a number of large and sophisticated shareholders including a director of the Company provided a short-term Bridging Debt Facility of A\$5m effectively bringing forward the receipt of funds from the exercise of listed options which expired at the end of December 2019.

The Bridging Debt Facility was used to meet due diligence and operating costs including the continued development of the Lindi Jumbo project while all project financing options are considered and finalised. The Bridging Debt facility was repaid in full on 2 January 2020 from proceeds received through the exercising of listed A\$0.15 options that expired on 31 December 2019.

**Manufacturing, Development and Project Progress**

Under the Early Start Program earthmoving and levelling work carried out on the Lindi Jumbo site has been completed, so that now civil construction can commence immediately after final funding has been secured.

The Early Start initiative which included the initial manufacture of major long lead items and the initial site works, has aided in de-risking the project timetable and positioned the Lindi Jumbo project to maximise any potential rebound in the international graphite market during 2020.

**WALKABOUT RESOURCES LTD  
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**CORPORATE**

During the half year under review, the Company placed 2,304,349 shares at \$0.23 per share to raise \$530,000 to director Michael Elliott and related parties following shareholder approval at the AGM on 22 November 2019.

Option holders exercised 30,241,703 options at \$0.15 per share. The proceeds were used to repay the Bridging Loan.

**EVENTS SUBSEQUENT TO REPORTING DATE**

The Company repaid the final balance of the Bridging Loan (being \$951,210) on 2<sup>nd</sup> January 2020. Otherwise, no matters or circumstances have arisen since the end of the half year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

**AUDITOR'S INDEPENDENCE DECLARATION**

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 4 and forms part of this directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Trevor Benson  
Executive Director

Dated this 12th day of March 2020

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Walkabout Resources Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



**Perth, Western Australia**  
**12 March 2020**

**L Di Giallonardo**  
**Partner**

**hlb.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the Half-Year ended 31 December 2019

	Note	31 December 2019 \$	31 December 2018 \$
Revenue	2	3,876	25,791
Depreciation		(1,368)	(1,511)
Occupancy costs		(121,826)	(112,474)
Legal and compliance		(414,119)	(115,789)
Administration expenses		(447,397)	(478,206)
Interest expense	6	(105,609)	-
Consulting fees		(462,315)	(360,803)
Professional fees		(76,320)	(37,850)
Other expenses		(626,168)	(275,859)
Share based payments	8	(583,991)	(162,033)
Deferred exploration expenditure written off		-	(12,574)
Exploration expenditure expensed as incurred		(17,816)	(30,967)
Realised foreign exchange gain		13,442	31,997
<b>Loss before income tax</b>		<b>(2,839,611)</b>	<b>(1,530,278)</b>
Income tax expense		-	-
<b>Net loss for the period</b>		<b>(2,839,611)</b>	<b>(1,530,278)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(71,779)	464,868
<b>Other comprehensive (loss) / income for the period net of tax</b>		<b>(71,779)</b>	<b>464,868</b>
<b>Total comprehensive loss for the period</b>		<b>(2,911,390)</b>	<b>(1,065,410)</b>
Basic and diluted loss per share from continuing operations (cents)		(0.89)	(0.55)

*The accompanying notes form part of these financial statements.*

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 31 December 2019

	Note	31 December 2019 \$	June 2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		5,082,431	4,719,663
Trade and other receivables	3	480,811	99,528
<b>Total current assets</b>		<b>5,563,242</b>	<b>4,819,191</b>
<b>Non-current assets</b>			
Trade and other receivables		5,000	5,000
Property, plant and equipment	4	4,171,666	2,520,560
Deferred exploration and evaluation expenditure	5	13,500,513	12,514,419
<b>Total non-current assets</b>		<b>17,677,179</b>	<b>15,039,979</b>
<b>Total assets</b>		<b>23,240,421</b>	<b>19,859,170</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		1,102,333	1,427,472
Provisions		126,089	106,794
Bridging Loan	6	951,210	-
<b>Total current liabilities</b>		<b>2,179,632</b>	<b>1,534,266</b>
<b>Total liabilities</b>		<b>2,179,632</b>	<b>1,534,266</b>
<b>Net assets</b>		<b>21,060,789</b>	<b>18,324,904</b>
<b>Equity</b>			
Contributed equity	7	76,323,791	71,260,507
Reserves		1,327,189	814,977
Accumulated losses		(56,590,191)	(53,750,580)
<b>Total equity</b>		<b>21,060,789</b>	<b>18,324,904</b>

*The accompanying notes form part of these financial statements.*

**WALKABOUT RESOURCES LTD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the Half-Year Ended 31 December 2019

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Share based Payment Reserve	Total Equity
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2018</b>	65,462,255	(51,013,079)	(93,203)	603,171	364,225	15,323,369
Loss for the period	-	(1,530,278)	-	-	-	(1,530,278)
Exchange differences arising on translation of foreign operations	-	-	464,868	-	-	464,868
<b>Total comprehensive loss for the period</b>	-	(1,530,278)	464,868	-	-	(1,065,410)
Options issued during the period	-	-	-	301,258	-	301,258
Share based payment reversal	-	-	-	-	(139,225)	(139,225)
Conversion of performance rights to shares	225,000	-	-	-	(225,000)	-
Shares issued during the period	3,000,000	-	-	-	-	3,000,000
Share issue costs	(210,472)	-	-	-	-	(210,472)
<b>Balance at 31 December 2018</b>	68,476,783	(52,543,357)	371,665	904,429	-	17,209,520
<b>Balance at 1 July 2019</b>	71,260,507	(53,750,580)	(89,452)	904,429	-	18,324,904
Loss for the period	-	(2,839,611)	-	-	-	(2,839,611)
Exchange differences arising on translation of foreign operations	-	-	(71,779)	-	-	(71,779)
<b>Total comprehensive loss for the period</b>	-	(2,839,611)	(71,779)	-	-	(2,911,390)
Share based payment	-	-	-	583,991	-	583,991
Shares issued during the period - placement	530,000	-	-	-	-	530,000
Shares issued on exercise of options	4,533,284	-	-	-	-	4,533,284
<b>Balance at 31 December 2019</b>	76,323,791	(56,590,191)	(161,231)	1,488,420	-	21,060,789

*The accompanying notes form part of these financial statements.*

**WALKABOUT RESOURCES LTD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Half-Year Ended 31 December 2019

	Note	31 December 2019 \$	31 December 2018 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,823,310)	(1,123,594)
Interest received		3,876	25,791
Interest paid		(105,609)	-
<b>Net cash flows used in operating activities</b>		<b>(1,925,043)</b>	<b>(1,097,803)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment		(1,910,313)	-
Payments for exploration and evaluation		(1,194,800)	(1,904,190)
<b>Net cash flows used in investing activities</b>		<b>(3,105,113)</b>	<b>(1,904,190)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of shares, net of costs		3,860,678	2,789,528
Proceeds from Bridging Loan	6	5,000,000	-
Repayment of Bridging Loan	6	(3,467,754)	-
<b>Net cash flows from financing activities</b>		<b>5,392,924</b>	<b>2,789,528</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>362,768</b>	<b>(212,465)</b>
Cash and cash equivalents at the beginning of the period		4,719,663	6,412,501
<b>Cash and cash equivalents at the end of the period</b>		<b>5,082,431</b>	<b>6,200,036</b>

*The accompanying notes form part of these financial statements.*

**WALKABOUT RESOURCES LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the Half-Year Ended 31 December 2019

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this half-year report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Walkabout Resources Ltd and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

**Basis of preparation**

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

**Accounting policies and methods of computation**

The accounting policies and method of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**Significant accounting judgements and key estimates**

The preparation of half-year reports require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2019.

**Going concern**

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

**Adoption of new and revised Accounting Standards**

**Standards and Interpretations applicable to 31 December 2019**

In the period ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period.

**WALKABOUT RESOURCES LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
For the Half-Year Ended 31 December 2019

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

As a result of this review, the Group has applied AASB16 Leases from 1 July 2019. AASB 16 replaces AASB 17 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases.

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows. AASB 16 substantially carries forward the lessor accounting requirements in AASB 117 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

AASB 16 is effective from annual reporting periods beginning on or after 1 January 2019. A lessee can choose to apply the Standard using a full retrospective or modified retrospective approach.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative periods as the short term lease exemption in AASB 16 was utilised.

**Standards and Interpretations on issue not yet adopted**

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

**WALKABOUT RESOURCES LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
For the Half-Year Ended 31 December 2019

**2. LOSS BEFORE INCOME TAX EXPENSE**

	<b>Half Year to 31 December 2019 \$</b>	<b>Half Year to 31 December 2018 \$</b>
The following revenue items are relevant in explaining the financial performance for the half-year:		
Interest revenue	3,876	25,791

**3. TRADE AND OTHER RECEIVABLES**

	<b>31 December 2019 \$</b>	<b>30 June 2019 \$</b>
Prepayments	67,711	3,500
GST and other receivables	89,509	96,028
Proceeds from exercise of options (refer Note 7)	323,591	-
Balance at end of the period	480,811	99,528

**4. PROPERTY, PLANT AND EQUIPMENT**

	<b>31 December 2019 \$</b>	<b>30 June 2019 \$</b>
<b>Property, plant &amp; equipment</b>		
At cost	4,283,492	2,631,000
Accumulated depreciation	(111,826)	(110,440)
Balance at end of the period	4,171,666	2,520,560

**Made Up of:**

	<b>Half Year to 31 December 2019 \$</b>	<b>Year to 30 June 2019 \$</b>
<b>Plant &amp; Equipment</b>		
Balance at the beginning of the year	7,264	8,939
Additions	-	2,028
Depreciation expense	(1,368)	(3,703)
Balance at end of the period	5,896	7,264

**WALKABOUT RESOURCES LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
For the Half-Year Ended 31 December 2019

**4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	<b>Half Year to 31 December 2019 \$</b>	<b>Year to 30 June 2019 \$</b>
<b>Mine Properties – work in progress</b>		
Balance at the beginning of the year	2,513,296	-
Additions	1,652,474	2,513,296
Amortisation expense	-	-
Balance at end of the period	4,165,770	2,513,296

**5. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE**

	<b>Half Year to 31 December 2019 \$</b>	<b>Year to 30 June 2019 \$</b>
Costs carried forward in respect of areas of interest in the following phases		
<b>Exploration and evaluation phase – at cost</b>		
Balance at beginning of period	12,514,419	9,563,843
Purchase of tenements	-	159,195
Expenditure incurred	944,420	2,713,187
Foreign currency translation effect	41,674	166,080
Expenditure written off	-	(87,886)
Balance at end of period	13,500,513	12,514,419

**6. BRIDGING LOAN**

	<b>Half Year to 31 December 2019 \$</b>	<b>Year to 30 June 2019 \$</b>
Balance at beginning of period	-	-
Bridging Loan	5,000,000	-
Interest Capitalised	105,609	-
Repayments made – cash	(3,573,363)	-
Repayments made – in lieu of option exercise	(581,036)	-
Balance at end of period	951,210	-

On 9 October 2019, unrelated sophisticated shareholders and a director of the Company agreed to provide an unsecured short-term Bridging Debt Facility of \$5 million (“Loan”) while the Company finalised a debt-based project funding facility with an International Investment Bank. The Loan was fully repaid on 2 January 2020.

The Loan was 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 Loan were:

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the Half-Year Ended 31 December 2019

**6. BRIDGING LOAN CONTINUED**

- A term of 31 December 2019;
- An interest rate of 14% per annum;
- Funds from the proceeds of exercise of the Company's listed \$0.15 options (expiring 31 December 2019) to be used to repay the Loan;
- Should these proceeds (and the proceeds of exercise of the Bridge Options described below) not be adequate, the remaining Loan was to 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 in the ratio of 5 Bridge Options per \$1.00 advanced to the Company. The Bridge Options lapsed unexercised on 31 December 2019. The value of these options was \$583,991 (see Note 8 for valuation methodology) and has been expensed in the Statement of Comprehensive Income due to the short-term nature of the Bridging Debt Facility.

**7. ISSUED CAPITAL**

	<b>31 December 2019</b>	<b>30 June 2019</b>
	<b>\$</b>	<b>\$</b>
<b>Issued capital</b>		
346,976,373 (30 June 2019:		
316,587,593) issued and fully paid	76,000,200	71,260,507
Unissued capital <sup>1</sup>	323,531	-
	<b>76,323,791</b>	<b>71,260,507</b>

	<b>Half Year to 31 December 2019</b>	<b>Year to 30 June 2019</b>	<b>Half Year to 31 December 2019</b>	<b>Year to 30 June 2019</b>
	<b>Number</b>	<b>Number</b>	<b>\$</b>	<b>\$</b>
<b>Movements in ordinary shares on issue</b>				
At start of period	316,587,593	268,416,321	71,260,507	65,462,255
Issued on exercise of options	30,241,703	559,411	4,533,284	87,184
Issued for cash – share purchase plan	-	33,333,427	-	3,000,000
Conversion of Director performance rights	-	2,500,000	-	225,000
Issued in lieu of cash	-	250,000	-	72,500
Issued for cash – placements	2,304,349	11,528,434	530,000	2,651,540
Less: costs of issue	-	-	-	(237,972)
At end of period	<b>349,133,645</b>	<b>316,587,593</b>	<b>76,323,791</b>	<b>71,260,507</b>

<sup>1</sup>At balance date, proceeds from the exercise of options amounting to \$323,591 had been received by the share registry but the 2,157,273 shares had not been issued at the balance date. These shares were issued on 8 January 2020.

**WALKABOUT RESOURCES LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
For the Half-Year Ended 31 December 2019

**8. OPTIONS**

	<b>31 December 2019 Number</b>	<b>30 June 2019 Number</b>
Movements in options		
Opening balance	47,104,910	40,664,321
Bridging Loan Option issue <sup>1</sup>	25,000,000	-
Bridging Loan Option lapse	(25,000,000)	-
Issued as Director Incentive	-	7,000,000
Exercised	(30,241,703)	(559,411)
Expired	(9,863,207)	-
At 31 December <sup>2</sup>	<u>7,000,000</u>	<u>47,104,910</u>

<sup>1</sup>Bridging Loan options

25,000,000 options were granted to shareholders who provided a short term loan in two tranches. Tranche 1 comprising of 14,837,235 options were granted on 9<sup>th</sup> October 2019 and Tranche 2 comprising of 10,162,765 were granted on 22 November 2019 following shareholder approval at the AGM on 22 November 2019. The fair value of the options at grant date was determined using a Black Scholes pricing method that took into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The following table lists the inputs to the model used for valuation of the unlisted options, which amounted to \$583,991 in total.

<b>Item</b>	<b>Inputs (Tranche 1)</b>	<b>Inputs (Tranche 2)</b>
Volatility (%)	0.8516%	0.8433%
Risk free interest rate (%)	0.62%	0.62%
Expected life of option (days)	84	40
Expected dividend yield	Nil	Nil
Exercise price per terms and conditions	\$0.35	\$0.35
Underlying security price at grant date	\$0.28	\$0.32
Expiry date	31/12/2019	31/12/2019
Value per option	\$0.0231	\$0.0237

<sup>2</sup> The remaining 7,000,000 options at 31 December 2019 are exercisable at 20 cents and expiring on 11 December 2021.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the Half-Year Ended 31 December 2019

**9. SEGMENT REPORTING**

***Operating Segments by business activity***

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of directors in assessing performance and determining the allocation of resources.

***Segment Information***

The following tables present segment information provided to the Board of Directors for the half year periods ended 31 December 2019 and 31 December 2018.

	<b>Corporate</b>	<b>Coal</b>	<b>Graphite</b>	<b>Copper</b>	<b>Lithium</b>	<b>Unclassified</b>	<b>Elimination</b>	<b>Total</b>
<b>31 December 2019</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Segment revenue</b>	3,876	-	-	-	-	-	-	3,876
<b>Segment result</b>	(2,144,310)	(17,077)	(655,692)	(15,189)	(7,343)	-	-	(2,839,611)
<b>Segment assets</b>	5,386,261	15,991	15,967,563	1,500,514	370,092	-	-	23,240,421
<b>Segment liabilities</b>	(1,372,275)	(1,661)	(712,020)	(92,746)	(930)	-	-	(2,179,632)
<b>31 December 2018</b>								
<b>Segment revenue</b>	25,791	-	-	-	-	-	-	25,791
<b>Segment result</b>	(1,150,189)	(17,817)	(276,906)	(67,417)	(17,949)	-	-	(1,530,278)
<b>Segment assets</b>	6,165,859	15,653	10,450,689	1,146,930	304,945	-	-	18,084,076
<b>Segment liabilities</b>	(489,872)	(43,372)	(221,755)	(118,646)	(912)	-	-	(874,557)

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
For the Half-Year Ended 31 December 2019

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**10. COMMITMENTS AND CONTINGENT LIABILITIES**

There have been no changes in commitments or contingent liabilities since the last annual reporting date.

**11. FAIR VALUE MEASUREMENT**

The Directors consider the carrying amount of the financial assets and financial liabilities that are recognised in the condensed consolidated financial statements approximate their fair values.

The methods and valuation techniques used for the purposes of measuring fair value are unchanged from the previous reporting period.

**12. RELATED PARTY TRANSACTIONS**

In November 2019, director Michael Elliott and associates subscribed to a placement of 2,304,348 shares at \$0.23 per share to raise \$530,000 following shareholder approval at the AGM on 22 November 2019.

Associates of Michael Elliott participated in the Bridging Loan by providing \$1,950,000 on the same terms as other Bridging Loan participants – see the terms set out in Note 6. The Bridging Loan was fully repaid and Mr Elliott's associates received \$24,301 in interest during the loan period.

Mr Elliott's associates also received 9,750,000 Bridging Loan Options (see terms detailed in Note 7). The Bridging Loan Options were exercisable at \$0.35 each in the ratio of 5 Bridging Loan Options per \$1.00 advanced to the Group. The Bridging Loan Options lapsed unexercised on 31 December 2019.

There were no other related party transactions in the period other than director fees.

**WALKABOUT RESOURCES LTD**  
**ACN 119 670 370**

**DIRECTORS' DECLARATION**  
For the Half-Year Ended 31 December 2019

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The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 16 are in accordance with the Corporations Act 2001, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Trevor Benson  
Executive Director

Dated this 12th day of March 2020

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Walkabout Resources Limited

### **Report on the Condensed Interim Financial Report**

#### *Conclusion*

We have reviewed the accompanying interim financial report of Walkabout Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Walkabout Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Directors' responsibility for the interim financial report*

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**hlb.com.au**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing

Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

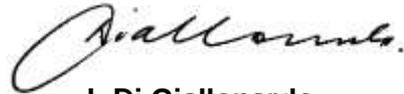
*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**12 March 2020**



**L Di Giallonardo**  
**Partner**