

30 April 2020

MARCH 2020 QUARTERLY ACTIVITIES REPORT

WALKABOUT RESOURCES LTD
ACN 119 670 370

ASX Code: WKT

www.wkt.com.au

Level 3, 681 Murray St,
West Perth, WA 6872
P.O. Box 263,
West Perth WA 6005

T: +61 8 6298 7500
admin@wkt.com.au

DIRECTORS

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

ORDINARY SHARES
349,133,645

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%)

Walkabout Resources Ltd (ASX:WKT) is pleased to report its activities for the March 2020 quarter.

Highlights

- Funding activities with Principle Advisor, Pareto Securities, remains ongoing with additional focus on several African Development Banks;
- Significant interest with a number of independent parties currently conducting due diligence via the Company's Data Room, which includes additional positively verified technical due diligence reports on the Project by global experts;
- Due Diligence site visit by Investor Group completed;
- Ongoing field work in Scotland including ground magnetics survey prior to work stoppages;
- Notice to JV Partners of intention to withdraw from Takatokwane Coal JV's;
- Company rationalised international operations and consultant groups to preserve cash during Covid-19 crisis;
- Company has developed a Covid-19 working plan with plans to proceed with construction and manufacturing from within Tanzania once funding has been secured;
- Company continued to receive direct support and encouragement from Tanzanian Government.

Funding Activities

Following the International Mining Indaba in Cape Town in February, the Company received several alternate approaches from African Development Banks in regard to possible funding structures.

Negotiations with these parties are ongoing with the objective of securing binding term sheets. Despite Covid-19 slowing progress, substantial progress has been made.

The Company continues to work towards a funding solution with international investment bank, Pareto Securities (Pareto), to raise US\$40m to fund the development of the Lindi Jumbo Graphite Project in South East Tanzania. (see ASX Release 25th Oct 2019)

Enormous volatility has been experienced in global bond markets over the quarter with Covid-19 dramatically reducing primary bond issues & more recently unprecedented governments stimulus reactivating the interest of investors. While this recovery in interest is encouraging it will take time to infiltrate the high yield end of the market.

The immediate objective is to secure binding term sheets which will determine funding partners and the structure to be adopted moving forward.

Management has responded to the immediate challenges the Covid-19 pandemic event has triggered and the focus has first been to secure the financial security of the Company throughout this difficult time.

Lindi Jumbo

One of the side benefits of having multiple world class experts undertaking due diligence on Lindi Jumbo has been the consistent affirmation of the quality of the project & support for the conservative evaluations provided by the company so far. While each expert has concluded positively on all the relevant major aspects of the Lindi Jumbo project, they have made incidental observations that could further de-risk the project or improve outcomes.

Some of these resulting improvements have taken place over the previous two quarters resulting in minor changes in the project at little or no cost. These include:

- A re-domicile of offtake & EPC agreements to lower contract execution risk.
- An expert reassessment of the design of the Tailings Storage Facility to better synchronise with available waste materials from the mine & lessen the potential of acid formation. The cost of these modifications are minor & well included in previously released capex estimates.
- The collection of significantly more base line environmental data through the employment of an environment manager in country. This data will assist operational environmental management, the design of rehabilitation activities & an ultimate mine closure plan.
- The formalisation of a Project Implementation Plan that integrates the Project Implementation Plans of each of our major contractors.

While these matters were incidental to the investment decisions of potential debt or equity investors, the recent addressing of them has only further improved the Lindi Jumbo Graphite project's low risk profile.

Scotland

During the period under review, the Company has advanced preparatory works at two sites in Scotland's Uplands district. A two-year access agreement was finalised with Forestry and Land Scotland which will give the Company access to one of the high priority gold targets within the licence areas. This area was previously investigated by the British Geological Survey in the 1970's and very limited and shallow scout drilling intersected gold mineralisation in quartz veins with grades of up to 5.9g/t Au and widths of up to 4.5m (see ASX release of 1st October 2018).

Further regional works included focussed structural mapping and sampling, and a ground magnetics survey over one of the historical high-grade base metals mining areas (lead, zinc and to a lesser extent silver). This work was completed in the week before the lockdown in the UK was announced. The results from the various field campaigns are now being interpreted to enable a focussed drilling campaign to commence as soon as possible after the restrictions are lifted and all regulatory requirements met. The Company has

been actively engaging with the local communities and councils who continue to give positive support in favour of the project.

Further negotiations with Scotland Forestry in regards to ongoing and long-term, regional access to forestry plantation areas are continuing.

Botswana

The Company has provided notification to its partners in the two Takatokwane Coal Joint Ventures in Botswana of its intention to withdraw from the Agreements. The Company endeavoured, over a long period to secure potential investors in the project but these were without success. The cost of these joint ventures were fully written off in 2018 & withdrawal will result in the saving of ongoing holding costs.

Currently, the Company is finalising its commercial obligations in Botswana and will release the holding Companies from their respective JV partners.

Corporate

Due to the significant amount cash received from the exercise of the company's \$0.15 options that expired on 31 December 2019, the Company had sufficient funds to repay the shareholders bridging Loan in full on the first business day of the quarter and the Company is now debt free (*see ASX Release 2 January 2020*).

Item 6.1 of Appendix 5B accompanying this quarterly report relates to director fees and salaries paid in the quarter.

This ASX release has been approved for release by Trevor Benson – Chairman.

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 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 participating in the Tyrone Joint Venture where cobalt, copper and silver occurrences are being explored.

Details of Walkabout Resources' projects are available at the Company's website, www.wkt.com.au.

END

Schedule of mining tenements and beneficial interests held as at the end of the March 2020 quarter.

Project / Location	Tenement Type	Tenement Number	Interest at Start of Quarter	Interest at End of Quarter	Comment	Holding Company
Botswana						
Takatokwane	PL	35/2007	70%	0%	Withdrawing	Wizard Investments (Pty) Ltd
Takatokwane	PL	157/2009	40%	0%	Withdrawing	Triprop Energy (Pty) Ltd
Takatokwane	PL	160/2009	40%	0%	Withdrawing	Triprop Energy (Pty) Ltd
Namibia						
Eureka	EPL*	6308	100%	100%		Aardvark Minerals Pty Ltd
Eureka	EPL*	6309	100%	100%		Aardvark Minerals Pty Ltd
Tanzania						
Kimoingan	PL	11119/2017	100%	100%		Walkabout Resources Ltd (Tz)
Lindi	ML	579/2018	100%	100%		Lindi Jumbo Ltd
Lindi	PL	9993/2014	70%	70%		Lindi Jumbo / Ali Mbarak
Lindi	PLA	11409/2020	0%	100%	Granted and Name changed from PLA13376/2018	Lindi Jumbo Ltd
Lindi	PL	11377/2019	70%	70%	Granted	Lindi Jumbo Ltd / Ali Mbarak
Northern Ireland						
NE Antrim	MRO	LON01/14	50%	50%		Antrim Metals Ltd (CE)
Glenariff	MRO	LON02/14	50%	50%		Antrim Metals Ltd (CE)
Tyrone	MPL# / MRO	KOZ01/16	0%	Earning 50%		Koza (UK) Ltd (CE & DfE)
Scotland						
St John's Town of Dalry	MRO	GH	0%	Earning 75%	Farm-In	JDH Resources Ltd
Newton Stewart	MRO	CN	0%	Earning 75%	Farm-In	JDH Resources Ltd
Rhins of Galloway	MRO	CG	0%	Earning 75%	Farm-In	JDH Resources Ltd