

WALKABOUT RESOURCES LTD

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DIRECTORS

Andrew Cunningham
Managing Director and CEO

Mike Elliott
Non-Executive Chairman

Phil Montgomery
Non-Executive Director

Peter Finimore
Non-Executive Director

ORDINARY SHARES

671,261,451

PROJECTS

Lindi Jumbo Graphite Project
Tanzania (70% - 100%)

Amani Gold Project
Tanzania (100%)

**Northern Ireland Gold and
Base Metals (50%)**

**Scotland Gold and Base Metal
Projects (100%)**

December 2023 Quarterly Activities Report

Walkabout Resources Ltd (the “Company” or “Walkabout”, ASX:WKT) is pleased to report activities for the period ending 31 December 2023.

HIGHLIGHTS

LINDI JUMBO GRAPHITE MINE TANZANIA

- Major milestones reached of **one million hours** and more than **two years** without a lost time injury.
- Tailings Storage Facility (TSF) works 99% complete at quarter end, with HDPE liner installation completed.
- Planned essential civil works completed.
- Erection of all Processing Plant structures completed.
- Gemcorp drawdowns continue as per schedule.
- TANESCO powerline energised and in use.
- Commissioning activities commenced.
- First production remains on track for Q1 2024.
- Under the 100% offtake agreement with Wogen Pacific, sales activities commenced with first orders expected just prior to production

Walkabout’s Managing Director and CEO, Andrew Cunningham commented;

“Once again, Walkabout has experienced a very busy and exciting quarter as we march towards completion of commissioning and full operation at the world-class Lindi Jumbo Graphite Mine.

To the credit of our entire team, Lindi Jumbo remains on target for first production in Q1 2024, with completion of essential civil works and processing plant structures erected.

I am particularly proud of all our workers and contractors who have maintained this rapid progress safely and responsibly, marked by the achievement of significant milestones, including one million hours and two years without a reported lost time injury”.

Current Funding Measures

GEMCORP DEBT FACILITY

Drawdowns from the US\$20m Gemcorp senior debt facility continued as per schedule with four drawdowns for US\$16.5 million completed to date. Funds drawn have been used for construction, commissioning and operational readiness.

BATTERY METALS CAPITAL GROUP ("BMCG") STANDBY FACILITY

Under the terms of the \$US10m standby facility, BMCG was issued 13,705,405 shares and the Company received US\$700K in November 2023¹. No further draws under the BMCG facility are expected.

Lindi Jumbo Graphite Mine, Tanzania

HEALTH, SAFETY AND ENVIRONMENTAL PERFORMANCE

The Company's outstanding safety performance continued in the quarter with no significant health, safety or environmental incidents reported.

During the quarter the Company reached the major milestone of 1 million hours without a lost time injury (LTI). In addition, on 13 December 2023, the two year LTI milestone was achieved.

CONSTRUCTION PROGRESS

Concrete Works

All planned essential concrete works at the Processing Plant and TSF were completed.

During the quarter, civil contractor efforts focussed on minor infill work— including floors, retaining walls and plinths for the containerised equipment, electrical transformers and other auxiliary equipment and structures.

Processing Plant

Prefabricated Motor Control Centres (MCCs) for the plant were placed on plinths and connection to the electrical circuits continued.

Pre-commissioning activities commenced, including the inspection and confirmation of working parts, bearings, idlers, cabling, wiring, emergency stops, v-belts, pump and motor specs, installation and splicing of the conveyors, Motor Control Centre (MCC) connections and safety guards.

The power capacity on site was sufficient to dry commission individual circuits and sections of the plant. Subsequent to the quarter, and following several weeks delay due to congestion at the Dar es Salaam Port, outstanding electrical components (MV/LV switchgear and transformers) required for wet commissioning were delivered to site in late January and are currently being installed.

¹ Refer to ASX announcements of 27 February 2023, 14 March 2023 and 13 November 2023 for further details relating to the BMCG standby facility.

Concentrator Building

During the quarter, erection of the steel building framework, as well as roofing was completed. This was coupled with mechanical installation of all equipment including tie in of the scrubber. Tie-in of the tailing slurry, concentrator and processing water piping commenced after quarter end.

Installation of electricals for the Concentrator Building was completed, with the exception of the cables to the mills which are temporarily extending power to the crushing circuit.

Drying and Screening Building

The erection of the steel framework for the Drying and Screening Building was completed. The only mechanical equipment still awaiting install is the burner for the rotary dryer, which will take place once delivered to site. Following this, outstanding roofing and cladding will be installed.

At quarter end, install of all other equipment had been completed, with the necessary tie-ins and electrical works in progress.

Quality Assurance and Quality Control (QAQC)

A detailed quality control program was completed by a specialist steelwork contractor and any identified remedial work was completed by an external contractor during December. No further defects were detected thereafter.



Figure 1: View of the Processing Plant in January 2024.

TAILINGS STORAGE FACILITY (TSF)

At the end of the quarter, TSF works were 99% complete, with HDPE liner installation completed. Final trimming, drainage, and stormwater management commenced and is ongoing.

Independent inspection of the TSF build was conducted in December for the purpose of operational certification. The Company expects government approval to operate the TSF in the coming weeks.



Figure 2: HDPE lining of the TSF at the end of December 2023.

CAMP

The permanent structures such as the main mess hall, kitchen and ablution blocks have been constructed, with the roof to be completed shortly. Fourteen pre-fabricated accommodation units were delivered to site and are being progressively mounted on their foundations.

ANCILLARY BUILDINGS

The mine administration buildings were installed and are operational. The spares warehouse and reagent store were erected with roofing and cladding works completed in January. Further prefabricated buildings such including offices and the clinic have been received on site and await final build.

EQUIPMENT DELIVERY AND MANUFACTURING

Equipment Delivered:

- The remainder of the piping, valves and minor steelwork for mechanical equipment.
- Steel buildings for lime and reagent store, warehouse and maintenance workshop.
- Rotex screens.

- Automation system and instrumentation.
- 11 KV Transformer, 11 KV Switchgear and 400V PCC Cubicles.
- 33 to 11KV Transformer.

Equipment Awaiting Delivery (as at the end of January):

Port congestion in Dar es Salaam continues to delay the delivery of equipment to site. The following items are in transit or awaiting docking:

- Burner and associated accessories.
- Generators.
- Rails for gantry cranes
- First fills.
- Spares (to be dispatched in February).



Figure 3: Portion of the burner system (left) and backup generators (right) post factory acceptance testing and pre loading in China.

Full electrical capacity (including sufficient backup power) at the Lindi Jumbo Graphite Mine is necessary before the commissioning team will feed ore through the entire processing circuit.

The grid powered switchyard was being erected at the end of January 2024 and full grid power is expected to be available for further commissioning activities during February 2024.

COMMISSIONING

During the quarter, commissioning activities for the fully installed mechanical equipment commenced in advance of first production.

A high-performance team comprising Jinpeng graphite processing specialists and senior technical staff from Lindi Jumbo's operational team was mobilised to execute a staged commissioning schedule targeting the:

1. Crushing circuit
2. Grinding and floatation circuit
3. Filtration and drying circuit
4. Screening and bagging circuit

The entire crushing circuit underwent dry-commissioning using a mobile generator that was connected to the Crushing MCC.

Subsequent to the quarter, **wet-commissioning** commenced and continued throughout January. All adjustments and remedial work was performed and the operation team will continue to crush the approximately 19,000 tonnes from the existing ore stockpile when full site power is available.

The crushed ore will be stored on the pre-prepared fine ore stockpile pad and the ore will be used for the wet commissioning of the remainder of the processing plant and further de-risks the Lindi Jumbo operational start up.

Dry commissioning of the entire flotation circuit was completed including the direction checks of the various motors and pumps within the circuit, and the leak testing of the float cells and piping.



Figure 4: Crushed ore on Conveyor 003 on the way to the fine-ore bin during crushing operations in January.

OPERATIONAL READINESS

A number of formal tenders for the outstanding essential outsourced services to the mine were approved during the quarter. These include the laboratory, logistics and temporary camp facilities. The fuel supply and catering tenders are currently going through the necessary approvals process. These contractors are expected to be engaged and mobilised to support the commencement of plant operations.

Hiring of essential staff continued in advance of the mine startup with the entire management team mobilised or poised to start.

PRODUCT SALES

Walkabout has a binding Sales, Purchase and Marketing Agreement with its product marketing partner Wogen Pacific (“Wogen”) for 100% of the nameplate capacity (40kt p.a.) for a minimum term of five years².

The company and its product marketing partner, Wogen Pacific undertook product sales activities to place the first few months of product sales. Production in this ramp-up period will be below steady state production and therefore sales need to be aligned with this ramp-up profile. Progress to date has been encouraging with first sales orders expected to be executed just prior to the commencement of operations.

ACTIVITIES UPCOMING

A further project update encompassing construction, commissioning and operational readiness will be released in coming weeks.

CORPORATE

The aggregate amount of payments to related parties and their associates, as disclosed in item 6.1 and 6.2 of the Appendix 5B relate to payments of executive and non-executive directors’ salaries and consulting fees.

ENDS

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² Refer to ASX announcement dated 29 July 2022 for further details of the offtake agreement.

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.

Also in Tanzania, the Company has assembled a large holding over the Amani Gold Project in the southern highlands near Lake Nyasa. This gold field is the base of intensive alluvial and artisanal diggings and the presence of rough-shaped nuggets is an indicator of a potential nearby source.

The Company holds 100% of an exciting exploration portfolio for gold and base metals in Scotland and 50% in the Tyrone Joint Venture in Northern Ireland 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.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr Andrew Cunningham (Director of Walkabout Resources Limited). Mr Cunningham is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

FORWARD LOOKING STATEMENTS AND DISCLAIMERS

This announcement includes forward-looking statements that are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of Walkabout Resources Limited.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, Walkabout Resources Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statements is based.

This announcement has been prepared by Walkabout Resources Limited. This document contains background information about Walkabout Resources Limited current at the date of this announcement. The announcement is in summary form and does not purport to be all-inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

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This announcement does not constitute investment advice and has been prepared without considering the recipients investment objectives, financial circumstances or particular needs and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons.

SCHEDULE OF MINING TENEMENTS AND BENEFICIAL INTERESTS HELD AS AT THE END OF THE SEPTEMBER 2023 QUARTER

Project / Location	Tenement Type	Tenement Number	Interest at Start of Quarter	Interest at End of Quarter	Comment	Holding Company
Tanzania						
Lindi	ML	579/2018	100%	100%		Lindi Jumbo Ltd
Lindi	PL	9993/2014	70%	70%		Lindi Jumbo / Ali Mbarak
Lindi	PL	11409/2020	100%	100%		Lindi Jumbo Ltd
Lindi	PL	11377/2019	70%	70%		Lindi Jumbo Ltd / Ali Mbarak
Kimoingan	PL	11119/2017	100%	100%		Lindi Jumbo Ltd
Amani	PL	11469/2020	100%	100%	Granted being transferred	Walkabout Resources Ltd (Tz) Duma Resources Pty Ltd (Tz)
Amani	PL	16627/2020	0%		Application Recommended	Duma Resources Pty Ltd (Tz)
Amani	PL	11597/2021	100%	100%		Duma Resources Pty Ltd (Tz)
Amani	PL	16629/2020	0%		Application	Duma Resources Pty Ltd (Tz)
Northern Ireland						
Tyrone	MRO	KOZ01/16	50%	50%	JV	Koza (UK) Ltd (CE & DfE)
Scotland						
St John's Town of Dalry	MRO	GH	100%	100%		JDH Resources Ltd
Newton Stewart	MRO	CN	100%	100%		JDH Resources Ltd
Gatehouse of Fleet	MRO	GoF	100%	100%		Shackleton Resources Ltd

Note: ML (Mining Licence), PL (Prospect Licence) DfE Department for the Economy (all other minerals), MRO (Mineral Royal Option), CE Crown Estate (Au & Ag).

For the purpose of listing Rule 15.5, this announcement has been authorised by the board of Walkabout Resources Ltd.