

Walkabout Resources Ltd

Listed: ASX: WKT

Project Location:

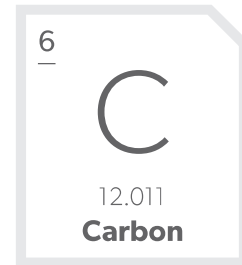
Primary Commodities:

Project Name: The Lindi Jumbo Project

Current Stage of Development: Development



Return to
Shareholder Value



Walkabout's Lindi Jumbo Graphite Project is located in south-eastern Tanzania, approximately 200km from the port of Mtwara. The company has advanced the project from discovery in October 2015, through to the completion of a highly robust DFS in February 2017, and the granting of a mining permit in 2018. An updated DFS was produced in May 2019, confirming the merits of project economics based on a 40,000t per annum production model over a 24 year mine life. The DFS indicated a small upfront capex of US\$27.8 million and a low opex of \$347/t, for a pre-tax NPV of US\$335 million

The Lindi Jumbo Project has a proven and probable ore reserve of 5.5Mt @ 17.9% Total Graphitic Carbon. Extensive metallurgical test work has proven the project's ability to produce favourable ratios (approx. 75%) of high-value large graphite flakes, with up to 50% of the total graphite in the concentrate measuring in the superjumbo and jumbo categories. The outstanding grade of the Lindi Jumbo Graphite Project is a significant competitive advantage. The high-grade ore reduces operating costs substantially and increases margins through premium pricing. The premium nature of the product will also help to insulate it from price fluctuations within a competitive global market.

Walkabout saw a significant rise in their share price in 2019; indeed, during the July 2018 – July 2019 financial year their share price increased 180%, a pleasing return for shareholders.

The project is ready for construction, with the clearing, preparation, and levelling of the site already underway as part of an early-start programme. Full scale construction will begin once funding is finalised; expected within seven months. Walkabout Resources are currently working through the various funding options to ensure the best outcome for the company and its shareholders. The US\$30M required to begin construction will largely be secured through debt financing to avoid shareholder dilution. Walkabout Resources could be producing graphite by January 2021.