

ACN 119 670 370

ASX Code: WKT

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

**Mike Elliott**  
Chairman

**Andrew Cunningham**  
Chief Executive Officer

**Peter Finnimore**  
Non Executive Director

**Phil Montgomery**  
Non Executive Director

## ORDINARY SHARES

425,406,727

## UNLISTED OPTIONS

7,000,000

## PROJECTS

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

**Amani Gold Project**  
Tanzania (100%)

**Scotland Base Metal Projects**  
(75%)

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

**Eureka Lithium Project**  
Namibia (100%)

## September 2021 Quarterly Report

Walkabout Resources Ltd (ASX: WKT) (the Company) is pleased to report its activities for the September 2021 quarter.

### HIGHLIGHTS

- Completion of Companion Equity funding of the Lindi Jumbo Graphite Mine.
- Commencement of construction on site in Tanzania.
- Independent Project Manager appointed by CRDB and actively involved in approvals of all project related payments.
- EPC mobilisation by Yantai Jinpeng Mining and Machinery Co.
- High-level Government delegations hosted on site.
- Axis Group International appointed as company representative overseeing EPC project management including QA/QC and loading supervision.
- Walkabout wins the “Best Innovation in Corporate Social Development” Award at the 2021 AAMEG Africa Awards ceremony held in Perth, Western Australia.
- Preparation for maiden drilling program at the polymetallic Blackcraig project in Scotland.

**Walkabout Resources’ CEO, Andrew Cunningham commented,** “This has been an exciting and transformational quarter for Lindi Jumbo with the commencement of construction activities in Tanzania and in China. Seeing the development on site at a time where global graphite demand is robust makes this start-up of a modern large flake graphite mine critical to future supply. In addition, winning an ESG award from the Australia Africa Minerals and Energy Group AAMEG provides public recognition that we are on the right track in-country. This is on the back of the great work done by the Lindi Jumbo team over the past six years”.

### Lindi Jumbo Graphite Mine Development Activities

Following the signing of the first major contract for the bulk earthworks and civil engineering works with local Tanzanian company TNR Ltd, mobilisation to site commenced and the bulk earthworks is well underway in preparation of the civils works for the construction of the graphite processing plant. Work to date has been concentrated around:

- Upgrading of all access internal roads;
- Terracing and levelling of the Processing Plant and associated infrastructure area in preparation of the concrete works;
- Construction of the Tanroads designed low-water drift across the stream near the town of Ruangwa;
- Topsoil clearing and preparation of the TSF area;
- Site preparation and installation of the contractor workshop area;
- Demarcation of the Mining Licence boundary.



*Figure 1: TNR bulk earthmoving activity in preparation at the Processing Plant area.*

A second major project development agreement was initiated with Yantai Jinpeng Mining and Machinery Co. Limited (Jinpeng) in September through a mobilisation payment to enable the EPC work in China to commence while protecting the project schedule (see ASX announcement of 20 September 2021).

The EPC contract includes the procurement, manufacture, shipping, erection and commissioning of the process plant including:

- The 840 tpd Processing Plant from Run of Mine (ROM) pad to the bagging and dispatch section;
- Selected mobile equipment (50 tonne crane, front-end loaders and tele-handler);
- Steel structure buildings;
- Miscellaneous equipment, tools and spares;
- Motor Control Centres (MCC);
- Dry and wet commissioning;
- Training of Lindi Jumbo's personnel.

Axis Group International (Axis) was appointed to act as the Lindi Jumbo representative in Jinpeng, China for overall project scheduling and management, quality management (QA/QC) and expediting including packaging and loading supervision. Axis has recent experience in working with Jinpeng on other African projects and the Company is leveraging this experience which includes the shipment of equipment from Jinpeng to Tanzania.



*Figure 2: Axis Group International staff working at Jinpeng standing in front of one of the recently completed tanks for the Lindi Jumbo Processing Plant.*

The Company is currently negotiating the appointments of a Tanzanian logistics and camp contractor. The logistics company will receive the batches at the port, manage customs clearances and road transport to site. They will work closely with Jinpeng and Axis to ensure that any risks related to clearance and transport delays are identified and managed. The camp contractor will build and operate the camp facilities on site in an all-inclusive package including the construction of the camp, office and administrative facilities, associated infrastructure, residents full board and the facilities management. Both contracts will be finalised in the fourth quarter.

#### **COMMUNITY ENGAGEMENT**

There were a number of high-level governmental visits to the Project in August with the Prime Minister Hon Kassim Majaliwa and Deputy Minister of Minerals Hon. Prof Shukrani Manya visiting on two occasions. Feedback from the visits were very positive and attended by the local communities. Both delegations were updated on the commencement of the project development activities and of the Company's social investments in the region.



*Figure 3: Lindi Jumbo's Paul Shauri speaking to the Prime Minister Hon Kassim Majaliwa and Deputy Minister of Minerals Hon. Prof Shukrani Manya .*



## Subsequent Events

### LINDI JUMBO

Following the mobilisation payment made to Jinpeng in September the EPC contract was formally executed in October. The execution of the second material contract is part of the Conditions Precedent (CP) for drawdown of the US\$20 million debt facility by CRDB Bank in Tanzania (see ASX announcements of 13 April, 20 September and 25 October 2021). The project capex is substantially de-risked with this contract being for a fixed price. Together with the previously announced earthmoving and civils contract with TNR more than two-thirds of the project is now contracted.



*Figure 4: Madame Yu Jianhuan (Chairman) and Xu Qingyan (General Manager) together with members of the engineering team involved with the Lindi Jumbo Project at the signing of the EPC Contract in Yantai, China.*

As part of the EPC contract, the Company has exercised its option to apply an upgraded design to the back-end of the plant that deals with the screening and bagging of the graphite concentrate. This change of scope includes the redesign of the final processing building that is larger to include enhanced screens and supporting equipment and automated bagging units. These changes will not only improve plant precision for sorting final products but also provide options consistent with our growth intentions.

The incremental cost of adding these scope changes to the EPC contract is approximately US\$1.5 million.

In line with the local content requirements for all mining projects, the Erection All Risks project owners insurance package was secured through a local insurance broker in Tanzania, has been underwritten by two Tanzanian Insurers and has been approved by CRDB bank. The Insurance Policies have been listed as one of the Material Agreements in the Debt Facility Agreement.

## Environment, Social, Governance (ESG) Update

No loss time injuries were recorded during the quarter.

Under the guidance of the Company's health and safety team, the District Medical Officer was approached to conduct a Covid-19 information and vaccination session for Lindi Jumbo . With the goal to protect and educate workers and surrounding communities, a team from the Ministry of Health conducted a successful information session on site. Through a voluntary vaccination programme, the majority of workers are now fully vaccinated with a 100% uptake by employees of the Company.

As this was the first such vaccination initiative in the region by the private sector, the Company is now seeking to extend this programme to surrounding communities who to date report very low inoculation rates. Working with Ministry

Officials the Company plans to rollout these vaccination sessions over the next couple of months. Covid prevention procedures have been implemented on site and will be monitored on an ongoing basis (see ASX release of 26 October 2021).



*Figure 5: Lindi Jumbo employees proudly displaying their Covid vaccination certificates.*

In September, the annual Australia-Africa Minerals & Energy Group (AAMEG) Africa Awards were held in Perth, Western Australia where the Company was announced as the winner of the “Best Innovation in Corporate Social Development” for its ‘Tanzania First, Local First’ philosophy at Lindi Jumbo. The award was in recognition of the Company’s employment policy in Tanzania, contribution to local communities and the establishment of a village trust which will see funds from the Project returned to local communities.



*Figure 6: Sarah Siva of AAMEG handing over the award to Allan Mulligan.*

## Exploration

Permitting and community consultation was completed during the quarter to allow the commencement of the maiden drilling campaign at the Blackcraig silver, lead and zinc prospect in Scotland. Approval was also obtained for a drone magnetic survey of the existing licenses in Scotland. Both of these activities commenced subsequent to the end of the quarter. The company was also granted an adjoining licence that provides similar prospectivity over historic workings.

## Funding Activities

During the quarter, the company successfully completed a A\$7.6 million underwritten entitlement issue to shareholders and a US\$6 million institutional share placement. The bulk of the proceeds of these share issues were used to complete the US\$12 million Lindi Jumbo companion equity contribution. This satisfied the major condition precedent to allow for drawdown of the US\$20 million project loan from CRDB. Draw down is not expected to be required until early 2022.

END

This Activity Report is authorised for release by the Board.

## 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 has also acquired an exciting exploration portfolio for gold and base metals in Scotland and Northern Ireland 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](http://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.

## CAUTIONARY STATEMENT

The potential quantity and quality of the quoted Exploration Potential Range outside of the Gilbert Arc Mineral Resource Area is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource over any of the additional target areas. It should not be expected that the quality of the Exploration Targets is equivalent to that of Mineral Resources. Exploration Targets could be tested with future exploration activities in alignment with the Company's exploration and business strategy.

## 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.

The announcement is for information purposes only. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sales of shares in any jurisdiction. The announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply to their own jurisdiction as a failure to do so may result in a violation of securities laws in such jurisdiction.

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 2021 QUARTER.

Project / Location	Tenement Type	Tenement Number	Interest at Start of Quarter	Interest at End of Quarter	Comment	Holding Company
<b>Namibia</b>						
Eureka	EPL*	6308	100%	0%	Relinquished	Aardvark Minerals Pty Ltd
Eureka	EPL*	6309	100%	100%		Aardvark Minerals Pty Ltd
<b>Tanzania</b>						
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%		Walkabout Resources Ltd (Tz)
Buhingu	PL	11470/2020	100%	100%	Granted	Walkabout Resources Ltd (Tz)
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)
<b>Northern Ireland</b>						
Tyrone	MRO	KOZ01/16	50%	50%		Koza (UK) Ltd (CE & DfE)
<b>Scotland</b>						
St John's Town of Dalry	MRO	GH	75%	75%	Farm-In	JDH Resources Ltd
Newton Stewart	MRO	CN	75%	75%	Farm-In	JDH Resources Ltd
Gatehouse of Fleet	MRO	GoF	0%	100%	Granted	Shackleton Resources Ltd

\*EPL (Exclusive Prospecting Licence), \*MPL (Mineral Prospect Licence) DfE Department for the Economy (all other minerals), MRO (Mineral Royal Option), CE Crown Estate (Au & Ag),