WALKABOUT RESOURCES LTD

Lindi Jumbo Graphite Project

Scoping Study
January 2017
ASX:WKT

Disclaimers

Securities Disclaimer

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Various statements in this presentation constitute statements relating to intentions, future acts and events. Such statements are generally classified as "forward looking statements" and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward looking statements will be achieved.

Basis of Scoping Study Results

The scoping study referred to in this announcement has been undertaken to determine the potential viability of an open pit mine and graphite processing plant constructed onsite at the Gilbert Arc deposit and to reach a decision to proceed with more definitive feasibility studies. It is a preliminary technical and economic study of the potential viability of the Gilbert Arc Graphite deposit. It is based on low-level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further evaluation work and appropriate studies are required before Walkabout Resources Limited will be in a position to estimate any ore reserves or to provide any assurance of an economic development case. Approximately 55% of the total LOM production target is in the Measured Resource category while 45% is in the Indicated Resource category. The Scoping Study is based on the material assumptions outlined in the announcement released to the ASX 10 January 2017. These include assumptions about the availability of funding. While Walkabout Resources Limited considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved. To achieve the range of proposed feasibility studies and potential mine development outcomes indicated in the Scoping Study, additional funding will likely be required. Investors should note that there is no certainty that Walkabout Resources Limited will be able to raise that funding when needed. It is also possible that such funding may only be available on terms that dilute or otherwise affect the value of the Walkabout Resources Limited's existing shares. It is also possible that Walkabout Resources Limited could pursue other 'value realisation' strategies such as sale, partial sale, or joint venture of the project. If it does, this could materially reduce Walkabout's proportionate ownership of the project. The Company has concluded it has reasonable basis for providing the forward looking statements included in this announcement and believes that it has 'reasonable basis' to expect it will be able to fund the development of the project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

Key components of the scoping study and the material assumptions used in the study are included elsewhere in this announcement. Information includes preliminary mine designs and estimated mine production schedules, metallurgical recoveries from test work, and costs based on comparison with similar operations and estimates provided by mining and engineering contractors. The basis of all material assumptions can be located in the section titled "Material Assumptions" within the ASX Release of 10 January 2017.

Introduction to Lindi Jumbo Graphite Project

Snapshot

- The Lindi Jumbo Graphite Project in south east Tanzania is currently in development phase.
- Walkabout is currently applying for a mining licence whilst holding 70% of four prospecting licences with an option to acquire 100% at a pre-determined price.
- High Grade Measured, Indicated and Inferred JORC 2012 Resource (29.6 million tonnes at 11% TGC, containing 3.25 million tonnes of graphite)[1] with exceptional capacity to produce high ratios of quality, large flake natural graphite concentrate.
- Definitive Feasibility Study currently underway for a 40,000 concentrate tonne per annum mining and processing plant at the Lindi Jumbo Project site.
- Project being fast-tracked in order to mitigate market risk and capitalise on forecast market shortages due to growing battery and expandable market.

1. Resource released to ASX 6 December 2016. No changes have been made since

Designed to mitigate risk and succeed

LINDI JUMBO GRAPHITE PROJECT DE-RISKED BY DESIGN

RESOURCE

High Grade Mineable Resource on Surface

- 4.7m tonnes @ 22.8% TGC
- LOM Plant Feed estimate @ **16.1% TGC**
- Results in very low operating cost and higher margins
- Domains on Surface for 1st three years

PRODUCT

Premium Product with Higher Revenues

- Up to **85%** above 180µm
- Up to 25% above 500µm
- 95% to 97% concentrate grade
- All products return positive margins without "upgrades"

SCALE

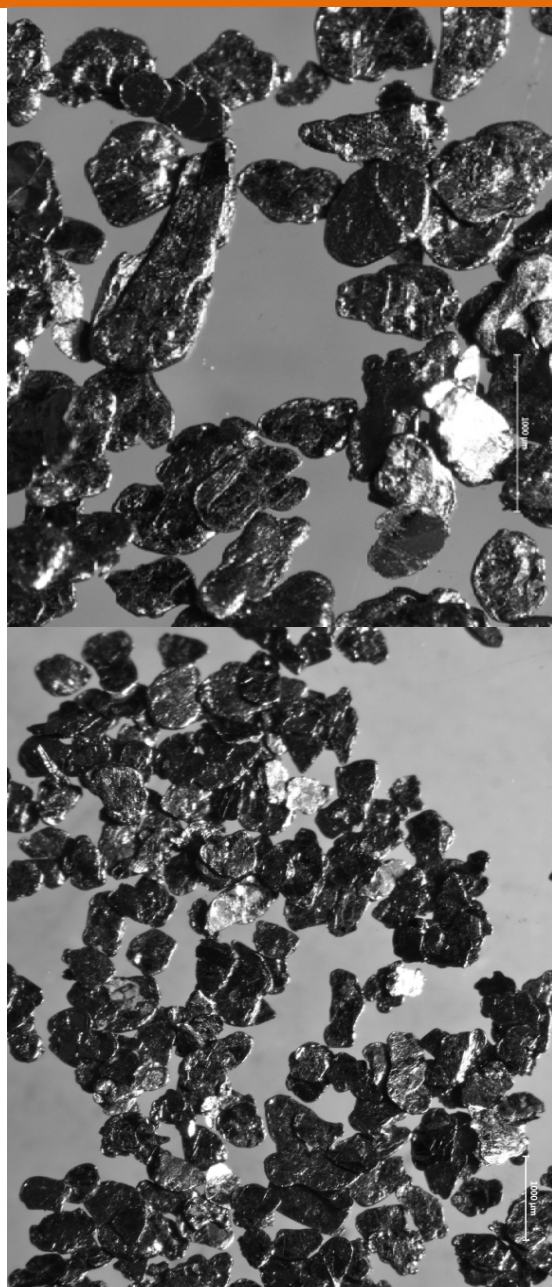
Pragmatic Project Scale to Reduce Risk

- Manageable operational size for Tanzanian bush
- Product volumes reduce market risk
- Lower capital and market risk
- Can be easily expanded if required

Project differentiators

Primary Competitive Advantages:

1. Highest **grade** feed to plant.
2. Highest **ratio** of large, jumbo and super jumbo flakes at concentrate purity of 95%-97%.
3. Lowest operating **costs** resulting in highest margins.
4. Lowest and manageable **capital** with low capital intensity index.
5. No high-risk, high cost product upgrade required or planned under current modelling.
6. Simple **surface** mining with only 250kt per year to be milled.



High grade, premium resource underpinning the study

Domain	Tonnes (millions)	TGC %	Contained Graphite (tonnes)
Measured			
1	3.9	7.1	276,900
3	0.9	13.2	118,800
7 (HG)	**0.5**	**20.7**	**103,500**
8 (HG)	**0.5**	**24.9**	**124,500**
9 (HG)	**0.7**	**24.1**	**168,700**
Sub-Total	**6.4**	**12.2**	**780,800**
Indicated			
1	3.6	6.9	248,400
3	0.7	12.0	84,000
7 (HG)	**0.4**	**20.9**	**83,600**
8 (HG)	**0.4**	**21.8**	**87,200**
9 (HG)	**0.5**	**23.0**	**115,000**
Sub-Total	**5.5**	**11.0**	**605,000**
Inferred			
1	11.8	8.4	991,200
3	2.7	12.2	329,400
6	1.3	9.9	128,700
7 (HG)	**0.5**	**19.7**	**98,500**
8 (HG)	**0.3**	**22.8**	**68,400**
9 (HG)	**0.9**	**24.9**	**224,100**
Sub-Total	**17.6**	**10.6**	**1,865,600**
Total	**29.6**	**11.0**	**3,256,000**

@ = 7-10 years mine-life*

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** At 40,000 tons graphite production per year*

See ASX Announcement 06 December 2016. No changes to the Resource have been announced as of 06 December 2016.

Marketing strategy to keep it simple….

- The Project will produce only FOUR products:

  ~ 6000 tonnes per annum of +500µm at 95%-97% TGC commanding a premium price of US$3,500/t

  ~ 14,000 per annum of >300um <500µm at 95%-97% TGC fetching an average price of US$1,750/t

  ~ 8,000 tonnes per annum of >180um <300µm at 95%-97% TGC with an average price of US$1,000/t

  ~ 12,000 tonnes per annum of <180µm at 95%-97% TGC with an average price of US$750/t

- The product is suitable for low cost conversion to Expandable Graphite.

- Currently, markets in Asia/China are being targeted.

See ASX Announcement on Scoping Study released 10 January 2017.

Concentrate returns excellent expandability

Flake Size	>500µm	>300µm	>180µm	>106µm	>75µm	<75µm
Ratio	29.3%	21.9%	42.6%	5.8%	0.3%	0.1%
800 °C	590 cm^3/g	485 cm^3/g	410 cm^3/g	310 cm^3/g	245 cm^3/g	120 cm^3/g
1000 °C	500 cm^3/g	500 cm^3/g	475 cm^3/g	360 cm^3/g	280 cm^3/g	140 cm^3/g

Expansion volume after cold treatment and medium retention time of test sample after screening +180 µm

- Independent German laboratory concludes Lindi Jumbo graphite as **"...highly suitable for the production of expandable graphite and graphite foil."**
- **"...largest expansion volumes ever measured at our lab..."** ratio of up to 590 cm3/g for Super Jumbo (+500µm) and Jumbo (+300µm) flake against industry benchmark of 250.
- The most common, simplest, quickest and cost effective method of expanding yields the largest expansion volume translating into lower costs of production.
- Graphite foil sells for as much as US$50,000 per tonne.

Lowest operating costs because of high grade

Operating Cost	LOM Total [USD'million]	Unit Cost [USD/t ROM]	Unit Cost [USD/t conc]
Mining	$ 71.27	$ 13.93	$ 92.07
Processing	$ 102.60	$ 20.05	$ 132.53
Shared Services	$ 48.02	$ 9.39	$ 62.03
Total	**$ 221.89**	**$ 43.37**	**$ 286.62**

- Higher grade means less tonnes processed.
- Higher grade also feeds into improved metallurgical performance.
- Less tonnes processed means less plant (lower capex) and labour required.
- This is a relatively small mine only processing 250,000 tonnes per annum.
- Operational strategy is fully outsourced with minimal company overhead.

See ASX Announcement on Scoping Study released 10 January 2017.

Funding strategy highly flexible

Capital Cost	LOM Total [USD'million]
Mining	$ 0.92
Processing	$ 13.54
Shared Services	$ 13.79
Indirects	$ 9.29
Total	**$ 37.55**

Funding options being considered are:

- Metal streaming agreement end-user/off-take partner,
- Traditional Loan funding/Equity split, or
- Project equity participation.

Preference is for a metal streaming agreement or project participation by a cornerstone funder.

Concentrate samples currently undergoing product testing at 11 potential partners.

See ASX Announcement on Scoping Study released 10 January 2017.

Scoping study results highly robust

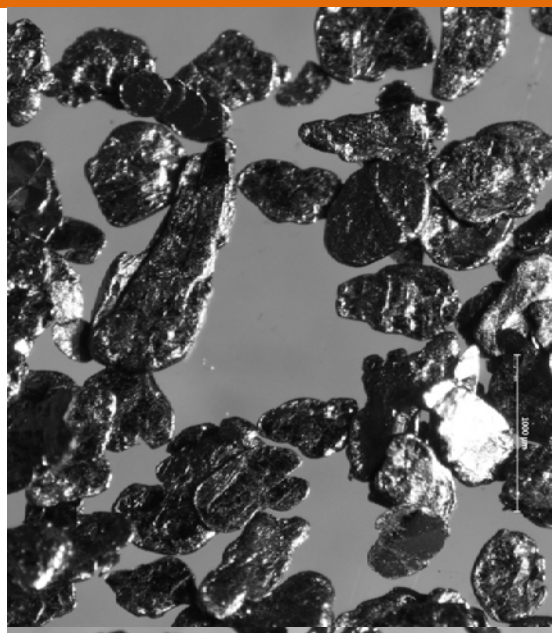
Results at modelled basket price of US$1,563/t

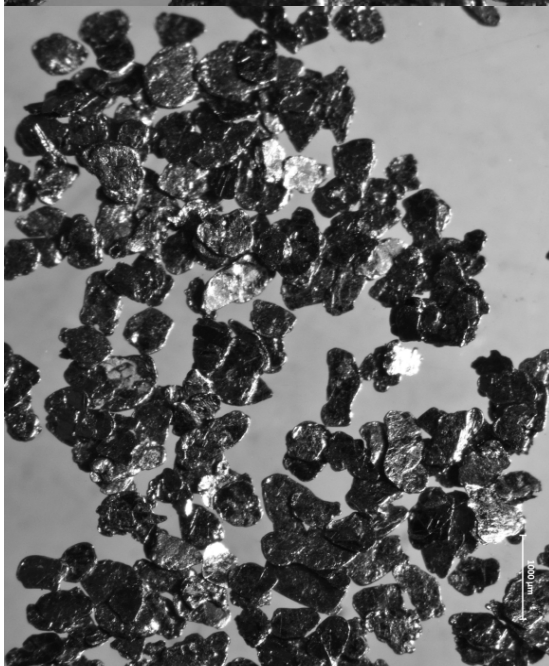
Financial Metric	25,000 tpa	US$1,563	40,000 tpa
Operating Costs	350	US$/tonne conc	290
Capital Costs (pre-production) (inc cont, EPC, Duties)	35	US$m	40
Average Annual Free Cashflow	24	US$m	43
EBIDTA average annual	26	US$m	45
Pre Tax NPV[10]	169	US$m	304
Pre Tax IRR	63	%	97
Post Tax NPV[10]	113	US$m	208
Post Tax IRR	51	%	78
Operating Margin	72	%	76
Payback Period	24	Mths	19

Results at **10 year low** basket price of US$900/t

Financial Metric	25,000 tpa	US$900	40,000 tpa
Operating Costs	350	US$/tonne conc	290
Capital Costs (pre-production) (inc cont, EPC, Duties)	35	US$m	40
Average Annual Free Cashflow	6	US$m	13
EBIDTA average annual	11	US$m	21
Pre Tax NPV[10]	52	US$m	119
Pre Tax IRR	28	%	46
Post Tax NPV[10]	32	US$m	78
Post Tax IRR	23	%	37
Operating Margin	54	%	61
Payback Period	48	Mths	36

See ASX Announcement on Scoping Study released 10 January 2017.





Value opportunity in WKT

		Lindi Jumbo	Balama	Nachu	Epanko	Ulanzi	Chilalo
ASX Ticker		WKT	SYR	MNS	KNL	BKT	GPX
Resource grade	%TGC	11.0	11.0	5.4	8.6	10.4	10.7
Mining yield	%TGC	16.1	15.7	4.4	9.2	9.2	11.0
Annual Production	tpa	40,000	313,000	220,000	40,000	50,000	69,000
Pre-Tax NPV10	US$m	304	1,607	1,687	197	286	200
Basket price used	US$/t	1,563	1,000	2,350	1,466	1,236	1,217
Capex	US$m	39	202	269	77	57	74
Opex	US$/t	286	286	559	570	450	490
Level of Development		Scoping	Construction	BFS	BFS	PFS	PFS
ASX share price (12/1/17)	cps	**0.09**	351.0	69.0	20.0	11.0	37.5
ASX Market cap	A$m	**9**	926	312	48	35	20

* All results sourced from ASX Company announcements and presentations. Walkabout Resources cannot warrant or guarantee the accuracy of these numbers or that they may not have been adjusted by the relevant Companies.

Corporate structure revised

Capital Structure	
Share Price	9c
Shares on Issue	101m
Options on Issue (unlisted)	14m
Market Capitalisation	$9m
Top 40	40%

Board and Management

Trevor Benson (Chairman)

- Investment Banker with cross national discipline experience in China and Asia

Andrew Cunningham (Technical Director)

- Geologist with 15 years cross discipline experience in Africa.

Thomas Murrell (NED)

- Investor and financial relations specialist with media and marketing experience and background.

Allan Mulligan (Managing Director)

- Mining engineer with 35 years experience in Africa operating and building mines across a diverse range of commodities.

Kim France (CFO and CoSec)

- Broad financial and company secretarial experience in the WA minerals industry.

Dr Evan Kirby (Consultant Metallurgist)

- Wide ranging process and flotation experience around the world.

Why invest in WKT?

1. High grade resource
    - Lower operating costs.
    - Highest ratios of quality Super Jumbo, Jumbo and large flakes.

2. Project strategy
    - Initially a “right-sized” operation to mitigate risk, reduce capital.
    - Key to success is early production to mitigate market risk.
    - Modular, low risk approach with expansion into known market with certainty.
    - Potential for further rapid and low risk expansions underpinned by sales.
    - Highly experienced team.

3. Premium Product and location
    - Simple process to achieve target concentrate grades and purity to 99.9%TGC.
    - Large and Jumbo flakes = higher revenue.
    - Suitable for Expandable and Battery markets.
    - Good infrastructure.
    - Known working environment – low sovereign risk.

Competent persons

Geology and Resources

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Cunningham, who is a Member of The AIG included in a list promulgated by the ASX from time to time. Andrew Cunningham is a director of Walkabout Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Andrew Cunningham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Laurie Barnes, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Laurie Barnes is the Principal of Trepannier Pty Ltd, an independent consulting company. Mr Barnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Metallurgy

The information in this document that relates to interpretation of metallurgical test-work and process plant design for a scoping study level assessment is based on information compiled or reviewed by Evan Kirby who is a Member of the Australian Institute of Mining and Metallurgy (AUSIMM). Evan Kirby is a consultant to Walkabout Resources Ltd. Evan Kirby consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Mining Study

The information in this document that relates to mine design for a scoping study level assessment is based on information compiled or reviewed by Clive Brown, a Member of the South African Institute of Mining and Metallurgy and Allan Mulligan who is a Member of the Australian Institute of Mining and Metallurgy (AUSIMM). Allan Mulligan is a full time employee of Walkabout Resources Ltd. Allan Mulligan consents to the inclusion in this document of the matters based on his information in the form and context in which it appears. Clive Brown is a full time employee of Bara Consulting Pty Ltd and provided Capital Cost and Operating Cost estimates for the mine and associated infrastructure for the Lindi Jumbo Project financial model. The information in this document that relates to these inputs is based on information compiled or reviewed by Clive Brown. Clive Brown has extensive experience in the preparation of capital and operating cost estimates for mines and mineral processing plants. Clive Brown consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.