

ASX ANNOUNCEMENT

13 July 2021



Lindi Jumbo awards bulk earthworks and civil engineering contract to TNR Engineering

Graphite developer Walkabout Resources Limited (ASX: WKT) (Walkabout or the Company) is pleased to provide a project development update for its 100% owned Lindi Jumbo Graphite Mine development in south eastern Tanzania.

HIGHLIGHTS

- Bulk Earthworks and Civil Engineering Works Contract awarded to Tanzanian Engineering firm TNR Ltd;
- Bulk Earthworks Contract amount to be approximately US\$5.6 million with no increase to the original budget;
- Scope Of Works includes amongst others the completion of the site preparation for the processing plant area, general infrastructure, explosive magazine, workshops, roads, Tailings Storage Facility and associated infrastructure and raw water ponds;
- Civils Contract to be approximately US\$3.1 million and includes all the earthworks, concrete works and building work on site associated with the graphite processing plant;
- Formal mobilisation activities expected to commence in July 2021.

The Company has executed the first Material Project Development Agreement for the Bulk Earthworks and Civil Engineering works with TNR Engineering Ltd, a local Tanzanian contractor. The value of this key mobilisation Agreement is approximately US\$5.6 million and its award is aligned with Walkabout's 'local first' policy and extensive due diligence process examining safety, experience and capabilities.

TNR Engineering has already successfully completed an early works contract with Walkabout in 2019. The new contract includes all of the major bulk earthworks on site including but not limited to:

- Completion of excavation and terracing of the Processing Plant area of which the bulk of the work was done in 2019;
- Completion and compaction of access and internal roads;
- ROM pad and wall;
- Stormwater drainage;
- Raw water pond;
- Explosives magazine;
- Mine workshops and offices;
- Completion of the earthworks at the Tailings Storage Facility (TSF) including topsoil loading and stockpiling, bulk excavation and roadbeds;
- Fill for TSF embankments;
- Supply and installation of piping and HDPE lining;
- Fencing.

TNR has also been awarded the contract to complete the civils works on site to the value of approximately US\$3.1 million. The civils contract includes all of the earthworks, concrete works and building in preparation of the construction and installation of the Lindi Jumbo Processing Plant and associated infrastructure. Civil works are done according to the design specifications by Jinpeng Engineering in China. Signoff of all of the civils works for the processing plant will be completed by a Jinpeng Engineering representative to ensure the seamless installation of the plant equipment as they arrive on site according to the construction schedule.

In readiness for the works, TNR has commenced pre-mobilisation and site establishment activity deploying project staff, sourcing local accommodation and undertaking stakeholder engagement facilitated by the Lindi Jumbo team. Mobilisation to site is expected to commence this month.

CEO of Walkabout Resources, Andrew Cunningham commented, "We have one of the highest grade, undeveloped natural flake graphite projects globally, and as we move through satisfying the required Conditions Precedent required to release the CRDB debt funding, we remain excited at the imminent escalation of activity on site in Tanzania and in China. The Company's longstanding working relationship with TNR Engineering will enable a smooth transition towards becoming a mine developer and producer."

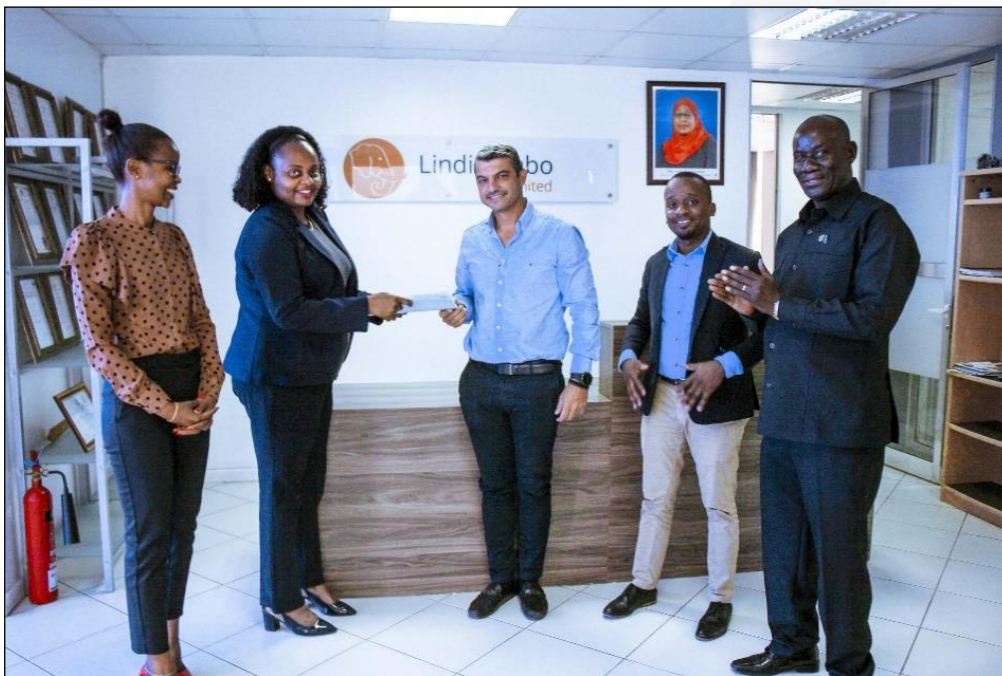


Photo: Executing the first Material Agreement with TNR Ltd at the Company's office in Dar es Salaam – L-R: Stellah Kimaro (TNR), Rachel Songo (Director Lindi Jumbo), Terry Calavrias (TNR), Ephraim Mrawa (Company Secretary Lindi Jumbo) and Joseph Watanda (TNR).

This announcement is authorised for release by the Board.

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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 south west Tanzania at the Amani Hard Rock Gold Project.

The Company has also acquired an exciting exploration portfolio for gold and base metals in Scotland and Northern Ireland and is conducting ongoing mineral exploration in these areas.

Learn more at wkt.com.au

