

ASX ANNOUNCEMENT

29 November 2021



Lindi Jumbo Project Update: National grid power to be delivered to site

Graphite developer Walkabout Resources Ltd (ASX: WKT) is pleased to announce that the Tanzanian Electrical Supply Company Limited (TANESCO) has committed to supply grid power to the Lindi Jumbo Graphite Mine in south eastern Tanzania.

HIGHLIGHTS

- Powerline to be extended from the village of Matambarale to the Lindi Jumbo Graphite Mine and due for completion in December 2021.
- Grid power will be available for the construction of the processing plant.
- Grid power will be available to the peripheral mining infrastructure and accommodation camp.
- Highly probable savings on operational costs due to reduction in power costs.
- Work underway to integrate the grid power with Company supplied power options.
- Hybrid power supply options to replace the planned diesel power to the mine currently under negotiation.

Over the last two years, TANESCO has been rapidly extending the national grid network to the more remote areas and villages in Tanzania. During September the Company management met with the local and regional TANESCO management teams about the possibility of the extension of the powerline, that was then planned to be extended to the village of Matambarale. This will significantly improve the living standards of our local community.

TanESCO has agreed to an additional extension (at their cost) of the powerline from the village of Matambarale for a further three kilometres to the Lindi Jumbo Graphite Mine. Following site visits to determine the optimal route layout, and with the completion of the powerline to the village of Matambarale, work will commence immediately and completion and supply of electricity to site is planned before the end of the year.

Walkabout Resources' CEO, Andrew Cunningham commented, "The willingness by TANESCO to supply grid power to site, and the rapid pace that they doing this comes at a perfect time in the project construction schedule. With the majority of the power in Tanzania supplied through and hydro and gas power stations, this further enhances the Company's ESG credentials by replacing a component of the diesel-powered electricity on site and our commitment to be the supplier of choice of responsibly sourced natural flake graphite".

The planned base-case is to supply diesel power to the entire Lindi Jumbo mine. The supply of the TANESCO grid power will replace a portion of the base case power supply and be used for the peripheral infrastructure including the water supply borefield, Tailings Storage Facility, explosives magazine, fuel supply, accommodation camp, mining workshops and other shared infrastructure. Work is underway to enable the integration of the grid power with the planned on-site power generating facility to be installed. The supply of grid power to site at the start of the construction of the processing plant has the real possibility to lower both the construction and future operational costs. While limited to 1Mw of power, the cost per kilowatt hour (kW h) to be supplied to Lindi Jumbo it is priced significantly below the planned alternatives.

The Company is currently engaging further with various specialist service providers the Build, Own, Operate and Transfer (BOOT) option for the supply of a hybrid powerplant alternative (diesel, solar ± batteries) to the mine. This can possibly

replace the planned Company supplied diesel powerplant and works hand in hand with the Company's ESG objectives of actively measuring and reducing the operational carbon footprint of the mine.

About TANESCO

The Tanzania Electric Supply Company Limited (TANESCO) is a parastatal organization that generates, purchases, transmits, distributes, and sells electricity to Tanzania Mainland. The vast majority of Tanesco's power generation and supply is through hydro and gas, with plans to further increase this significantly with through the construction of the Julius Nyerere Hydropower Station (under construction across the Rufiji River in eastern Tanzania). The power station is expected to have an installed capacity of 2,115 megawatts.

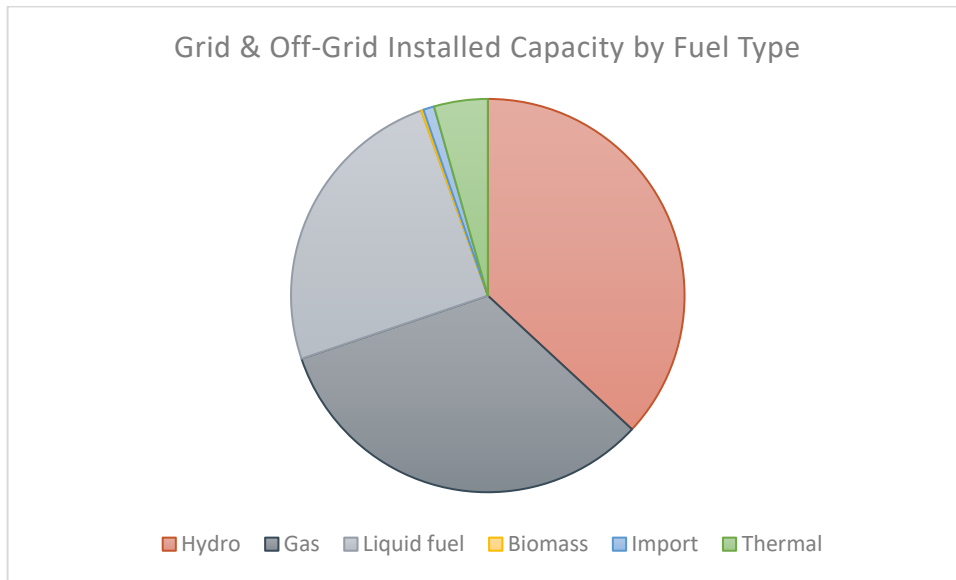


Figure 1: Grid and off-grid installed capacity by fuel type in Tanzania (after Msyani, Christian. "CURRENT STATUS OF ENERGY SECTOR IN TANZANIA". USEA.org. United States Energy Association. Retrieved 3 August 2015.)

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