

ASX ANNOUNCEMENT

March 2016 Quarterly Activities Report

29 April 2016

Perth based African focussed energy minerals developer Walkabout Resources Ltd (ASX:WKT) is pleased to report its activities in Botswana and Tanzania for the March 2016 quarter.

Lindi Jumbo Graphite Project

Maiden JORC Inferred Resource Statement

During the period under review, the Company published a maiden JORC Inferred Resource for the Lindi Jumbo Graphite Project in SE Tanzania. The Resource is located on PL 9992/2014, the Prospecting Licence located to the west and contiguous with the Nachu Graphite Project, operated by others. This resource contains a high grade, shallow and accessible core that will assist in providing significant financial and technical benefits to the Project. (See ASX Announcement 19 January 2016)

Category	Domain	Tonnes (millions)	TGC (%)	V ₂ O ₅ (%)	Contained TGC (t)	Contained V ₂ O ₅ (t)
Inferred	1	6.9	8.9	0.19	611,000	13,000
Inferred	2¹	2.6	20.6	0.20	526,500	5,200
Inferred	3	2.2	11.7	0.19	258,500	4,300
Inferred	4 ²	3.7	3.9	0.04	146,000	1,600
Inferred	ALL	15.3	10.1	0.16	1,542,000	24,100
Inferred	Excluding Domain 4	11.7	11.9	0.19	1,396,000	22,500

¹ High grade core enveloped by Domain 1

² Low grade domain (eastern flank of The Gilbert Arc)

Note: Appropriate rounding applied

Table 1: JORC Inferred Resource Statement for Lindi Jumbo Graphite Project

Note: There have been no changes to this estimate since it was announced to the ASX 19 January 2016.

The high grade core of Domain 2 at 20.6% TGC is enveloped inside a wide, shallow package of almost seven million tonnes at a grade of 8.9% TGC. This infers mining operations will be shallow, discrete and possibly able to selectively produce a run of mine product at or near planning specification.

Further Resource upgrade drilling is planned to take place during the third quarter of 2016.

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Metallurgical Testwork

Initial metallurgical test work was also conducted during the Quarter, characterising three test regimes on core samples from the high grade ore zone at the Project.

The preliminary flotation tests were planned with the intent to maintain the graphite flakes as coarse as possible, whilst achieving high recovery to concentrate.

In conclusion and encouraging to the Company are the following key points;

- High recoveries and high concentrate grade was achieved with a simple (P100 850µm) rougher and cleaner process of between 2 and 4 stages,
- Large and Jumbo flake sizes were retained and further scope for optimising the recovery of these fractions exists, and
- The coarse graphite is of higher purity and contains better grades.

These results were further optimised culminating in a set of metallurgical test work results which confirmed >95% concentrate grade, recovery of +98% of graphite and a ratio of Large and Jumbo flakes of 60.9%.

These results out-performed management expectations for the characterisation test work and further optimisation work, mainly in the area of attritioning, has now been sanctioned.

P100 850µm	Flake Size Ratios		Concentrate Grade	
	Ratio over Large +180µm	Ratio over Jumbo +300µm	Ave Concentrate Grade % TGC +180µm	Ave Concentrate Grade % TGC (all sieve sizes)
Oxide Test	74	47	79.4	85.7
Test 1	68	31	93.9	89.8
Test 2	57	22	95.9	94.3
Test 3	52	17	96.4	95.5
Test 4	52	17	95.3	95.7
Test 5	57	25	96.4	93.7
Test 6	61	35	95.1	94
Test 7	60	40	91.7	91.4

Table 2: Summary of results of test work completed during the Quarter

Project Development

The shallow, high grade nature of the mineralisation, the high ratio of large and jumbo flakes reported during the initial float test work and a concentrate grade of 95.7% TGC achieved through

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a standard and simple flotation regime support the Company's opinion that the deposit has the potential for eventual economic extraction.

To this end, a 1st order integrated technical and economic study is underway in Johannesburg and further works are also being conducted to facilitate a partial upgrade to the Resource classification.

The Scope and Terms of Reference for the site-based Environmental Impact Assessment (EIA) have been approved by the National Environmental Management Commission of Tanzania and compilation of the EIA document is well advanced.

The Company has successfully renegotiated some terms of the Memorandum of Understanding with the licence vendor, deferring two of the four periodic payments for six months until November of this year.

The Company currently has a 70% interest over four contiguous exploration licences in the area for a total exploration area of approximately 325 km².

The Board is currently fast-tracking project progress at Lindi Jumbo to develop a high quality flake graphite mining operation.

Product marketing efforts continued during the quarter under review. The metallurgical test work optimisation needs to progress sufficiently in order to compile a suitable specification sheet detailing a predictive final product. This area remains a priority.

Takatokwane Coal, Botswana

At Takatokwane, the Company has published a JORC Inferred Resource (2004) of some 6.9 billion tonnes of thermal coal and has completed an advanced Scoping Study/PFS for the mining and extraction of some of this Resource.

The economic viability of the project requires the construction of a rail line currently under investigation by the Governments of Botswana and Namibia and recovery in international benchmark thermal coal prices. For this reason and until progress is made on these fronts, the Company is not prioritising the project schedule at this time.

Finalisation and optimisation of the advanced Scoping Study/PFS remains ongoing as is further engagement with the joint Botswana and Namibian government agencies responsible for managing the Trans-Kalahari Rail Project.

Corporate

During the quarter, the Company successfully raised funds by way of a Placement to Sophisticated Investors and Shareholders and a Share Purchase Plan to Shareholders.

Details of Walkabout Resources projects are available at the Company's website, www.wkt.com.au

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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.

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd) and Mr Andrew Cunningham (Director of Walkabout Resources Limited). Mr Barnes and Mr Cunningham are members of the Australian Institute of Geoscientists and have 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. Specifically, Mr Cunningham is the Competent Person for the database, geological model and completed the site inspection. Mr Barnes is the Competent Person for the resource estimation. Mr Barnes and Mr Cunningham consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

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SCHEDULE OF MINING TENEMENTS AND BENEFICIAL INTERESTS HELD AS AT THE END OF THE March 2016 QUARTER

Project / Location	Tenement Type	Tenement Number	Percentage Held / Earning
Botswana			
Takatokwane	PL	35/2007	70%
Takatokwane	PL	157/2009	40% Earning 65%
Takatokwane	PL	160/2009	40% Earning 65%
Tanzania			
Lindi	PL	9992/2014	70% subject to ongoing commitments
Lindi	PL	9993/2014	70% subject to ongoing commitments
Lindi	PL	9994/2014	70% subject to ongoing commitments
Lindi	PL	9906/2014	70% subject to ongoing commitments
Narunyu	PL	6912/2011	100%
Mitengi	PL	7050/2011	100%
Mitengi	PL	7241/2011	100%
Kigoma	PL	9328/2013	Earning 75%
Kigoma	PL	9329/2013	Earning 75%
Kigoma	PL	9239/2013	100%
Kigoma	PL	9077/2013	Earning 75%
Kigoma	PML	000041WZ	Earning 75%
Kigoma	PML	000042WZ	Earning 75%
Kigoma	PML	000043WZ	Earning 75%
Kigoma	PML	000044WZ	Earning 75%
Kigoma	PML	000045WZ	Earning 75%
Kigoma	PML	000046WZ	Earning 75%
Kigoma	PML	000047WZ	Earning 75%
Kigoma	PML	000048WZ	Earning 75%
Kigoma	PML	000049WZ	Earning 75%
Kigoma	PML	0000450WZ	Earning 75%
Kigoma	PML	000051WZ	Earning 75%
Kigoma	PML	000052WZ	Earning 75%
Kigoma	PML	000053WZ	Earning 75%
Kigoma	PML	000054WZ	Earning 75%
Kigoma	PML	000055WZ	Earning 75%