



walkabout

RESOURCES LTD

and Controlled Entities
(ACN 119 670 370)

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2023

COMPANY DIRECTORY	ASX Code: WKT
<p>Directors</p> <p>Andrew Cunningham</p> <p>Michael Elliott</p> <p>Phil Montgomery</p> <p>Peter Finnimore</p>	<p>Auditors</p> <p>HLB Mann Judd (WA Partnership) Level 4, 130 Stirling Street Perth WA 6000 Australia</p>
<p>Company Secretaries</p> <p>Ben Donovan</p> <p>Tony Allen</p>	<p>Securities Exchange Listing</p> <p>ASX code: WKT Australian Securities Exchange Limited Level 40, Central Park 152-158 St Georges' Terrace Perth, WA 6000 Australia</p>
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DIRECTORS' REPORT

Your Directors submit the annual financial report of the consolidated entity (or "the Group") consisting of Walkabout Resources Ltd ("the Company") and the entities it controlled during the period for the financial year ended 30 June 2023. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The financial report for the year ended 30 June 2023 was authorised for issue on 29 September 2023.

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name and independence status	Experience, qualifications, special responsibilities and other directorships
<p>Mr Michael Elliott Non-Executive Director Chairman</p> <p>Appointed as a Director on 20 December 2018 Appointed as Chairman on 21 April 2021</p>	<p>Mike Elliott holds a Bachelor of Commerce from the University of New South Wales. He was the Global Mining & Metals Sector Leader at Ernst and Young (EY) for over 10 years and has over 34 years' experience working with mining and metals clients around the world. He was a Partner at EY from 1995-2015 and was a member of the Oceania governing body of EY for 5 years.</p> <p>Mike advised and briefed the CEOs, CFOs and Directors of some of the largest global mining and metals companies. He has advised mining and metals clients from all over the world, from countries that include Australia, New Zealand, South Africa, China, USA, Japan, Canada, Russia, Chile, Peru, Brazil, Papua New Guinea, Zimbabwe, Gabon and Colombia.</p> <p>As a key advisor to a number of mining companies, Mike has participated in many of the large transactions, IPOs and privatisations that have transformed the industry.</p> <p>Mike is a Member of Australian Institute of Company Directors (MAICD), a Fellow of Chartered Accountants Australia and New Zealand (FCA) and a member of Financial Services Institute of Australasia.</p> <p>Other directorships of listed companies in the last 3 years: None</p>
<p>Mr Andrew Cunningham Executive Director Chief Executive Officer</p> <p>Appointed as a Non- Executive Director on 13 November 2015 Appointed as CEO/Executive Director on 21 April 2021</p>	<p>Andrew Cunningham has a BSc Hons in Geology from the University of Stellenbosch in South Africa and is a member of the Australian Institute of Geosciences.</p> <p>Andrew has extensive cross discipline technical and management experience in the minerals industry predominantly in Africa and Australia and has worked in a range of commodities and geological styles including uranium, iron ore, graphite, diamonds, gold and base metals.</p> <p>During the last 15 years, Andrew has managed all facets of exploration and development projects in Africa from project generation to the completion of feasibility studies. He has held senior geology and exploration positions with major international mining companies as well as various ASX and TSX listed companies. He has been working with Walkabout Resources since 2013 and brings a wide range of exploration, resource development, mine geology and management experience to the company.</p> <p>Other directorships of listed companies in the last 3 years: None</p>
<p>Peter Finnimore Non-Executive Director</p> <p>Appointed as a Director 15 July 2021</p>	<p>Peter Finnimore is a sales and marketing executive with 20 years' experience in the mining and metals sector with majors such as Rio Tinto, Rusal, BHP and South32. Most recently, while with South32, Peter held the roles of Chief Marketing Officer and Chief Commercial Officer, with a remit including logistics, risk management, technical marketing, industry and commodity analysis and product development.</p> <p>Peter has a genuine international perspective, having spent majority of his executive career working and living abroad in countries including Japan, Russia, Holland, Singapore, Cyprus and Switzerland. Over his career, Peter was responsible for many tens of billions of dollars in revenue of aluminium, alumina, manganese and nickel. He also designed and executed a strategy to transform the global alumina industry's pricing mechanism.</p> <p>Peter holds a Bachelor of Commence and Bachelor of Laws from the University of Queensland. He is a member of the Institute of Company Directors and has previously served as a director of both the International Aluminium Institute and the International Nickel Institute.</p> <p>Other directorships of listed companies in the last 3 years: None</p>

DIRECTORS' REPORT

<p>Phil Montgomery Non-Executive Director</p> <p>Appointed as a Director 15 July 2021</p>	<p>Phil Montgomery has extensive global executive experience with an exceptional pedigree in major project delivery. As an executive at BHP and its predecessor organisations, Phil was responsible for the project's quadrupling output in the WA Iron Ore Division. While with BHP he held the roles of Chief Growth Officer, Global Head of Group Project Management and Vice President – Projects, leading the Jansen potash project.</p> <p>Having worked in developing countries including Mozambique, the DRC, South Africa and Colombia, Phil is well positioned to manage risk and challenges as a key advisor during the construction and commissioning of the Lindi Jumbo Graphite Mine.</p> <p>Phil has a Bachelor of Science (Mechanical Engineering & Business Management) from Oxford Brookes University.</p> <p>Other directorships of listed companies in the last 3 years: Salt Lake Potash Limited (ASX: SO4) and Société des Mines de Fer de Guinée.</p>
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Company Secretary

<p>Mr Ben Donovan Company Secretary</p> <p>Mr Shaun Menezes Company Secretary</p> <p>Tony Allen Company Secretary</p>	<p>Appointed 1 March 2023 Ben Donovan is a Chartered Secretary and member of the Governance Institute of Australia. He is currently a company secretary of several ASX listed and public unlisted companies with experience across resources, agritech, biotech, media and technology industries.</p> <p>Appointed 9 November 2020, resigned 1 March 2023 Shaun Menezes is a Member of Chartered Accountants Australia & New Zealand, Member of Governance Institute of Australia Ltd. Shaun is Secretary of Sterling Plantations Ltd and Secretary for Mont Royal Resources Ltd.</p> <p>Appointed 16 September 2021 Tony Allen is a Member of CPA Australia with over 30 years in the profession. Tony has acted as CFO and Company Secretary for a number of Australian companies and is experienced in exploration and mining companies also having worked in Africa previously.</p>
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DIRECTORS' REPORT

Interests in the shares and options of the company and related bodies corporate

The following relevant interests in shares of the Company or a related body corporate were held by the directors at the date of this report.

Director	Ordinary shares	Options (listed)	Options (unlisted)
M Elliott	31,850,301	-	400,000
A Cunningham	1,962,062	-	-
P Finnimore	3,912,998	-	-
P Montgomery	-	-	-

Principal Activities

The principal activities of the Group during the financial year were the exploration and development of resources and energy assets located in Tanzania, Scotland and Northern Ireland.

Operating Results

The net loss after tax of the Group amounted to \$4,470,047 (2022: loss of \$5,206,760).

Financial Position

The net assets of the Group were \$49,953,871 at 30 June 2023 (2022: \$34,479,201).

Dividends Paid or Recommended

There were no dividends paid or recommended throughout the period.

Review of Operations

Walkabout is actively engaged in developing the fully permitted, 100% owned high-grade Lindi Jumbo Graphite Project in South East Tanzania.

In addition, the Company has continued exploration on its highly prospective suite of base metal and gold tenements in Tanzania, Scotland and Northern Ireland.

Lindi Jumbo Project Development

During the period under review the Company's primary focus was the finalisation of the replacement debt funding and continuation of plant and site construction activities.

Shipments of structural, mechanical and electrical equipment continue to arrive in Tanzania, with more than 95% of the equipment and structural materials now on site. All prefabricated steel for the Screening and Bagging building have arrived on site, with more than 850 tonnes comprising over 35 truck movements delivered during August. All the Motor Control Centres (MCC's) for the plant have been shipped to site. With the concrete works at the Concentrator Building complete, the erection of the steel building framework is in progress. Once the structural steel building has been completed, the remainder of the mechanical equipment, including the drum scrubber, will be "tied" into the building. The majority of the steel platforms within the Concentrator Building have been installed and the focus will be on the installation of the electrical and piping circuits within the Crushing Circuit and Concentrator Building. Structural steelwork in the Screening and Bagging Building has commenced.

Essential civil works for the entire project are 97% complete, with all major concrete works required to finalise plant construction in place. The civil works are now well ahead of the mechanical construction team and construction team numbers will be increased over the next few weeks to accelerate the mechanical, electrical and piping installation. Within the Screening and Drying building, the rotary dryer has been placed into position.

Civil works for a number of the ancillary buildings and equipment are ongoing and although not on the critical path, these structures will be erected in time to house spare parts that will come as part of the final shipment. The Tailings Storage Facility (TSF) is at 92% completion with good progress of the installation of the HDPE lining. All bulk earthworks associated with the TSF have been completed with the final trimming, drainage and civils in progress.

The current construction schedule has the connection to the power supply on the Lindi Jumbo critical path. Although grid power has been delivered to site and is awaiting to be energised, the delivery to site of the contracted 33KV transformer is not expected until November. To mitigate potential commissioning delays and to reduce future operating risk, Lindi

DIRECTORS' REPORT

Jumbo has reverted to acquiring diesel generators for full backup power. All indications are that the stability and availability of the grid power will allow for continuous operations, but the availability of full backup power gives the Company the extra comfort needed that the plant will be able to run as per design, even during unforeseen power outages.

A number of formal tenders have been received for the outstanding essential outsourced services to the mine (laboratory, fuel and logistics) and the Company is in the process of selecting the preferred tenderers in accordance with the Mining (Local Content) Regulations. Hiring of essential staff is in progress and onboarding has commenced and will continue in preparation of the startup of the mine. Jinpeng, the EPC Contractor responsible for the successful completion and functional handover of the processing plant, has agreed to supply some important staff for a period of 6-12 months post commissioning to support the ongoing operations and to ensure a structured training, familiarisation and handover schedule to the Lindi Jumbo operational team. Lindi Jumbo plant commissioning remains on track to commence during the 4th quarter.

In May 2023 the Company announced as part of the operational readiness planning for Lindi Jumbo that the initial 3-year mine plan had been optimised to ensure that sufficient waste was being generated to supply the necessary lifts of the TSF walls, while at the same time generating sufficient medium grade (10 to 20% TGC) and high-grade (>20% TGC) ore stockpiles for blending, commissioning and ramp-up to steady state operations. The new 3 year mine plan is a material improvement to the Life-of-Mine mine plan completed as part of the 2019 Definitive Feasibility Study (DFS).

On 29 July 2022 Walkabout Resources Ltd announced the signing of a binding Sales, Purchase and Marketing Agreement with Wogen Pacific Limited for the supply of all exported graphite production from its Lindi Jumbo Graphite Project in southeast Tanzania. Under the terms of the Agreement, the full export production of Lindi Jumbo shall be sold to Wogen for a minimum term of 5 years. Wogen shall distribute the product into the global market, drawing on its substantial expertise and resources in speciality commodities marketing. The amended binding Agreement will allow Lindi Jumbo to harness the skills and resources of an established international commodities marketing organisation across its full production capacity. Lindi Jumbo will draw on the considerable market knowledge and relationships Wogen has established in the graphite market since partnering with Walkabout Resources and Lindi Jumbo in 2019. It is anticipated that Lindi Jumbo's sales book will be more diversified and have greater exposure to shorter term pricing than previously as a result of the new arrangement. The Agreement also provides Lindi Jumbo enhanced access to supply chain financing, supporting the objective of operating a capital efficient balance sheet.

In recent months, the Company has been quite active with Wogen, engaging with end customers to prepare for firm sales orders once production commences. These activities have included visits by Company representatives to potential end customers in China and Europe. Over the past 6 months extensive product testing has also been undertaken by potential customers who have found Lindi Jumbo graphite suitable for all major uses of coarse and fine flake graphite. Feedback from customers in the premium graphite products market has been that the samples were the best samples they had ever received for use in their line of high-end graphite products. Lindi Jumbo and Wogen expect to begin to receive trial orders during the next quarter for delivery as soon as product becomes available. Specific shipment orders are expected to be finalised before the end of the year. Lindi Jumbo's marketing focus remains on end customers who willingly pay a premium for a premium product. With market activities to date, Lindi Jumbo is confident in selling its fines product at market rates and its larger (Large and Jumbo) product for premium prices.

Lindi Jumbo Project Financing

Due to the delay in the drawdown of senior debt with CRDB, the Company completed a non-renounceable entitlement issue which raised A\$16.6 million from existing shareholders and new investors in November. The proceeds of the issue allowed project construction activities to ramp up with shipments resuming from China of plant and equipment under the EPC contract.

In February 2023 the Company announced it had terminated the CRDB Senior Debt facility, released the pledged security and finalised a US\$10 million standby funding commitment from Battery Metals Capital Group, LLC. To date the Company has not drawn on this facility.

The Company entered into a number of interim funding arrangements with its EPC contractor, its earthmoving and civils contractor and a number of its directors and shareholders. These arrangements enabled continuous and ramped up construction activities. All interim funding arrangements have since been repaid by the Company or Lindi Jumbo.

On 4 July, 2023 the Company announced the execution of an agreement for a senior debt facility of US\$20m plus an additional optional incremental US\$5m with UK based Gemcorp. The debt will be subject to an interest rate margin of 14% for Tranche A and 16% for the optional Tranche B incremental facility above the benchmark Secured Overnight Financing Rate (SOFR). The facility will be available for drawdown until March 2024. First principal repayment is planned for the end of the 3rd quarter of 2024. First drawdown occurred on 13 July 2023.

DIRECTORS' REPORT

Exploration

Scotland and Northern Ireland

During the period under review the Company focused most of its attention on funding for and the development of the Lindi Jumbo Graphite Project in Tanzania resulting in much-reduced exploration activities in the region. This will be re-evaluated in 2024.

Tanzania

Amani Hard Rock Gold Project

During the period under review the Company focused most of its attention in Tanzania on the Lindi Jumbo Graphite Project resulting in reduced exploration activities in the region. This will be re-evaluated in 2024.

Business Development

As a result of the Company's diverse exploration portfolio with projects at various stages of development within the exploration pipeline and the embedded technical presence and exploration expertise in various jurisdictions across the globe, longer-term, multi-commodity exploration opportunities are constantly under review. The Company continues to entertain opportunities for horizontal and vertical growth of its large flake graphite business.

Business Risks

The various business risks as described below have been identified as the key risks to the Group.

Construction Risk

The capital expenditure required to complete the Lindi Jumbo Project may differ from the current expectations of the Company. In addition, actual operational costs may differ from current estimates. Increases in capital or operating expenditure will adversely affect the profitability of the Lindi Jumbo Project and the Company's other projects. This is being mitigated through fixed price and fixed rate contracts, active project management and negotiation of key contracts.

Sovereign Risk

The Company has projects located in Northern Ireland, Scotland and Tanzania. Due to the location of these projects, the Company will be exposed to the political, security and social risks of each of these countries. There can be no assurance that the current systems of government in any country will remain stable and conducive to foreign investment. Any changes in government policy may result in changes in laws affecting various factors including the ownership of exploration assets, taxation regime, environmental protection, labour relations, and repatriation of income, amount of royalty and return of capital. A change in these factors may in turn affect the Company's ability to undertake exploration and development activities in the manner currently contemplated. The Lindi Jumbo Graphite Project is located in Tanzania and as such subject to emerging legal and political systems compared with the systems in place in Australia. In recent years, Tanzania enacted substantive changes in its mining laws and the full impact of these is yet to be demonstrated in practice. Sovereign risks associated with operating in Tanzania include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company. The Company mitigates this risk by maintaining a strong, ongoing relationship with the government of these countries and ensuring all requirements are met.

Title Risk

Interests in mineral licences in Tanzania are governed by the respective relevant legislation in Tanzania and are evidenced by the granting of licenses or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, its mineral licences if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. If the Mining Licence is not renewed, the Company may suffer damage through loss of opportunity to discover and develop any mineral resources to which it otherwise would have had a right to do so. There is also a risk that the mineral licence applications in which the Company acquires an interest in the future may not be able to be transferred to the Company and mineral licences applications may not be approved, or tenement terms renewed. The company actively manages its licence portfolio & seeks to keep all licences in good order.

DIRECTORS' REPORT

Foreign Exchange Rate Risk

The Company currently has interests in tenures located in Northern Ireland, Scotland and Tanzania. Expenditure in Tanzania is required in both United States dollars and the local currency, the Tanzanian schilling. Furthermore, international prices of various commodities are denominated in the United States dollar, whereas the income and expenditure of the Company will be taken into account in Australian currency, which will expose the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

To comply with Australian reporting requirements, the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and the volatility of the rate of exchange between other currencies and the Australian dollar, as determined by international markets. In addition, at this stage, the Company has decided not to put in place any hedges in relation to foreign exchange. This may result in the Company being exposed to exchange risk, which may have an adverse impact on the profitability and/or financial position of the Company. Having senior debt denominated in US dollars provides a natural hedge against the predominate income & expense streams.

Commodity Price Volatility

Any future revenue derived through any future sales of graphite exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities. The production of four different products destined to different end use markets helps distribute the risk of changes in the graphite price in any one market.

Occupational Health and Safety

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.

Development risk

The ability of the Company to achieve production targets, or meet operating and capital expenditure estimates on a timely and accurate basis cannot be assured. The combined group may encounter unexpected difficulties, including shortages of materials or delays in delivery of materials, unexpected operational events, facility or equipment malfunctions or breakdowns, unusual or unexpected adverse geological conditions, cost overruns, regulatory issues, adverse weather conditions and other catastrophes, such as explosions, fires, floods and accidents, increases in the level of labour costs and the existence of any labour disputes, and adverse local or general economic or infrastructure conditions.

Any delays beyond the expected development periods or increased costs above those expected to be incurred, could have a material adverse effect on the combined group's business, financial condition, results of operations, cash flows and ability to pay dividends. The company has a number of contingency plans to manage the risk of delay for those items on the Lindi Jumbo critical path.

Operating risk

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of Mineral Resources and the production of graphite involves significant risks, including environmental and safety hazards, industrial accidents, equipment failure, import/ customs delays, shortage or delays in installing and commissioning plant and equipment, metallurgical and other processing problems, seismic activity, unusual or unexpected rock formations, flooding, fires, or other natural disasters, outbreaks, continuations or escalations of disease (including pandemics), interruption to, or the increase in costs of, services (such as water, fuel or transport), sabotage, community, inability to recruit and retain operating staff with specialist rare earth processing experience; unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; government or other interference and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production and power facilities, dams, or other properties, and could cause personal injury or death, environmental damage, pollution, delays in mining, increased production costs, monetary losses and possible legal liability. In particular, mining operations involve the use of heavy machinery, which involves inherent risks that cannot be completely eliminated through preventative efforts.

DIRECTORS' REPORT

Costs of production may be affected by a variety of factors, including changing waste-to-ore ratios, adverse weather conditions, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore grade, metallurgy, labour costs, changes to applicable laws and regulations, general inflationary pressures and currency exchange rates. If faced by the Company, these circumstances could result in the Company not realising its operational or development plans, or in such plans costing more than expected, or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Company's financial and operational performance. The company is currently outsourcing the majority of operational functions to well credentialed operators, in an effort to reduce this risk on startup.

Environmental Risk

The Company's projects are subject to rules and regulations regarding environmental matters including obtaining the approval of an environmental impact study or assessment depending on location and impacts. As with all mineral projects, the Company's project is expected to have a variety of environmental impacts should development proceed. The Company has been issued with the Environmental permit for development and an Environmental Management Plan is in place with audits done on an annual basis. Any breach of the conditions might lead to a cessation of activities and or the revoking of the environmental permit. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's costs of doing business or affect its operations in any area. Lindi Jumbo has been designed to meet international standards of environmental performance.

Resource and Reserve Estimates

Resource and other estimates of mineral occurrences are expressions of judgment based on knowledge, experience and industry practice. Often these estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates, including those minerals mined may be of a different quality, tonnage or strip ratio from the estimates. Resource and revenue estimates are necessarily imprecise and depend to some extent upon interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to the estimates of mineral resources and/or Ore Reserves could affect the proposed development and mining plans. Grade control drilling & assaying will be performed before development occurs in expected mining areas to reduce this risk.

Technological

This risk relates mainly to the threat of substitution of minerals such as lithium and graphite by other materials in the manufacture of batteries and other applications. The production of four different products destined for different end use markets mitigates the risk of graphite substitution risk in any one market.

Litigation risk

The Company is exposed to possible litigation risk including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

Reliance on Key Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

Significant Events After Balance Date

The following significant changes in the state of affairs of the Company occurred after balance date:

On 4 July 2023, the Company announced that the Lindi Jumbo Senior Debt facility had been executed with UK based Gemcorp for up to US\$25 million (US\$20 million Tranche A and optional US\$5 million for Tranche B). The debt is subject to an interest rate margin of 14% for Tranche A and 16% for the optional Tranche B incremental facility above the benchmark Secured Overnight Financing Rate (SOFR). The facility will be available for drawdown until March 2024. During the period of availability, the undrawn balance of Tranche A will attract a commitment fee until drawn. The Group is also required to maintain a Debt Service Reserve for two current quarter's debt payments. The lender is also entitled to cash sweeps of 25-50% of any cash surplus over US\$5 million to be applied against the outstanding loan principal.

On 12 July 2023, the Company issued 508,835 ordinary fully paid shares at an issue price of \$0.10 per share, 3,636,363 ordinary fully paid shares at an issue price of \$0.11 per share and 2,000,000 options exercisable at \$0.25 on or before 12 January 2025 in relation to the bridging loans and payment of interest for these loans as approved in the Shareholders' General meeting held on 12 June 2023.

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On 13 July 2023, the Company announced that it had completed the first drawdown of US\$5.1 million from the Lindi Jumbo Senior Debt facility above. The drawn funds were primarily used to repay interim funding arrangements, transaction costs, corporate costs and provide funding for the next month of project expenditures.

On 28 July 2023, the Company announced that it had entered into a termination deed with BMCG pursuant to which the Company paid the amount of US\$977,000 to BMCG to retire the Balance of the original Funding Facility, with no further amount outstanding under, or shares to be issued in relation to, the Investment. The Company has not drawn any funds to date under the standby BMCG funding facility announced to the market on 27 February 2023 and 14 March 2023. The standby facility remains available as a source of funding should the Company require it.

On 28 August 2023, the Company announced that it has concluded the interim funding measures implemented during the first half of 2023. This consisted of the following actions:

- The Company agreed with its EPC contractor, Jinpeng, that all contractual milestones achieved to date and through to practical completion will be paid in cash, and up to US\$500,000 of post-practical completion contractual milestone payments are to be paid by way of the issue of shares at \$0.11. This agreement replaces the agreement released to the market on 6 March 2023 and approved by shareholders at the general meeting held on 12 June 2023.
- The Company had also previously issued 9.2 million shares as security for the interim vendor funding provided by TNR. As TNR interim funding has been repaid from drawdown of the senior debt, the Company intends to cancel those shares. This will require approval of shareholders at the upcoming Annual General Meeting.
- Finally, the Company issued 4,227,273 shares at \$0.11 each as part of the conclusion of the remaining shareholder bridging loans.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations, or the financial position of the consolidated entity in future financial years.

Likely Developments and Expected Results

Further information has not been presented in this report as disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity.

Environmental legislation

The consolidated entity is subject to environmental legislation in Tanzania for the development and construction works of the Lindi Jumbo Graphite Project. The independent Annual Environmental Audit completed for the 2022-2023 reporting period stipulated that the Company continues to demonstrate good environmental stewardship and has shown a good commitment to comply with its EIA of 2016, implementing its recommendations and commissioning annual audits.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. During the financial year the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

REMUNERATION REPORT (Audited)

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel ("KMP") of the Company for the financial year ended 30 June 2023. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and its controlled entities, directly or indirectly, including any Director (whether Executive or otherwise) of the parent company.

DIRECTORS' REPORT

The Key Management Personnel of the Group during the year were:

Mr A Cunningham	Chief Executive Officer/Executive Director
Mr M Elliott	Chairman, Non-Executive Director
Mr P Montgomery	Non-Executive Director (Appointed 15 July 2021)
Mr P Finnimore	Non-Executive Director (Appointed 15 July 2021)
Mr T Allen	Chief Financial Officer (Appointed 19 July 2021)

Remuneration policy

The remuneration policy of Walkabout has been designed to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and potentially, at the Boards discretion, long term incentives based on key performance areas affecting the consolidated entity's financial results. The Board of Walkabout believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the consolidated entity, as well as create goal congruence between Directors, Executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the consolidated entity is as follows: the remuneration policy, setting the terms and conditions for the Executive Directors and other senior executives, was developed by the Board of Directors, and approved by resolution of the Board. All Executives receive a base salary including superannuation with the possibility of short and long term incentives.

The Board of Directors review executive packages annually by reference to the consolidated entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The performance of Executives is assessed annually with each executive and is based predominantly on operational and exploration activities and shareholders' value. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can award these if they can be reasonably justified. The policy is designed to attract and retain the highest calibre of Executives and reward them for performance that results in long term growth in shareholder value.

Directors and Executives receive a superannuation guarantee contribution required by the Government, and do not receive any other retirement benefits. All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed.

The Board policy is to remunerate Non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Company has established a Remuneration Committee. The Remuneration Committee is responsible for determining and reviewing compensation arrangements for directors and executive team. The Board of Directors, following a recommendation from the remuneration Committee, determines payments to the Non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Any changes to the maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at an Annual General Meeting.

Performance-based remuneration

There was no performance based remuneration granted during the year ended 30 June 2023 nor outstanding as at that date.

Company performance, shareholder wealth and Director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and Executives. There have been two methods applied in achieving this aim, the first being a fixed market competitive salary, and the second being the potential issue of short and long term incentives to Executives to encourage the alignment of personal and shareholder interests.

In accordance with best practice corporate governance, the structure of Non-executive Director and Executive remuneration is separate and distinct.

Key Management Personnel Remuneration Policy

The remuneration structure for KMP is to be based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and KMP are on a continuing basis, the terms of which are not expected to change in the immediate future.

DIRECTORS' REPORT

Employment Contracts

CEO/Executive Director	Contract Commencement	Contract Termination	Remuneration	Notice period	Termination entitlement
A Cunningham	1 July 2021	No fixed term	\$363,000	3 months	3 months' pay in lieu of notice
Chief Financial Officer					
T Allen	19 July 2021	No fixed term	\$250,000	3 months	3 months' pay in lieu of notice

DIRECTORS' REPORT

The table below details the nature and amount of remuneration for each Director and Executive of Walkabout Resources Ltd.

30 June 2023	Short-term Benefits				Post-employment Benefits	Share-based Payment		Total	Performance Related
	Salary and fees	Bonuses	Non-cash benefit	Other	Superannuation	Equity ⁵	Options		
	\$	\$	\$	\$	\$	\$	\$		
Andrew Cunningham	402,450	-	-	-	-	-	-	402,450	-
Michael Elliott	108,597	-	-	-	11,403	-	-	120,000	-
Phil Montgomery	90,000	-	-	-	-	-	-	90,000	-
Peter Finnimore	87,263	-	-	-	10,237	-	-	97,500	-
Tony Allen	250,000	-	-	-	26,250	-	-	276,250	-
	938,310	-	-	-	47,890	-	-	986,200	-

30 June 2022	Short-term Benefits				Post-employment Benefits	Share-based Payment		Total	Performance Related
	Salary and fees	Bonuses	Non-cash benefit	Other	Superannuation	Equity	Options		
	\$	\$	\$	\$	\$	\$	\$		
Andrew Cunningham	321,250	-	-	-	-	-	-	321,250	-
Allan Mulligan ¹	166,640	-	-	-	9,007	-	-	175,647	-
Michael Elliott	78,000	-	-	-	8,667	-	-	86,667	-
Phil Montgomery	82,500	-	-	-	-	-	-	82,500	-
Peter Finnimore ²	54,000	-	-	-	6,000	21,059	-	81,059	-
Tony Allen	237,904	-	-	-	23,790	-	-	261,694	-
	940,294	-	-	-	47,464	21,059	-	1,008,817	-

¹Resigned as Director on 15 July 2021

²At a general meeting on 30 November 2021 a share plan was approved by shareholders to satisfy up to 50% of Peter Finnimore and Philip Montgomery's directors fees, through the issue of shares. These details of the shares to be issued in lieu of salary are below:

Year Ended	Director Name	Contractual Value of Services Rendered	Market Value of Shares on Grant Date	Shares Issued	Date of Issue	Share Price on Grant Date
30-Jun-22	Peter Finnimore	22,500	21,059	106,635	13-Jan-2023	19 cents

DIRECTORS' REPORT

Shareholdings of Key Management Personnel Ordinary Shares

30 June 2023	Balance at beginning of period	Conversion of performance rights	Acquired	Net Change	Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number		Number	Number
Andrew Cunningham	1,332,096	-	629,966	-		1,962,062	841,961
Michael Elliott	22,202,908	-	9,597,092	-		31,800,000	29,300,000
Phil Montgomery ²	-	-	-	-		-	-
Peter Finnimore ²	-	-	106,635	-		106,635	-
Executives	Number	Number	Number	Number		Number	Number
Tony Allen	-	-	106,635	-		106,635	-

30 June 2022	Balance at beginning of period	Conversion of performance rights	Acquired	Net Change	Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number		Number	Number
Andrew Cunningham	1,240,188	-	91,908	-		1,332,096	659,873
Allan Mulligan ¹	5,474,656	-	-	(5,474,656)		-	-
Michael Elliott	14,400,000	-	7,802,908	-		22,202,908	19,902,908
Phil Montgomery ²	-	-	-	-		-	-
Peter Finnimore ²	-	-	-	-		-	-
Executives	Number	Number	Number	Number		Number	Number
Tony Allen	-	-	-	-		-	-

¹Resigned as Director on 15 July 2021

²Appointed as Director on 15 July 2021

³Appointed on 19 July 2021

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length. Net change – other represents the balance on appointment / resignation.

DIRECTORS' REPORT

Option holdings of Key Management Personnel

30 June 2023	Balance at beginning of period	Granted as remuneration	Expired (3)	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Andrew Cunningham	-	-	-	-	-	-
Michael Elliott	-	-	-	-	-	400,000
Phil Montgomery ²	-	-	-	-	-	-
Peter Finnimore ²	-	-	-	-	-	-
Executives	Number	Number	Number	Number	Number	Number
Tony Allen	-	-	-	-	-	-

30 June 2022	Balance at beginning of period	Granted as remuneration	Expired	Net Change Other	Balance at end of period	Balance held nominally
Directors	Number	Number	Number	Number	Number	Number
Allan Mulligan ¹	4,000,000	-	(4,000,000)	-	-	-
Andrew Cunningham	3,000,000	-	(3,000,000)	-	-	-
Michael Elliott	-	-	-	-	-	-
Phil Montgomery ²	-	-	-	-	-	-
Executives	Number	Number	Number	Number	Number	Number
Tony Allen	-	-	-	-	-	-

¹Resigned as Director on 15 July 2021

²Appointed as Director on 15 July 2021

At the Company's 2022 annual general meeting the remuneration report was approved by shareholders. Votes cast against the remuneration report considered at that annual general meeting were less than 25%.

Company Performance, Shareholder Wealth and Directors' and Executives' Remuneration

The remuneration policy has been tailored to align the strategic goals of the Company to create value for shareholders, Directors and executives. The Company believes the policy has been effective in aligning the interests of the Company's key management personnel with the interests of its shareholders. Details of Directors' and executives' interests in equity securities at year end are set out above.

DIRECTORS' REPORT

Additional Information

The key statistics of the Group for the five years to 30 June 2023 are summarised below:

	2019	2020	2021	2022	2023
Share Price at 30 June	\$0.425	\$0.135	\$0.20	\$0.215	\$0.097
Loss for the year (continuing and discontinued operations)	(\$2,737,501)	(\$4,440,408)	(\$3,325,061)	(5,206,760)	(4,470,047)
EPS for the year (continuing and discontinued operations)	(0.95) cents	(1.33) cents	(0.94) cents	(1.19) cents	(0.80) cents

Fixed remuneration is not linked to Group performance. It is set with reference to the individual's role, responsibilities and performance and remuneration levels for similar positions in the market.

No dividends were paid by the Company nor was there any return of capital over the past 5 years.

Other transactions with Key Management Personnel

There were two bridging loans from Key Management Personnel of \$600,000 outstanding at 30 June 2023. These have been paid back in full subsequent to year end.

For amounts owing to key management personnel refer to Note 18 to the financial report for details.

End of Remuneration Report

Directors' meetings

The number of meetings of directors held during the year and the number of meetings attended by each Director were as follows:

	Number of meetings held	Number eligible to attend	Number attended
Michael Elliott	27	27	27
Andrew Cunningham	27	27	26
Phil Montgomery	27	27	22
Peter Finnimore	27	27	25

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Shares under Option

There were no unissued ordinary shares under option at the date of this report.

Auditor's independence

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 17 and forms part of this Directors' Report for the year ended 30 June 2023.

DIRECTORS' REPORT

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 4 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Indemnification and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Signed in accordance with a resolution of the Board of Directors.



Michael Elliott
Non-Executive Chairman
29 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Walkabout Resources Ltd for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
29 September 2023



L Di Giallonardo
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Consolidated	
		2023 \$	2022 \$
Income	2	6,679	1,358
Depreciation expense	2	(35,424)	(33,782)
Occupancy costs		(231,161)	(264,991)
Legal and compliance fees		(657,229)	(345,695)
Administration expenses		(1,325,426)	(1,358,620)
Interest expense		(207,388)	(8)
Consulting fees		(1,334,225)	(1,341,413)
Professional fees		(293,138)	(201,193)
Other expenses		(9,094)	(82,214)
Exploration costs expensed or written off	2	(9,932)	(506,571)
Travel		(162,547)	(222,297)
Foreign exchange (loss)	2	(211,162)	(851,334)
Loss before income tax		(4,470,047)	(5,206,760)
Income tax benefit	3	-	-
Loss for the year		(4,470,047)	(5,206,760)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(460,336)	2,190,478
Other comprehensive income/(loss) for the year, net of tax		(460,336)	2,190,478
Total comprehensive loss for the year		(4,930,383)	(3,016,282)
Loss attributable to:			
Owners of the parent		(4,470,047)	(5,198,092)
Non-controlling interests		-	(8,668)
		(4,470,047)	(5,206,760)
Total Comprehensive Loss attributable to:			
Owners of the parent		(4,930,383)	(3,009,413)
Non-controlling interests		-	(6,869)
		(4,930,383)	(3,016,282)
Loss Per Share			
Basic loss per share (cents per share)	5	(0.80)	(1.19)
Diluted loss per share (cents per share)	5	(0.80)	(1.19)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	Consolidated	
		2023	2022
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	74,320	1,018,843
Trade and other receivables	7	2,497,141	2,226,228
TOTAL CURRENT ASSETS		<u>2,571,461</u>	<u>3,245,071</u>
NON-CURRENT ASSETS			
Trade and other receivables	7	305,705	9,758
Property, plant and equipment	8	96,444	135,468
Mine properties	8	50,419,834	44,002,506
Deferred exploration and evaluation expenditure	9	2,684,538	2,326,351
TOTAL NON-CURRENT ASSETS		<u>53,506,521</u>	<u>46,474,083</u>
TOTAL ASSETS		<u>56,077,982</u>	<u>49,719,154</u>
CURRENT LIABILITIES			
Trade and other payables	10	2,521,004	10,694,156
Employee benefits		44,727	35,208
Financial liability	11	3,059,601	4,510,589
TOTAL CURRENT LIABILITIES		<u>5,625,332</u>	<u>15,239,953</u>
NON-CURRENT LIABILITIES			
Rehabilitation provision		498,779	-
TOTAL NON-CURRENT LIABILITIES		<u>498,779</u>	<u>-</u>
TOTAL LIABILITIES		<u>6,124,111</u>	<u>15,239,953</u>
NET ASSETS		<u>49,953,871</u>	<u>34,479,201</u>
EQUITY			
Share capital	12	118,155,464	97,936,740
Reserves	13	1,489,900	1,971,295
Accumulated losses		(69,691,493)	(65,428,834)
TOTAL EQUITY		<u>49,953,871</u>	<u>34,479,201</u>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2023**

Consolidated

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Share-based Payment Reserve	Options Reserve	Total	Non-Controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2022	97,936,740	(65,428,834)	1,950,236	21,059	-	34,479,201	-	34,479,201
Net loss for the year	-	(4,470,047)	-	-	-	(4,470,047)	-	(4,470,047)
Exchange differences arising on translation of foreign operations	-	-	(460,336)	-	-	(460,336)	-	(460,336)
Total comprehensive loss for the year	-	(4,470,047)	(460,336)	-	-	(4,930,383)	-	(4,930,383)
Shares issued – net of cost	20,159,900	-	-	(21,059)	-	20,138,841	-	20,138,841
Share based payment	58,824	-	-	-	-	58,824	-	58,824
Issue of options	-	-	-	-	207,388	207,388	-	207,388
Expiry of options	-	207,388	-	-	(207,388)	-	-	-
Balance as at 30 June 2023	118,155,464	(69,691,493)	1,489,900	-	-	49,953,871	-	49,953,871
Balance as at 1 July 2021	82,330,019	(61,472,669)	(238,443)	-	1,488,420	22,107,327	(55,599)	22,051,728
Net loss for the year	-	(5,198,092)	-	-	-	(5,198,092)	(8,668)	(5,206,760)
Exchange differences arising on translation of foreign operations	-	-	2,188,679	-	-	2,188,679	1,799	2,190,478
Total comprehensive loss for the year	-	(5,198,092)	2,188,679	-	-	(3,009,413)	(6,869)	(3,016,282)
Acquisition of minority interest	-	(246,493)	-	-	-	(246,493)	62,468	(184,025)
Shares issued – net of cost	15,606,721	-	-	-	-	15,606,721	-	15,606,721
Unissued director's shares	-	-	-	21,059	-	21,059	-	21,059
Expiry of options	-	1,488,420	-	-	(1,488,420)	-	-	-
Balance as at 30 June 2022	97,936,740	(65,428,834)	1,950,236	21,059	-	34,479,201	-	34,479,201

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Consolidated	
		2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(3,979,185)	(3,133,960)
Interest received		6,678	1,358
Net cash used in operating activities	15	(3,972,507)	(3,132,602)
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation expenditure		(166,224)	(1,023,293)
Payments for property, plant & equipment		(13,699,073)	(15,736,876)
Payments for changes in ownership of a subsidiary		-	(190,883)
Net cash used in investing activities		(13,865,297)	(16,951,052)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		13,493,281	7,622,546
Proceeds from borrowings	11	3,400,000	7,820,260
Net cash provided by financing activities		16,893,281	15,442,806
Net decrease in cash held		(944,523)	(4,640,848)
Cash at beginning of financial year	6	1,018,843	5,659,691
Cash at end of financial year	6	74,320	1,018,843

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity (or "the Group") consisting of Walkabout Resources Ltd and its subsidiaries. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The financial statements have been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements are presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia, Botswana, Tanzania, Malawi, Northern Ireland, Scotland and Namibia. The Group's principal activities are mineral exploration and the development of resources and energy assets.

(b) Adoption of new and revised standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact to Group accounting policies.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted, however are not expected to have a material impact on Group accounting policies.

(c) Statement of Compliance

The financial report was authorised for issue on 29 September 2023.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Walkabout Resources Ltd ('the Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Walkabout Resources Ltd and its subsidiaries are referred to in this financial report as the Group or the consolidated entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations have been accounted for using the acquisition method of accounting.

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(d) Basis of Consolidation - continued

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of Walkabout Resources Ltd.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(e) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation expenditure:

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 20. From time to time the Company makes share-based payments to other parties, other than employees, for goods or services. Where the fair value of the goods and services cannot be reliably estimated, the Company measures their fair value by reference to the fair value of the equity instruments granted.

Rehabilitation provision

The Group estimates the future cash flows to settle mine restoration obligations and applies an inflationary factor to these costs, together with discounting these costs to present values.

(f) Going Concern

For the year ended 30 June 2023, the Group recorded a loss of \$4,470,047 (2022: \$5,206,760) and a net cash outflow from operating, investing and financing activities of \$944,523 (2022: \$4,640,848). At 30 June 2023, the Group had available cash and cash equivalents of \$74,320 (2022: \$1,018,843) and a deficiency of working capital of \$3,053,871 (2022: \$11,994,882).

With the announcement on 4 July 2023 of the Senior Debt Facility with Gemcorp for up to \$US25 million (\$US20 million Tranche A and optional \$5 million for Tranche B) (see Note 16), which has commenced being drawn on subsequent to balance date, together with the standby BMCG funding facility for up to \$US10 million, the directors consider the Group to be a going concern as it will be able to complete construction and commissioning of the Lindi Jumbo plant and see the Group through to production in the 4th quarter of the 2024 financial year.

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Group's assets and the discharge of their liabilities in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Walkabout Resources Ltd.

(h) Foreign Currency Translation

Both the functional and presentation currency of Walkabout Resources Ltd and its Australian subsidiaries is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date. All exchange differences in the consolidated financial report are taken to the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of the foreign operations in Botswana, Tanzania, Malawi, Namibia, Scotland and Northern Ireland is Pula, Schillings, Kwacha, Namibian Dollars and British Pound Sterling respectively.

As at the balance date the assets and liabilities of these subsidiaries are translated into the presentation currency of Walkabout Resources Ltd at the rate of exchange ruling at the balance date and their statements of comprehensive income are translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

(i) Income Recognition

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

(j) Leases

Variable lease payments for lease terms less than 12 months that do not depend on an index or rate are expensed in the period in which they are incurred.

(k) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(k) Income Tax - continued

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

The Company and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Company recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(l) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST and VAT except:

- when the GST and VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST and VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST and VAT included.

The net amount of GST and VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST and VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST and VAT recoverable from, or payable to, the taxation authority.

(m) Impairment of assets

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(n) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(o) Trade and other receivables

Trade and other receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(p) Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(q) Property, Plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a diminishing value basis or units of production basis over the estimated useful life of the assets at the following rates:

Plant and equipment – 20%
Computer equipment – 30%
Motor Vehicles – 33.3%
Furniture and Fittings – 22.2%
Mine properties – Amortised over units of production.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(q) Property, Plant and equipment - continued

(ii) Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Mine Properties

Mining assets, including mineral property interests and mine plant facilities, are initially recorded at cost. Costs incurred to develop the property are capitalised as incurred until the mine is considered to have moved into the production phase, after which they are measured at cost less accumulated depreciation and impairment. Costs include expenditure that is directly attributable to the acquisition of and construction of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Borrowing costs are capitalised to the extent that they are directly attributable to the acquisition and construction of qualifying assets. Qualifying assets are assets that take a substantial time to get ready for their intended use. These costs are capitalised until the asset moves into the production phase. Other borrowing costs are expensed.

Depreciation and amortisation of mineral property interests and mine plant facilities are computed principally by the units of production method over the life of mine, based on estimated quantities of economically recoverable proved and probable reserves, which can be recovered in future from known mineral deposits. Changes in management's estimates of economically recoverable reserves and resources impact depreciation and amortisation on a prospective basis.

Where a depreciable asset is used in the construction or extension of a mine, the depreciation is capitalised against the mine's cost.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(r) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(t) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the balance date are recognised in other payables in respect of employees' services up to the balance date, they are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(t) Employee leave benefits - continued

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the balance date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(u) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

Where appropriate, fair value is determined by using a Black-Scholes model, further details of which are given in Note 12(b). From time to time the Company makes share-based payments to other parties, other than employees, for goods or services. Where the fair value of the goods and services cannot be reliably estimated, the Company measures their fair value by reference to the fair value of the equity instruments granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Walkabout Resources Ltd (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 5).

(v) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Earnings per share

Basic earnings/loss per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/loss per share are calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES – continued

(x) Exploration and evaluation

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

The decision to capitalise or expense exploration and evaluation expenditure is made separately for each area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(y) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Share Placement Agreement

The Company has entered into a Share Placement Agreement with Battery Metals Capital Group LLC (“BMCG”) in prior periods, which enables the Company to issue placement shares to BMCG at such time as BMCG exercises its call options for these shares. The amounts paid by BMCG for placement shares are denominated in \$US, therefore as the Company’s functional currency is \$A, the Company will receive a variable amount of cash on issuing those shares. As a result, there is a variable pricing mechanism within the Agreement and the proceeds received from BMCG do not meet the “fixed for fixed” test in AASB 132 and are required to be classified as a liability in accordance with AASB 132.

Finance charges are calculated and expensed over the term of the Agreement, with share subscription amounts being recorded against the liability at the time BMCG subscribes for those shares. In addition, transaction costs comprising actual costs and any share-based payments, are applied against the liability as borrowing costs in accordance with AASB 132.

(z) Parent entity financial information

The financial information for the parent entity, Walkabout Resources Ltd, disclosed in Note 17 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Walkabout Resources Ltd. Dividends received from associates are recognised in the parent entity’s profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share-based payments

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2: INCOME AND EXPENSES

	Consolidated	
	2023 \$	2022 \$
Income		
Interest received	6,679	1,358
	<u>6,679</u>	<u>1,358</u>
Expenses		
Foreign exchange gain / (losses)	(211,162)	(851,334)
Depreciation	(35,424)	(33,782)
Exploration costs expensed or written off	(9,932)	(506,571)

NOTE 3: INCOME TAX EXPENSE

a. The components of income tax expense comprise:

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Accounting loss before tax	(4,470,047)	(5,206,760)
Income tax (benefit) calculated at 30% (2021: 26%)	(1,341,014)	(1,562,028)
Non-deductible expenses	1,300,429	737,926
Non-assessable income	-	(62,318)
Difference in tax rate of subsidiaries operating in other jurisdictions	5,371	(15,730)
Unused tax losses not recognised as deferred tax assets	47,736	723,152
Eliminations on consolidation	52	209,570
Other deferred tax assets and tax liabilities not recognised	(12,574)	(30,572)
Income tax expense/(benefit) reported in the consolidated statement of comprehensive income	<u>-</u>	<u>-</u>

b. Unrecognised deferred tax balances

The following deferred tax assets/(liabilities) have not been brought to account:

Deferred tax assets / (liabilities) comprise:

• Losses available for offset against future taxable income – revenue	11,365,483	8,911,339
• Losses available for offset against future taxable income – capital	22,496	22,496
• Depreciation timing differences	4,352	3,779
• Accrued expenses and liabilities	81,735	95,888
• Deferred gains and losses on foreign exchange contracts	347,320	(353,695)
• Exploration & mining expenditure capitalised	(5,601,210)	(1,198,693)
	<u>6,220,176</u>	<u>7,481,114</u>

c. Income tax benefit not recognised direct in equity

• Share issue costs	<u>-</u>	<u>-</u>
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The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE: 4: AUDITOR'S REMUNERATION

Remuneration of the auditor for:

Auditing or reviewing the financial report – HLB Mann Judd
Taxation compliance services – HLB Mann Judd

Consolidated	
2023	2022
\$	\$
130,829	37,043
7,550	13,450
<u>138,379</u>	<u>50,493</u>

NOTE 5: EARNINGS/(LOSS) PER SHARE

Basic and diluted earnings/(loss) per share

Basic and diluted loss per share (cents per share)

Consolidated	
2023	2022
(0.80)	(1.19)

Earnings

Earnings used in the calculation of basic and diluted earnings/(loss) per share

Loss for the year

Consolidated	
2023	2022
\$	\$
(4,470,047)	(5,206,760)

Weighted average number of ordinary shares

Weighted average number of ordinary and diluted shares outstanding during the year used in calculating diluted EPS

Consolidated	
2023	2022
558,988,878	436,332,476

NOTE 6: CASH AND CASH EQUIVALENTS

Cash at bank and in hand

Consolidated	
2023	2022
\$	\$
74,320	1,018,843

Cash at bank earns interest at floating rates based on daily bank deposit rates.

NOTE: 7: TRADE AND OTHER RECEIVABLES

CURRENT

Other debtors (i)
Prepaid commitment fee (ii)

Consolidated	
2023	2022
\$	\$
2,091,523	2,226,228
405,618	-
<u>2,497,141</u>	<u>2,226,228</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE: 7: TRADE AND OTHER RECEIVABLES - continued

	Consolidated	
	2023 \$	2022 \$
NON-CURRENT		
Other debtors	17,947	9,758
Prepaid commitment fee (ii)	287,758	-
	<u>305,705</u>	<u>9,758</u>

- (i) Other debtors primarily relates to VAT Receivable.
- (ii) As disclosed in Note 12, during the year, the Company issued 6,708,472 shares as a commitment fee to Battery Metals Capital Group LLC (“BMCG”) for providing the standby funding facility of up to \$US10m. These shares were valued at \$0.13 per share, being the share price on the date of issue. The total value of \$872,101 was recorded as a prepaid commitment fee and will be amortised over the period of the facility, being 24 months. The prepayment has been allocated between the current and non-current portion.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT AND MINE PROPERTIES

	Consolidated	
	2023 \$	2022 \$
NON-CURRENT		
Property, plant and equipment and mine properties		
At cost	50,722,760	44,311,446
Accumulated depreciation	(206,482)	(173,472)
Total property, plant and equipment and mine properties	<u>50,516,278</u>	<u>44,137,974</u>

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment and mine properties between the beginning and the end of the current financial year.

Plant & Equipment	Consolidated	
	2023 \$	2022 \$
Balance at the beginning of the year	135,468	31,126
Additions	-	140,768
Depreciation expense	(35,424)	(33,782)
Foreign exchange	(3,600)	(2,644)
Balance at end of the year	<u>96,444</u>	<u>135,468</u>

Mine Properties – work in progress	Consolidated	
	2023 \$	2022 \$
Balance at the beginning of the year	44,002,506	15,540,554
Additions	6,404,711	27,127,405
Transfer from Deferred Exploration and Evaluation Expenditure	-	2,909
Foreign exchange	12,617	1,331,638
Balance at end of the year	<u>50,419,834</u>	<u>44,002,506</u>
Total property, plant and equipment and mine properties	<u>50,516,278</u>	<u>44,137,974</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 9: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2023 \$	2022 \$
NON-CURRENT		
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	2,326,351	1,821,685
Expenditure incurred	171,829	1,106,771
Foreign currency exchange variation	196,290	(92,625)
Expenditure written off	(9,932)	(506,571)
Transfer to Mine Properties	-	(2,909)
Carrying amount at end of year	2,684,538	2,326,351

Ultimate recovery of exploration and evaluation expenditure carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively, by sale of the respective areas.

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated	
	2023 \$	2022 \$
CURRENT		
Trade payables	2,054,535	9,811,732
Sundry payables and accrued expenses	466,469	882,424
	2,521,004	10,694,156

The majority of trade payables at 30 June 2023 relate to contractors associated with the Lindi Jumbo construction project who had agreed to deferred payment terms with the Company at year end. All trade payables due and outstanding at balance date have since been paid by the consolidated entity.

All other trade payables are non-interest bearing and are normally settled on 30 day terms.

NOTE 11. FINANCIAL LIABILITY

	Consolidated	
	2023 \$	2022 \$
Prepaid share placements	1,659,601	4,510,589
Bridging loans	1,400,000	-
	3,059,601	4,510,589

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. FINANCIAL LIABILITY - continued

Prepaid Share Placements

The movement in prepaid share placements during the year ended 30 June 2023 is as follows:

Tranche 2	30-Jun-23
	\$
Balance at beginning of the year	4,510,589
Conversion to shares - US\$500,000	(724,848)
Conversion to shares - US\$300,000	(451,060)
Conversion to shares - US\$300,000	(452,420)
Conversion to shares - US\$500,000	(746,269)
Conversion to shares - US\$500,000	(755,173)
Finance charge – 5%	325,138
8% VWAP discount reversed	(172,501)
Realised forex on conversion to shares	126,713
Unrealised loss on translation	(568)
Balance at end of the year	<u>1,659,601</u>

During the year ended 30 June 2023, at the request of BMCG, prepaid subscription units were converted to shares:

- On 10 January 2023, the Company converted 500,000 share subscription prepayment units into 7,891,674 ordinary shares at an issue price of \$0.095 per share;
- On 14 April 2023, the Company converted 300,000 share subscription prepayment units into 4,748,000 ordinary shares at an issue price of \$0.095 per share;
- On 1 May 2023, the Company converted 300,000 share subscription prepayment units into 5,057,402 ordinary shares at an issue price of \$0.090 per share;
- On 11 May 2023, the Company converted 500,000 share subscription prepayment units into 8,366,801 ordinary shares at an issue price of \$0.090 per share; and
- On 2 June 2023, the Company converted 500,000 share subscription prepayment units into 9,108,630 ordinary shares at an issue price of \$0.085 per share.

As at 30 June 2023, there were 850,000 prepaid share subscription units outstanding.

The movement in prepaid share placements during the year ended 30 June 2022 is as follows:

	Consolidated		
	30 June 2022		
	Tranche 1	Tranche 2	Total
	\$	\$	\$
Balance at beginning of the year	-	-	-
Drawdown ⁽¹⁾	1,941,823	5,878,437	7,820,260
Commencement fee charge equivalent to 2,360,496 shares ⁽¹⁾	331,685	-	331,685
Conversion to shares – US\$400,000 ⁽²⁾	(543,478)	-	(543,478)
Conversion to shares – USD\$1,000,000	(1,392,176)	-	(1,392,176)
Conversion to shares – USD1,950,000	(538,085)	(2,187,282)	(2,725,367)
Finance charge – 5% ⁽³⁾	104,572	245,779	350,351
5% VWAP discount provided ⁽³⁾	-	275,060	275,060
Realised forex on conversion to shares	95,659	31,334	126,993
Unrealised loss on translation at year end rates	-	267,261	267,261
Balance at end of the year	-	4,510,589	4,510,589

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. FINANCIAL LIABILITY - continued

1. As announced on 25 June 2021, the Company entered into a Share Placement Agreement with Battery Metals Capital Group LLC (BMCG) for a placement of ordinary shares via an institutional placement of up to US\$10 million. The placements will be made available in three tranches, with the third tranche of US\$4 million at the option of the Company.
 - The first tranche raised US\$1.7 million on 7 July 2021 equivalent to 1,785,000 share subscriptions prepayment units. The Company also issued 2,360,496 shares as a Commencement Fee with a nominal value of US\$300,000. The Company elected to allocate the full Commencement Fee amount to the first tranche based on the relative fair value of the shares to be issued which is US\$2,085,000. Accordingly, the cash received of US\$1.7 million was allocated to financial liability Prepayment of Tranche 1 – US\$1,455,396 (\$1,941,823) and equity (share issue) – US\$244,604 (\$543,478). The Commencement fee recognised in the profit and loss for the year ended 30 June 2022 amounted to \$331,685.
 - The second tranche raised a further \$US4.3 million on 31 August 2021, and is equivalent to 4,515,000 share subscriptions prepayment units.
 - The third tranche may raise US\$4 million no later than 10 months following the second tranche, subject to the Company exercising its option to receive the third tranche and shareholder approval (if required). The Company elected to not take up the third tranche.
2. On 10 November 2021, the Company received notice from BMCG to reduce the share subscription payments outstanding by US\$400,000. On 11 November 2021, the Company converted 400,000 share subscription prepayment units into 3,105,590 ordinary shares at an issue price of \$0.175 per share amounting to \$543,478. The fair value of shares issued as at 11 November 2021 is \$651,863 at \$0.2099 per share. The difference between the settlement amount and the fair value was recognised as finance charge paid by the Company.
3. On 7 January 2022, the Group issued 8,189,270 ordinary fully paid shares at an issue price of \$0.17 per share. A total of 1,000,000 units of shares subscription prepayment was converted through the Subscription Shares Settlement mechanism as initiated by Battery Metals Capital Group LLC.
4. On 19 January 2022, the Group issued 15,573,525 ordinary fully paid shares at an issue price of \$0.175 per share. A total of 1,950,000 units of shares subscription prepayment was converted through the Subscription Shares Settlement mechanism as initiated by Battery Metals Capital Group LLC. As at 30 June 2022, there were 2,950,000 prepaid share subscription units outstanding.
5. The share subscription prepayment is subject to a nominal finance charge of 5% based on the fair value of the finance amount and 5%-8% VWAP discount on the outstanding balance of the total value of shares to be issued in US\$. Interest expense recognised during the year ended 30 June 2023 amounted to \$1,120,044 (2022: \$2,311,452).

Bridging Loans

On 1 March 2023, the Company announced it had entered into bridging loan agreements with a number of shareholders and directors for the provision of an aggregate loan of \$1,600,000 on an arm's length basis. The purpose of the loans is to meet Lindi Jumbo's development costs while final project funding is being completed. The bridging loans require repayment on the earlier of 12 months or on securing final project funding. The bridging loans are unsecured, subject to interest rate of 17% to be settled by issue of shares subject to shareholder approval, grant of free attaching unlisted options (subject to shareholder approval) at 2 options for every \$1 loaned, expiring 18 months from the date of issue and with an exercise price of \$0.25 and no penalty on early repayment by Walkabout.

As at 30 June 2023, the Company received \$1,400,000 from shareholders and directors as part of the bridging loan arrangement. Details of these loans to related parties are disclosed in Note 18 of these accounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. FINANCIAL LIABILITY - continued

Changes in liabilities arising from financing activities:

	Consolidated		
	Bridging Loans \$	Financial Liability \$	Total \$
Balance at 1 July 2021	-	-	-
Net cash from financing activities	-	7,820,260	7,820,260
Conversion to shares	-	(4,329,336)	(4,329,336)
Other changes	-	1,019,665	1,019,665
Balance at 30 June 2022	-	4,510,589	4,510,589
Net cash from financing activities	3,400,000	-	3,400,000
Conversion to shares	(2,000,000)	(3,129,770)	(5,129,770)
Other changes	-	278,782	278,782
Balance at 30 June 2023	1,400,000	1,659,601	3,059,601

NOTE 12: SHARE CAPITAL

a) Ordinary Shares

- (i) Issued and paid-up capital 658,381,575
(2022: 452,275,112) fully paid ordinary shares

	Consolidated	
	2023 \$	2022 \$
	118,096,640	97,936,740

- (ii) Movements in share capital

	2023		2022	
	No. of Shares	\$	No. of Shares	\$
Opening balance	452,275,112	97,936,740	381,133,645	82,330,019
Issued for cash – placement ¹	132,727,272	14,600,004	38,112,587	7,622,546
Issued to settle financing facility ¹	18,181,818	2,000,000	-	-
Issued - professional fee ²	534,759	58,822	-	-
Issued in lieu of Director's fee ³	106,635	22,500	-	-
Issued for cash – cleansing prospectus	3,000	380	-	-
Issued – TNR Security ⁵	9,200,000	-	-	-
Issued - commitment fee ⁴	10,180,472	872,101	-	-
Issued on conversion of prepaid share subscriptions ⁶	35,172,507	3,772,018	26,868,385	6,992,819
Issued – commencement shares ⁷	-	-	2,360,495	326,356
Issued – initial placement shares ⁸	-	-	3,800,000	665,000
Less costs of issues	-	(1,107,101)	-	-
Closing balance	658,381,575	118,155,464	452,275,112	97,936,740

1. On 16 November 2022, the Company issued 150,909,090 ordinary fully paid shares at an issue price of \$0.11 per share raising \$16,600,000 before costs through its non-renounceable entitlement issue pursuant to the Prospectus dated 25 August 2022 and Supplementary prospectus dated 8 September 2022. The entitlement issue closed on 28 September 2022.

Included in the 150,909,090 shares above are 18,181,818 ordinary fully paid shares issued to shareholders as settlement of shareholder loans amounting to \$2,000,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 12: SHARE CAPITAL - continued

On 12 July 2021, the Company issued 20,089,679 fully paid ordinary shares amounting to \$4.0 million under its 1 for 10 Entitlement Issue out of the 38,113,364 shares offered under the Entitlement issue.

The shortfall shares in the Entitlement Issue of 18,022,908 was issued on 23 July 2021 for total proceeds of \$3.6 million.

2. On 13 January 2023, the Company issued 534,759 ordinary fully paid shares as settlement for professional fees incurred on capital raising.
3. On 13 January 2023, the Company issued 106,635 ordinary fully paid shares to a director as settlement of director's fees.
4. On 16 March 2023, the Company issued 10,180,472 ordinary fully paid shares to BMCG consisting of 6,708,472 shares as a commitment fee for providing the facility and 3,472,000 shares as initial placement shares to be applied towards future shares to be issued by Walkabout in relation to the drawdowns by the Company on the commitment, if any.
5. On 17 March 2023, the Company issued 9,200,000 ordinary fully paid shares to Walkabout Security Holdings to be held in escrow in relation to the deferment of payments to TNR Limited, the Lindi Jumbo earthmoving and civils contractor.
6. During the year ended 30 June 2023, at the request of BMCG, prepaid subscription units were converted to shares:
 - On 10 January 2023, the Company converted 500,000 share subscription prepayment units into 7,891,674 ordinary shares at an issue price of \$0.095 per share;
 - On 14 April 2023, the Company converted 300,000 share subscription prepayment units into 4,748,000 ordinary shares at an issue price of \$0.095 per share;
 - On 1 May 2023, the Company converted 300,000 share subscription prepayment units into 5,057,402 ordinary shares at an issue price of \$0.090 per share;
 - On 11 May 2023, the Company converted 500,000 share subscription prepayment units into 8,366,801 ordinary shares at an issue price of \$0.090 per share; and
 - On 2 June 2023, the Company converted 500,000 share subscription prepayment units into 9,108,630 ordinary shares at an issue price of \$0.085 per share.

During the year ended 30 June 2022, at the request of BMCG, prepaid subscription units were converted to shares:

- On 11 November 2021, the Company converted 400,000 share subscription prepayment units into 3,105,590 ordinary shares at an issue price of \$0.175 per share;
 - On 7 January 2022, the Company converted 1,000,000 share subscription prepayment units into 8,189,270 ordinary shares at an issue price of \$0.170 per share; and
 - On 18 January 2022, the Company converted 1,950,000 share subscription prepayment units into 15,573,525 ordinary shares at an issue price of \$0.175 per share.
7. On 1 July 2021, the Company issued 2,360,495 fully paid ordinary shares to BMCG as a Commencement Fee under the Share Placement agreement.
 - a) On 1 July 2021, the Company also issued 3,800,000 fully paid ordinary shares to BMCG at an issue price of \$0.00 per share as Initial Placement shares in accordance with the Share Placement agreement. BMCG has a choice to offset these shares as settlement of the Company's obligation to issue Placement shares (arising under Tranche's 1 to 3) or alternatively to pay for these shares applying the VWAP pricing mechanism outlined in the Share Placement agreement.
 8. On 17 January 2022, BMCG elected to settle the issuance of the shares by cash, equivalent to 95% of the average of five daily VWAPs per share selected by BMCG during the period commencing on the date that is 20 actual trading days prior to the date of such payment, rounded down to the next rounding number, being half a cent. On 17 January 2022, the Company received \$665,000 as final consideration for the issue of the 3,800,000 shares at a price of \$0.175 per share based on 95% of VWAPs per share.
- (iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each holder in person or by proxy has one vote on a show of hands.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 12: SHARE CAPITAL - continued

	Consolidated	
	2023 No. of Options	2022 No. of Options
b) Options		
Movements in Options		
Opening balance	-	7,000,000
Issue	6,666,667	-
Expired	(6,666,667)	(7,000,000)
Closing balance	-	-

Upon exercise, the options have the same rights as fully paid ordinary shares.

On 31 July 2022, the Company granted 6,666,667 unlisted options exercisable at \$0.25 each and expiring on 30 April 2023. These options were attached to the non-recourse debt finance of \$1,000,000 obtained from shareholders to fund short-term working capital of the Group. The fair value of the options at grant date is \$207,388 calculated using the Black Scholes valuation method with the following assumptions:

- Grant date 31 July 2022
- Grant date share price \$0.215
- Exercise price \$0.25
- Risk-free rate 2.49%
- Volatility 57%
- Value per option \$0.031

There are no vesting conditions attached to the options. These options lapsed without being exercised on 30 April 2023. There were no other options issued during the year ended 30 June 2023 (2022: Nil).

During the year ended 30 June 2022, 7,000,000 options, comprised of director options exercisable at \$0.20 expired on 11 December 2021.

c) Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2022.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 13: RESERVES

	Consolidated	
	2023	2022
	\$	\$
Options Reserve		
The options reserve represents the fair value of options issued, to third parties.		
Balance at beginning of the year	-	1,488,420
Option issued	207,388	-
Expiry of options	(207,388)	(1,488,420)
Balance at end of the year	-	-
Foreign Currency Translation Reserve		
The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.		
Balance at beginning of the year	1,950,236	(238,443)
Translation of foreign operations	(460,336)	2,188,679
Balance at end of the year	1,489,900	1,950,236
Share-based Payment Reserve		
The share-based payments reserve represents the fair value of shares to be issued to directors. This reserve has been transferred to issued capital on 13 January 2023 when the shares were issued to the directors.		
Balance at beginning of the year	21,059	-
Fair value of shares to be issued	-	21,059
Issue of shares to directors	(21,059)	-
Balance at end of the year	-	21,059

NOTE 14: SEGMENT REPORTING

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its graphite project in Tanzania, gold and base metal projects in Northern Ireland and Scotland, other developing prospects in Tanzania and Namibia and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Types of reportable segments

Graphite

Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Tanzania are reported in this segment.

Gold

Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Tanzania, Scotland and Northern Ireland are reported in this segment

Base Metals

Segment assets, including acquisition cost of exploration licences and all expenses related to the tenements in Northern Ireland and Scotland are reported in this segment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: SEGMENT REPORTING - continued

Corporate

Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- net gains on disposal of equity investments;
- income tax expense;
- deferred tax assets and liabilities;
- intangible assets; and
- discontinuing operations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 14: SEGMENT REPORTING – continued

Segment performance

	Corporate	Graphite	Gold/Base Metals	Total
	\$	\$	\$	\$
30 June 2023				
Segment revenue	6,679	-	-	6,679
Segment result	3,721,659	651,377	97,011	4,470,047
included with segment results:				
• Depreciation	1,907	33,517	-	35,424
• Interest revenue	6,679	-	-	6,679
Segment assets	962,100	52,503,896	2,611,986	56,077,982
Segment liabilities	(3,489,933)	(2,103,687)	(31,712)	(5,625,332)
Non-current asset additions	-	6,417,328	358,187	6,775,515
30 June 2022				
Segment revenue	1,358	-	-	1,358
Segment result	(4,236,188)	(882,965)	(87,606)	(5,206,759)
included with segment results:				
• Depreciation	(6,232)	(27,550)	-	(33,782)
• Interest revenue	1,358	-	-	1,358
Segment assets	1,390,991	46,046,737	2,281,426	49,719,154
Segment liabilities	(4,844,358)	(10,362,024)	(33,571)	(15,239,953)
Non-current asset additions	-	28,593,502	504,666	29,098,168

Geographical Information

	Revenue		Non-Current Assets	
	2023	2022	2023	2022
	\$	\$	\$	\$
Australia	6,679	1,358	17,947	1,907
Tanzania	-	-	50,797,834	44,423,622
United Kingdom	-	-	2,402,982	2,048,554
Others	-	-	-	-
	6,679	1,358	53,218,763	46,474,083

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 15: CASH FLOW INFORMATION

	Consolidated	
	2023	2022
	\$	\$
Reconciliation of net cash flow from operating activities with loss after income tax		
Loss after income tax	(4,470,047)	(5,206,760)
Non-cash flows in loss		
- Foreign exchange gain/(loss)	211,162	851,334
- Exploration written off	-	506,571
- Depreciation	35,424	33,782
- Share Based Payments	266,111	-
Increase in trade and other receivables	185,715	(1,944,317)
Increase in trade payables and accruals	(210,391)	2,768,759
Decrease in provisions	9,519	(141,971)
Net cash used in operating activities	(3,972,507)	(3,132,602)

NOTE 16: EVENTS AFTER THE BALANCE DATE

On 4 July 2023, the Company announced that the Lindi Jumbo Senior Debt facility had been executed with UK based Gemcorp for up to US\$25 million (US\$20 million Tranche A and optional US\$5 million for Tranche B). The debt is subject to an interest rate margin of 14% for Tranche A and 16% for the optional Tranche B incremental facility above the benchmark Secured Overnight Financing Rate (SOFR). The facility will be available for drawdown until March 2024. During the period of availability, the undrawn balance of Tranche A will attract a commitment fee until drawn. The Group is also required to maintain a Debt Service Reserve for two current quarter's debt payments. The lender is also entitled to cash sweeps of 25-50% of any cash surplus over US\$5 million to be applied against the outstanding loan principal.

On 12 July 2023, the Company issued 4,145,198 ordinary fully paid shares at an issue price of \$0.10 per share and 2,000,000 options exercisable at \$0.25 on or before 12 January 2025 in relation to conversion of bridging loans to equity and interest pertaining to the loans as approved in the Shareholders' General meeting held on 12 June 2023.

On 13 July 2023, the Company announced that it had completed the first drawdown of US\$5.1 million from the Lindi Jumbo Senior Debt facility above. The drawn funds were primarily used to repay interim funding arrangements, transaction costs, corporate costs and provide funding for the next month of project expenditures.

On 28 July 2023, the Company announced that it had entered into a termination deed with BMCG pursuant to which the Company paid the amount of US\$977,000 to BMCG to retire the Balance of the original Funding Facility, with no further amount outstanding under, or shares to be issued in relation to, the Investment. The Company has not drawn any funds to date under the standby BMCG funding facility announced to the market on 27 February 2023 and 14 March 2023. The standby facility remains available as a source of funding should the Company require it.

On 28 August 2023, the Company announced that it has concluded the interim funding measures implemented during the first half of 2023. This consisted of the following actions:

- The Company agreed with its EPC contractor, Jinpeng, that all contractual milestones achieved to date and through to practical completion will be paid in cash, and up to US\$500,000 of post-practical completion contractual milestone payments are to be paid by way of the issue of shares at \$0.11. This agreement replaces the agreement released to the market on 6 March 2023 and approved by shareholders at the general meeting held on 12 June 2023.
- The Company had also previously issued 9.2 million shares as security for the interim vendor funding provided by TNR. As TNR interim funding has been repaid from drawdown of the senior debt, the Company intends to cancel those shares. This will require approval of shareholders at the upcoming Annual General Meeting.
- Finally, the Company issued 4,227,273 shares at \$0.11 each as part of the conclusion of the remaining shareholder bridging loans.

There were no other matters or circumstances that have arisen since the end of the year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 17: PARENT ENTITY DISCLOSURES

Financial position

	2023 \$	2022 \$
Assets		
Current assets	848,781	1,217,576
Non-current assets	52,575,726	38,086,686
Total assets	53,424,507	39,304,262
Liabilities		
Current liabilities	3,470,636	4,825,061
Total liabilities	3,470,636	4,825,061
NET ASSETS	49,953,871	34,479,201
EQUITY		
Issued capital	119,167,465	97,936,740
Reserves	4,085	25,144
Accumulated losses	(69,217,679)	(63,482,683)
TOTAL EQUITY	49,953,871	34,479,201
Financial performance		
Total comprehensive loss for the period	(5,734,996)	(1,535,869)

The parent entity has no contingent liabilities or commitments at balance date.

NOTE 18: RELATED PARTY TRANSACTIONS

Amounts owing to related parties at year end:

Other Related Parties

Peter Finnimore - Share Based Payments (shares to be issued)
 Peter Finnimore – Bridging Loan
 Michael Elliott – Bridging Loan

Consolidated	
2023 \$	2022 \$
-	21,059
400,000	-
200,000	-

Transactions between related parties are on normal commercial terms which are no more favourable than those available to other parties unless otherwise stated. The bridging loans were paid in full subsequent to year end. The fees payable to Directors and options issued to Directors are disclosed in the Remuneration Report included in this Financial Report. Key management personnel remuneration is disclosed in Note 23.

		2023	2022
Parent Entity:			
Walkabout Resources Ltd	Australia		
Subsidiaries of Walkabout Resources Ltd:			
Reveal Resources Pty Ltd	Australia	100%	100%
Walkabout Resources Australia Pty Ltd	Australia	100%	100%
Walkabout Security Holdings Pty Ltd ¹	Australia	100%	-
Walkabout Resources (Pty) Ltd	Botswana	100%	100%
Wizard Investments (Pty) Ltd ⁴	Botswana	70%	70%
Triprop Energy (Pty) Ltd ^{2, 4}	Botswana	40% ²	40% ²
Walkabout Resources Pty Ltd	Malawi	100%	100%
Walkabout Resources Pty Ltd	Tanzania	100%	100%
Lindi Jumbo Ltd ³	Tanzania	100%	100%
Aardvark Minerals (Pty) Ltd	Namibia	100%	100%
Shackleton Resources Ltd	Northern Ireland	100%	100%
JDH Exploration Ltd	UK	100%	100%

* Percentage of voting power is in proportion to ownership.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 18: RELATED PARTY TRANSACTIONS - continued

¹ The Group established Walkabout Resources Security Holdings Pty Ltd during the year ended 30 June 2023.

² The Group has consolidated Triprop Energy (Pty) Ltd as the Directors' consider the Group controls this company through the terms of the farm-in agreement.

³ At 30 June 2023, Walkabout, through their 100% owned subsidiary Lindi Jumbo Ltd, was in the process of negotiating the Framework Agreement with the Tanzanian Government which will see a new joint venture incorporated in which Lindi Jumbo will hold an 84% interest and the Tanzanian Government the remaining 16%. The 16% interest in the new entity will be issued without any consideration to fulfill the terms of the Framework Agreement and the Tanzanian legislation. The Tanzanian Government's 16% interest is an un-dilutable, free carried interest and the Tanzanian Government will not be obliged to make any capital contributions for the development or operations of the Lindi Jumbo mine. As at 30 June 2023, Lindi Jumbo Ltd had net liabilities of \$2.6m. A non-controlling interest has not been accounted for at balance date, but is expected to be recognised once the Framework Agreement has been signed.

⁴ The assets and liabilities of these companies are negligible so have not been disclosed.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are therefore not disclosed in this note.

NOTE 19: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The consolidated entity's financial instruments consist of deposits with banks, accounts receivable and payable, loans to a controlled entity and a cash advance to a third party.

i. Treasury Risk Management

The Company's funds are held with an Australian "four pillar" bank with the majority residing in a high interest low transaction fee account.

The Company's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board on a regular basis. These include the formulation of credit risk policies and future cash flow requirements.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

iii. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the group's measurement currency.

b. Foreign Currency Risk Sensitivity

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. Exchange rate exposures are managed within approved policy parameters, the Group does not engage in forward exchange contracts.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2023	2022	2023	2022
Consolidated	\$	\$	\$	\$
US Dollars	767,192	437,499	1,659,601	-
Tanzania Schilling	1,846,906	1,350,015	2,096,380	10,361,863
Namibian Dollars	99,801	111,708	-	-
Great British Pounds	41,886	65,262	29,549	31,296
Botswanan Pula	14,133	14,044	9,470	2,276
	<u>2,769,918</u>	<u>1,978,528</u>	<u>3,795,000</u>	<u>10,395,435</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 19: FINANCIAL INSTRUMENTS - continued

Foreign currency risk

The following table illustrates the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currency on a net basis of the above assets and liabilities. The sensitivity includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number indicates a decrease in profit and other equity where the Australian dollar strengthens against the respective currency. For a weakening of the Australian dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be positive.

	Consolidated	
	2023	2022
	\$	\$
Profit or loss impact:		
US Dollars	(89,241)	43,750
Tanzania Schilling	(24,947)	(901,185)
Namibian Dollars	9,980	11,171
Great British Pounds	1,234	3,397
Botswanan Pula	466	1,177

c. Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's expected maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period.

Consolidated

		Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
		\$	\$	\$	\$	\$
2023						
Interest bearing	8%	-	-	1,659,601	-	-
Non-interest bearing	-	216,621	3,659,004	-	-	-
Bridging loans	17%	-	-	1,400,000	-	-
		<u>216,621</u>	<u>3,659,004</u>	<u>3,059,601</u>	-	-

Consolidated

		Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
		\$	\$	\$	\$	\$
2022						
Interest bearing	8%	-	-	4,510,589	-	-
Non-interest bearing	-	122,337	165,893	10,405,926	-	-
		<u>122,337</u>	<u>165,893</u>	<u>14,916,515</u>	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 19: FINANCIAL INSTRUMENTS - continued

d. Credit risk

The main exposure to credit risk as at 30 June 2023 relates to advances made to the Company's wholly owned subsidiaries, Walkabout Resources (Pty) Ltd (\$19,468,815), Reveal Resources Pty Ltd (\$448,105), Lindi Jumbo Ltd (\$47,208,782), Walkabout Security Holdings Pty Ltd (\$1,012,000) and Shackleton Resources Ltd (\$3,549,889). These separate advances have been made for the purpose of funding the day to day operations of the subsidiaries and their exploration activities. The loans are unsecured. The risk associated with these advances is exploration risk and for Lindi Jumbo project development risk. These advances will not be repaid if the exploration does not provide an economic deposit or the Linda Jumbo mine is not commercial. This risk is mitigated by providing the best opportunity to make an economic discovery by utilising exploration professionals of the highest standard and by obtaining the necessary funding and the use of well credentialed contractors in the construction and operation of Lindi Jumbo.

e. Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities are detailed in the liquidity risk section of this note. At balance date, the Group is not materially exposed to interest rate risk.

f. Fair Value

The carrying amount of the Group's financial assets and liabilities approximate their carrying amount at balance date.

NOTE 20: SHARE-BASED PAYMENT PLANS

On 13 January 2023, the Group issued 106,635 ordinary fully paid shares as settlement of directors' fees. At 30 June 2023, there were no share-based payments outstanding. In 2022, there remained outstanding the issue of shares to directors as part of the election to receive part directors' fees as shares in lieu of cash. The shares were issued in the 2023 financial year.

On 15 November 2018, shareholders granted the directors 7,000,000 options with no vesting conditions. These expired on 11 December 2021.

NOTE 21: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities as at the date of this report.

There is a contingent liability under the BMCG Standby Facility agreement whereby by 27 February 2024, BMCG can oblige the Company to draw US\$700,000 if it elects to exercise its right to accelerate funding under the arrangement.

NOTE 22: CAPITAL AND LEASING COMMITMENTS

		Consolidated	
		2023	2022
		\$	\$
a.	Property Lease Commitments		
	Payable — minimum lease payments		
	- not later than 12 months	35,588	34,992
	- between 12 months and 5 years	-	-
		35,588	34,992
b.	Capital Expenditure Commitments		
	Minimum expenditure commitments for mining tenements:		
	- not later than 12 months	562,653	1,411,774
	- between 12 months and 5 years	969,904	633,519
	Lindi Jumbo Project expenditure commitments:		
	- not later than 12 months	5,439,373	-
	- between 12 months and 5 years	-	-
		6,971,930	2,045,293

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 23: KEY MANAGEMENT PERSONNEL

Details of Key Management Personnel

Directors

Andrew Cunningham	Chief Executive Officer/Executive Director
Michael Elliott	Chairman, Non-Executive Director
Phil Montgomery	Non-Executive Director
Peter Finimore	Non-Executive Director

Executives

Tony Allen	Chief Financial Officer
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Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report. The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	Consolidated	
	2023	2022
	\$	\$
Short-term employment benefits	938,310	940,294
Post-employment benefits	47,890	47,464
Equity	-	21,059
Total KMP compensation	986,200	1,008,817

DIRECTORS' DECLARATION

1. In the opinion of the directors of Walkabout Resources Ltd (the 'Company'):
 - a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of their performance for the year then ended; and
 - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

This declaration is signed in accordance with a resolution of the Board of Directors.



Michael Elliott
Non-Executive Chairman

Dated this 29th day of September 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Walkabout Resources Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Walkabout Resources Ltd (“the Company”) and its controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group’s financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (“the Code”) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
<p>Carrying value of mine properties Note 8 of the financial report</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of management’s assessment of recognising costs in accordance with AASB 116 Property, Plant and Equipment; • We considered the Directors’ assessment of impairment which was required to be carried out due to the existence of impairment indicators; • We critically evaluated the Directors’ assessment of impairment, including the inputs used, and applied sensitivities to those inputs; • We substantiated a sample of costs incurred; and • We examined the disclosures made in the financial report.
<p>Carrying value of deferred exploration and evaluation expenditure Note 9 of the financial report</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of the key processes associated with management’s review of the carrying values of each area of interest; • We considered the Directors’ assessment of potential indicators of impairment; • We obtained evidence that the Group has current rights to tenure of its areas of interest; • We examined the exploration budget for the year ending 30 June 2024 and discussed with management the nature of planned ongoing activities; and • We examined the disclosures made in the financial report.
<p>Financial Liability Note 11 of the financial report</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • We examined the agreement to understand the key terms and conditions;

The accounting treatment and classification of this financial instrument was complex and as such this matter was determined to be a key audit matter.

- We considered the expert assessment obtained by management relating to the accounting for this transaction;
- We confirmed the accounting treatment upon the issue of shares is in line with the agreement and accounting advice obtained, ensuring appropriateness;
- We assessed the adequacy of the presentation and disclosures in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Walkabout Resources Ltd for the year ended 30 June 2023 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 September 2023



L Di Giallonardo
Partner

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

The following additional information is provided as at 27 September 2023.

Distribution of Shareholders	Fully Paid Ordinary Shares	
	Number of Holders	Number of Shares
Category (size of holding)		
1 – 1,000	443	129,112
1,001 – 5,000	519	1,627,248
5,001 – 10,000	400	3,160,459
10,001 – 100,000	1,230	48,754,774
100,001 – and over	663	613,083,453

The number of shareholdings held in less than marketable parcels is 892.

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote

Distribution of Shareholders	Options	
	Number of Holders	Number of Options
Category (size of holding)		
100,001 – and over	5	2,000,000

The names of the substantial shareholders are:		
	Options	
Shareholder	Number	%
Asean Group Investments Ltd	500,000	25
Woolloput Investment Pty Ltd	500,000	25
Shannon Rutty	400,000	20
Catherine Elliott	400,000	20

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

The names of the twenty largest shareholders of ordinary fully paid shares are listed below :

1	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	57,062,130	8.56
2	HONG KONG TIANDE BAORUN TRADE CO LIMITED	23,043,656	3.46
3	MARCOLONGO NOMINEES PTY LTD <MARCOLONGO FAMILY A/C>	18,034,156	2.70
4	P & M ZUVIC PTY LIMITED <ELLIOTT FAMILY SUPER A/C>	17,300,000	2.59
5	OODACHI PTY LTD <P & M KERR FAMILY A/C>	14,393,636	2.16
6	CITICORP NOMINEES PTY LIMITED	10,206,254	1.53
7	WALKABOUT SECURITY HOLDINGS PTY LTD	9,200,000	1.38
8	IAN DAVID PENNY	9,114,711	1.37
9	MR NATHAN ALAN JOHN ELL	9,000,000	1.35
10	CATHEDRAL FRONT PTY LTD <R & R SUPER FUND A/C>	8,612,396	1.29
11	PANTAI INVESTMENTS PTY LTD <ORCHARD SUPER FUND A/C>	8,500,000	1.27
12	MR JOHN RICHARD TURNER + MRS CLARE FRANCES TURNER <TURNER SUPER FUND A/C>	7,097,386	1.06
13	GERROA SERVICES PTY LIMITED	7,000,000	1.05
14	MR ROBERT LINCOLN WESTLAKE	6,448,142	0.97
15	KAOS INVESTMENTS PTY LIMITED	6,100,000	0.91
16	MR CAMERON TROY GRAY	5,871,804	0.88
17	BNP PARIBAS NOMS PTY LTD <DRP>	5,658,602	0.85
18	PANTAI INVESTMENTS PTY LTD <ORCHARD FAMILY A/C>	5,500,000	0.82
19	MRS CATHERINE MARIE ELLIOTT	5,050,301	0.76
20	EAGLE FUELS PTY LTD	5,000,000	0.75
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		238,193,174	35.72
Total Remaining Holders Balance		428,561,872	64.28

CORPORATE GOVERNANCE STATEMENT

Walkabout Resources Ltd and the Board are committed to achieving and demonstrating high standards of corporate governance. Walkabout Resources Ltd has modelled its corporate governance policies against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 Corporate Governance statement was approved by the board and is current as at 29 September 2023. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.wkt.com.au/investor-information/report/corporate-governance/.

ADDITIONAL INFORMATION FOR ASX LISTED PUBLIC COMPANIES

Schedule of mining tenements and beneficial interests

Project / Location	Tenement Type	Tenement Number	Interest at Start of Period	Interest at End of Period	Comment	Holding Company
Namibia						
Eureka	EPL	6309	100%	0%	Relinquished	Aardvark Minerals Pty Ltd
Tanzania						
Lindi	ML	579/2018	0%	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)
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	0%	100%		Duma Resources Pty Ltd (Tz)
Amani	PL	16629/2020	0%		Application	Duma Resources Pty Ltd (Tz)
Northern Ireland						
Tyrone	MPL / MRO	KOZ01/16	50%	50%		Koza (UK) Ltd (CE & DfE)
Scotland						
St John's Town of Dalry	MRO	GH	75%	100%	Farm-In	JDH Resources Ltd
Newton Stewart	MRO	CN	75%	100%	Farm-In	JDH Resources Ltd
Gatehouse of Fleet	MRO		0%	100%		Shackleton Resources Ltd

2018 Resource Upgrade

A drilling and trenching program was conducted over the northern Inferred Mineral Resource area as well as a new mineralised zone directly to the south of the Gilberts Arc Graphite Deposit. The upgrade and extension program included 17 drillholes for 1,354m and 7 trenches for 654m.

The global Mineral Resource increased by 41.3% to 41.8 million tonnes at 10.8% TGC containing 4.5 million tonnes of graphite (Table 1). Fifty one percent (51%) of the mineral resource that will form part of the initial mining and economic studies is now classified as Measured (6.5 Mt @ 12.1% TGC) and Indicated (8.4 Mt @ 10.5% TGC) containing 1.67 million tonnes of graphite.

The global mineral resource now includes a new Inferred Resource area which lies directly to the south of the current planned open-pit area and is made up of 6 distinct mineralised domains. This area will not form part of the upcoming mining studies, amended DFS and Reserve upgrade as further work within the area will only be done post-production.

Table 1: Resource category breakdown of the Gilbert Arc.

Resource Category	Tonnes (millions)	TGC %	Contained Graphite (tonnes)
Measured <i>(Including High Grade)</i>	6.5 1.7	12.1 23.4	781,800 393,200
Indicated <i>(Including High Grade)</i>	8.4 1.5	10.5 21.2	887,300 325,300
Inferred <i>(Including High Grade)</i>	26.9 1.8	10.5 22.7	2,837,600 411,900
Grand Total	41.8	10.8	4,506,811
<i>High Grade Domains</i>	5.0	22.5	1,127,800

Note: Appropriate rounding applied.

2020 Ore Reserve Update

The Resources considered for mining are based on the JORC 2012 Mineral Resource Estimate (see ASX announcement of 19 December 2018). The Ore Reserve is based only on the Measured and Indicated Mineral Resources in the current mining schedule which is summarised in Table 2.

Thus, the Inferred Resource zone to the south of the mining pit is not currently included in the mine design reserves and remains available for further consideration or potential expansion opportunities. The Ore Reserve estimate was prepared and signed off by an independent consultancy, Bara International of Johannesburg, South Africa.

Table 2: Lindi Jumbo Project Ore Reserve.

Ore Reserves			
Category	Tonnes (million)	TGC %	Contained Graphite (tonnes)
Proven Ore Reserves	2.54	19.3	489,000
Probable Ore Reserves	2.97	16.7	498,000
Total Ore Reserves	5.51	17.9	987,000

2020 Updated Definitive Feasibility Study

The main areas of adjustment for the 2019 study update was the application of the updated Mineral Resource (ASX Announcement 19 December 2018) to the mining plan and a revision of Capital expenditure following detailed scope of work contract agreements with contract partners.

The mining depletion was completely remodelled following the upgrade of the previous Inferred Resource to the north of the pit into an Indicated Resource category. As a result of the increased LoM grade to 17,9% Total Graphitic Carbon, the average annual mill feed requirement has reduced from an average of 280,000 tonnes per year to an average of 230,000 tonnes per year.

Pre-Production direct capital costs were further reduced by 6.4% to US\$27.8M from US\$29.7M in 2017. An upfront saving of some US\$2.5m was achieved through vendor funding of a large portion of the camp infrastructure costs.

Capital costs have been determined through a combination of fixed tender pricing, firm quotations and data-base references based on similar operations. The costs presented have a base date of December 2018 and are presented in United States Dollars (US\$). The costs presented are definitive costs and include the US\$2.1m provision for the Relocation Assistance Programme (RAP), (ASX Announcement 31 January 2019).

Furthermore, updated estimates for product pricing was applied to the financial modelling.

Walkabout conducts an annual review of its Mineral Resources and Ore Reserves. This process is managed by the Directors and competent person. As of 30 June 2021, the Mineral Resources and Ore Reserves statement remains the same as that stated above. The governance arrangements and internal controls in place with respect to its estimates of mineral resources and ore reserves and the estimation process include oversight of the competent person by the Managing Director and review by the Board. No mining has commenced and no additional mining studies have been completed.

The Company confirms as at 30 June 2023 that there is no new information or data that materially affects the mineral resource estimate announced and that all assumptions underpinning the estimate continue to apply and have not materially changed.

Competent Person's Statement

Such forward looking statements involve known and unknown risks, uncertainties and other factors which because of their nature may cause the actual results or performance of Walkabout to be materially different from the results or performance expressed or implied by such forward looking statements.

Such forward looking statements are based on numerous assumptions regarding Walkabout's present and future business strategies and the political, regulatory and economic environment in which Walkabout will operate in the future, which may not be reasonable, and are not guarantees or predictions of future performance. No representation or warranty is made that any of these statements or forecasts (express or implied) will come to pass or that any forecast result will be achieved. Forward looking statements speak only as at the date of this Presentation and to the maximum extent permitted by law, Walkabout and its Related Parties disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this Presentation (including, any assumptions or expectations set out in this Presentation).

All figures in this Presentation are A\$ unless stated otherwise and all market shares are estimates only. A number of figures, amounts, percentages, estimates, calculations of value and fractions are subject to the effect of rounding. Accordingly, the actual calculations of these figures may differ from figures set out in this Presentation.

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), Mr Aidan Platel (Consultant with Platel Consulting Pty Ltd), Mr Andrew Cunningham (Director of Walkabout Resources Limited) and Ms Bianca Manzi (Bianca Manzi Consulting). Mr Barnes, Mr Platel, Mr Cunningham and Ms Manzi are members of the Australian Institute of Mining and Metallurgy and/or 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, Ms Manzi is the Competent Person for the geological database. Mr Barnes is the Competent Person for the resource estimation. Both Mr Platel and Mr Cunningham completed the site inspections. Mr Barnes, Mr Platel, Mr Cunningham and Ms. Manzi consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

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.