



# HALF YEAR FINANCIAL REPORT

30 JUNE 2024



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# CORPORATE INFORMATION

## Company

West African Resources Limited

## ABN

70 121 539 375

## Directors

Richard Hyde (Executive Chairman and CEO)  
Lyndon Hopkins (Executive Director and COO)  
Libby Mounsey (Executive Director of HR)  
Rod Leonard (Lead Independent Director)  
Nigel Spicer (Non-Executive Director)  
Stewart Findlay (Non-Executive Director)  
Robin Romero (Non-Executive Director)

## Company Secretaries

Padraig O'Donoghue  
Annie Atkins

## Share registry

Computershare Investor Services Pty Ltd  
Level 17, 221 St Georges Terrace  
Perth WA 6000 Australia  
T: +61 (8) 9323 2000

## Website

www.westafricanresources.com

## Principal place of business

Level 1, 1 Alvan Street  
Subiaco WA 6008 Australia

## SOMISA office

Secteur 27, Quartier Ouayalghin,  
Parcelle 07, Lot 22, Section SL,  
Ouagadougou, Burkina Faso  
T: +226 25 39 58 45

## Kiaka SA office

Secteur 53, Parcelle 06,  
Lot 12, Section 480, Zone A7  
Ouagadougou, Burkina Faso  
T: +226 25 37 49 74/75/76

## Auditors

HLB Mann Judd  
Level 4, 130 Stirling Street  
Perth WA 6000 Australia

## ASX

ASX trading code: WAF

## Mineral Resources, Ore Reserves, Production Targets

West African Resources Limited's ('Company') estimate of Ore Reserves and the production target for the Sanbrado Project (including the Toega Deposit) and the Company's estimate of Mineral Resources for the Company and its subsidiaries are set out in the announcement titled 'WAF Resource, Reserve and 10 year production update 2024' released on 28 February 2024. The Company confirms it is not aware of any new information or data that materially affects the information included in that announcement (except as set out below in relation to Kiaka) and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources for the Company and its subsidiaries and Ore Reserves for the Sanbrado Project and all the material assumptions underpinning the production target and forecast financial information derived from it continue to apply and have not materially changed.

The Company's estimates of Ore Reserves and the production target for the Kiaka Project are set out in the announcement titled 'Kiaka Feasibility Update Delivers 4.8Moz gold Ore Reserve 20 Year Mine Life' released on 2 July 2024. The Company confirms it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimate of Ore Reserves for the Kiaka Project and all the material assumptions underpinning the production target for the Kiaka Project and the forecast financial information derived from it continue to apply and have not materially changed.

## Exploration Results

The Exploration Results referred to in this report for M1 South were set out in the Company's announcement titled 'WAF hits 10.5m at 15.3 g/t gold at M1S' released on 27 June 2024. The Exploration Results referred to in this report for Kiaka were set out in the Company's announcements titled 'WAF hits 30m at 4.1 g/t gold in grade control at Kiaka' released on 31 July 2024 and 'WAF Kiaka South surprises with 22m at 7.6 g/t gold' released on 13 August 2024. The Company confirms it is not aware of any new information or data that materially affects the information included in those announcements.

## Forward-looking Statement

This report may contain certain forward-looking statements and opinions including projections, forecasts and estimates (together forward-looking statements) which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties, contingencies, assumptions and other factors many of which are beyond the Company's ability to control or predict which could cause actual events or results to differ from those expressed, projected or implied by the forward-looking information, including, without limitation, risks related to: exploration hazards; exploration and development of natural resource properties; uncertainty in the ability to obtain funding; gold price fluctuations; market events and conditions; the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimation; governmental regulations; obtaining necessary licenses and permits; the business being subject to environmental laws and regulations; the mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title; competition from larger companies with greater financial and technical resources; the inability to meet financial obligations under agreements to which it is a party; ability to recruit and retain qualified personnel; and directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interests. This list is not exhaustive of the factors that may affect the Company's forward-looking information. Should one or more of these risks and uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information.

Forward-looking statements are inherently uncertain and may therefore differ materially from results ultimately achieved. The Company does not make any representations and provides no warranties concerning the accuracy of any forward-looking statements or likelihood of achievement or reasonableness of any forward-looking statements.

Past performance is not necessarily a guide to future performance. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events, except as required by applicable regulations or law.

# DIRECTORS' REPORT

The Directors of West African Resources Limited (the 'Company') present their report together with the consolidated financial statements of the Company and its controlled subsidiaries (the 'Group', 'West African' or 'WAF') for the half year ended 30 June 2024.

## BOARD OF DIRECTORS

Name	Title	Committee Memberships
Richard Hyde	Executive Chairman and Chief Executive Officer	Nomination, Risk, Technical
Lyndon Hopkins	Executive Director and Chief Operating Officer	Nomination, Risk, Technical
Libby Mounsey	Executive Director of Human Resources	Nomination, Risk
Rod Leonard	Lead Independent Non-Executive Director	Nomination, Risk*, Technical, Audit, Remuneration
Nigel Spicer	Non-Executive Director	Nomination, Risk, Technical*, Audit
Stewart Findlay	Non-Executive Director	Nomination*, Risk, Audit, Remuneration*
Robin Romero	Non-Executive Director	Nomination, Risk, Audit*, Remuneration

\* Denotes the committee chair

## COMPANY SECRETARIES

Padraig O'Donoghue	Chief Financial Officer and Company Secretary
Ann Atkins	Legal Counsel and Joint Company Secretary

## PRINCIPAL ACTIVITIES

During the half year, the principal activities of the Group comprised:

- operation of the Sanbrado Gold Project ('Sanbrado');
- development of the Kiaka Gold Project ('Kiaka'); and
- mineral exploration on the Group's mining and exploration tenements located in Burkina Faso.

## SUSTAINABILITY

On 3 April 2024, the Company published its 2023 Sustainability Report, which was prepared following the Global Reporting Initiative Sustainability Reporting Standards 2021 ('GRI Standards'). Interested parties are encouraged to obtain a copy of the Company's 2023 Sustainability Report from the Company's website.

Grey-backed camaroptera at Sanbrado camp



## REVIEW OF FINANCIAL RESULTS FOR THE HALF YEAR

### SUMMARY

		1 <sup>st</sup> half 2024	1 <sup>st</sup> half 2023	
		A\$'000	A\$'000	% difference
Revenue		344,411	309,675	11%
Profit after tax		92,162	82,412	12%
Operating cash flow		116,340	109,897	6%
Free cash outflow		(86,037)	(12,894)	567%
Net cash position		57,876	152,436	-62%
	<b>Unit</b>			
Gold ounces sold	oz	101,954	108,173	-6%
Average sales price per ounce	US\$/oz	2,199	1,929	14%
All in sustaining cost ('AISC') per ounce sold	US\$/oz	1,223	1,169	5%

### REVENUE, EXPENSES AND UNIT COST PERFORMANCE

Gold revenue from Sanbrado in the 1st half of 2024 was 11% higher than the comparative period with 6% less gold ounces sold offset by a 17% higher average gold price in AUD.

	Unit	1 <sup>st</sup> half 2024	1 <sup>st</sup> half 2023
Gold revenue	A\$'000	340,472	308,117
Gold ounces sold	oz	101,954	108,173
Average sales price per ounce AUD	A\$/oz	3,339	2,848
Average sales price per ounce USD	US\$/oz	2,199	1,929
Average FX rate used for USD conversion	AUD/USD	0.6585	0.6772

Cost of sales was 3% higher than the comparative period reflecting a higher cost per ounce of gold production partially offset by 6% fewer gold ounces sold. Refer to the 'Unit Cost Performance' section of this report for a detailed analysis of the Group's production costs and the cost per ounce of gold production. Income tax expense of \$41,251,000 in the half year primarily relates to Burkina Faso corporate income taxes for Sanbrado. Other expenses of \$3,124,000, which is mainly comprised of withholding taxes paid when funds are repatriated from Burkina Faso, are lower than the comparative period due to retention of cash in-country for development of Kiaka.

#### One millionth gold ounce poured at Sanbrado



## COST PER OUNCE PERFORMANCE

The 'adjusted operating cost', 'all-in sustaining cost' ('AISC'), and 'all-in cost' are per-ounce cost performance metrics recommended by the World Gold Council for use in the gold mining industry, but they are not defined by Australian Accounting Standards Board rules (i.e. they are non-AASB measures). WAF follows the World Gold Council's guidelines in the calculation of these metrics.

The below table presents these non-AASB per ounce of gold performance metrics for the Group including the underlying absolute costs from which they are calculated.

Underlying measure	Unit	1 <sup>st</sup> half 2024	1 <sup>st</sup> half 2023
Gold sold	oz	101,954	108,173
Gold revenue	A\$ '000	340,472	308,117
OP mining cost	A\$ '000	27,959	50,628
UG mining cost	A\$ '000	22,653	22,697
Processing cost	A\$ '000	51,151	49,566
Site administration cost	A\$ '000	16,310	16,586
Change in inventory	A\$ '000	1,758	(10,861)
Royalties & production taxes	A\$ '000	28,145	18,770
Refining and by product	A\$ '000	(164)	8
<b>Adjusted operating cost</b>	<b>A\$ '000</b>	<b>147,812</b>	<b>147,393</b>
Rehabilitation	A\$ '000	802	968
Capital development	A\$ '000	22,529	22,388
Sustaining capital	A\$ '000	5,558	7,134
Sustaining leases	A\$ '000	4,977	2,604
Corporate & share-based payments	A\$ '000	7,645	6,224
<b>All-in sustaining cost</b>	<b>A\$ '000</b>	<b>189,323</b>	<b>186,711</b>
Exploration non-sustaining	A\$ '000	2,181	3,117
Capex non-sustaining	A\$ '000	186,383	86,041
<b>All-in cost</b>	<b>A\$ '000</b>	<b>377,887</b>	<b>275,869</b>
<b>Performance metrics per gold ounce sold</b>			
Adjusted operating cost	A\$/oz	1,450	1,363
All-in sustaining cost	A\$/oz	1,857	1,726
All-in cost	A\$/oz	3,706	2,550
Average sales price	A\$/oz	3,339	2,848
Average FX rate used for USD unit costs	AUD/USD	0.6585	0.6772
<b>Adjusted operating cost</b>	<b>US\$/oz</b>	<b>955</b>	<b>923</b>
<b>All-in sustaining cost (AISC)</b>	<b>US\$/oz</b>	<b>1,223</b>	<b>1,169</b>
<b>All-in cost</b>	<b>US\$/oz</b>	<b>2,441</b>	<b>1,727</b>
<b>Average sales price</b>	<b>US\$/oz</b>	<b>2,199</b>	<b>1,929</b>

The AISC per ounce measured in AUD of A\$1,857 in the half year was 8% higher than the comparative period due to 1% higher all-in sustaining costs in AUD absolute terms and 6% fewer gold ounces sold. The AISC per ounce measured in USD of US\$1,223 was 5% higher than the comparative period with a 3% lower average AUD/USD exchange rate in the period.

The all-in cost per ounce was higher than the comparative period reflecting a larger investment of 'capex non-sustaining' for construction of Kiaka.

## RECONCILIATION OF NON-AASB MEASURES TO CONSOLIDATED FINANCIAL STATEMENTS

A reconciliation of the 'adjusted operating cost' and AISC per ounce presented in the previous section of this report to the Group's consolidated financial statements is provided below.

Description	Financial Statement reference*	1 <sup>st</sup> half 2024 \$'000	1 <sup>st</sup> half 2023 \$'000
Cost of sales	P/L	186,490	181,787
(Less)/plus items:			
Depreciation	Note 4	(38,635)	(42,809)
Non-cash inventory movements	Note 4	552	8,989
By-product credits	N/A	(595)	(574)
Adjusted operating cost		147,812	147,393
(Less)/plus items:			
Reclamation & remediation (accretion & amortisation)	N/A	802	968
Corporate and technical services	P/L	6,364	5,630
Share-based payments	P/L	1,281	594
Capital development	Note 10	22,529	22,388
Sustaining capital	N/A	5,558	7,134
Sustaining leases	CF	4,977	2,604
Total all-in sustaining cost (AISC)		189,323	186,711
Gold sold (ounces)		101,954	108,173
Adjusted operating cost per ounce (\$A/oz)		1,450	1,363
<b>AISC per ounce (A\$/oz)</b>		<b>1,857</b>	<b>1,726</b>

\* The Financial Statement references in the above table are abbreviated as follows:

- P/L = Consolidated Statement of Profit or Loss and Other Comprehensive Income
- CF = Consolidated Statement of Cash Flows
- N/A = A direct cross reference to the Financial Statements is not available. Sustaining capital excludes growth capital.

## FINANCIAL POSITION, CASH FLOW, AND CAPITAL COMMITMENTS

The Group's net assets increased by \$86,173,000 during the half year with a \$354,326,000 increase in total assets offset by a \$268,153,000 increase in total liabilities.

### Key asset movements:

Property, plant and equipment ('PP&E') increased by \$186,842,000 in the half year mainly comprised of \$186,015,000 of additions to 'mines under construction' for development of Kiaka.

Trade and other receivables decreased by \$133,209,000 in the half year mainly due to the receipt at bank of the initial \$142,412,000 secured loan facility drawdown receivable that occurred on 2nd January 2024, offset by a \$16,781,000 increase in value added taxes receivable from the Burkina Faso government.

### Key liabilities movements:

Trade and other payables increased by \$29,795,000 mainly due to higher Kiaka development expenditures.

Lease liabilities increased by \$9,051,000 due to new contracts that contain lease components coming into effect during the half year.

Loans and borrowings of \$367,265,000 at 30 June 2024 is comprised of secured loan facilities with a combined limit of US\$265 million from a fund managed by Sprott Resource Lending Corp and from Coris Bank International SA, which were fully drawn at 30 June 2024, PPA liabilities valued at \$23,185,000 that are associated with the secured loan facilities, and a supplier loan facility of approximately US\$10 million. Loans and borrowings increased by \$220,084,000 mainly reflecting drawdowns under the secured loan facilities during the half year.

Taxes payable of \$33,396,000 mainly represents the Group's provision for income taxes payable in Burkina Faso.

	30 June 2024	31 December 2023
<b>NET CASH POSITION</b>	<b>\$'000</b>	<b>\$'000</b>
Cash and cash equivalents	425,141	135,080
Loan facility drawdown receivable	-	142,412
Loans and borrowings	(367,265)	(147,180)
Net cash	57,876	130,312

The net cash inflow from operating activities was \$116,338,000 and the net cash outflow from investing activities was \$179,646,000 which included \$149,960,000 for Kiaka construction and \$28,498,000 for Sanbrado mine development and capital projects. The net cash inflow from financing activities of \$353,283,000 included secured loan facility drawdowns of \$375,879,000 partially offset by transaction costs for the secured loan facility of \$12,241,000, interest payments of \$5,595,000, and payments for lease liabilities of \$4,977,000.

The Group's cash and cash equivalents position at 30 June 2024 was \$425,141,000 and the net cash position was \$57,876,000 as calculated in the above table.

### CAPITAL COMMITMENTS

The Group's capital expenditure commitments for property, plant and equipment were \$221,274,000 at 30 June 2024 (31 December 2023: \$71,200,000), with \$220,112,000 related to the Kiaka project and \$1,162,000 related to Sanbrado.

## OPERATING REVIEW

### SAFETY

On 29 January 2024, the Company reported the fatality of a contractor working at the Kiaka Gold Project in Burkina Faso. No other persons were injured in this accident. WAF and the Kiaka safety team worked with the relevant authorities and the contracting companies involved to investigate the accident.

There were no other significant health or safety incidents during the half year, and WAF's Total Reportable Injury Frequency Rate (TRIFR) at the end of June was 1.14. The Injury Frequency Rate for the gold industry in Western Australia for the most recent available reporting period was 6.09.<sup>1</sup>

### SANBRADO PRODUCTION STATISTICS

The 1<sup>st</sup> half 2024 production statistics for Sanbrado are set out in the following table, along with the comparative period.

	Unit	1 <sup>st</sup> half 2024	1 <sup>st</sup> half 2023
<b>OP mining</b>			
Total movement	BCM '000	1,682	4,026
Total movement	kt	4,374	10,475
Strip ratio	w:o	2.4	4.1
Ore mined	kt	1,267	2,059
Mined grade	g/t	1.0	1.3
Contained gold	oz	40,636	83,474
<b>UG mining</b>			
Ore mined	kt	226	245
Mined grade	g/t	8.5	7.3
Contained gold	oz	61,542	57,585
<b>Processing</b>			
Ore milled	kt	1,688	1,604
Head grade	g/t	2.1	2.4
Recovery	%	93.9	93.2
<b>Gold produced</b>	oz	<b>107,644</b>	113,009
Gold poured	oz	111,730	112,752
<b>Gold sold</b>	oz	<b>101,954</b>	108,173

<sup>1</sup> Refer to pages 16 and 20 of the publication: Department of Energy, Mines, Industry Regulation and Safety, 2024, Safety performance in the Western Australian mineral industry—accident and injury statistics 2021–22. Department of Energy, Mines, Industry Regulation and Safety, Western Australia, 54 pp.



## OPEN-PIT MINING

Contained gold mined from open pit mining at Sanbrado was 51% lower than the comparative period due to a 39% decrease in ore tonnes mined and 23% lower grade. The reduction in grade and ounces is due to the completion of the higher grade M5 South pit in Q1 2024. Open pit mining activities are now concentrated on the M5 North pit, which has a lower grade but also a lower strip ratio.

## UNDERGROUND MINING

Contained gold mined from the M1 South underground at Sanbrado was 7% higher than the comparative period with 8% lower ore tonnes mined offset by 16% higher grade.

## PROCESSING

Gold production at Sanbrado was 4.7% lower than the comparative period with 5.2% more ore tonnes milled offset by a 13% lower head grade. The gold recovery percentage was in-line with the comparative period.

## GROWTH REVIEW

### RESOURCES, RESERVES AND 10-YEAR PRODUCTION UPDATE

Post half year end, on 2 July 2024 the Company released an update of its Ore Reserves and 10-year production target (refer to ASX announcement released on 2 July 2024 titled 'WAF Updates Ore Reserves and 10 Year Production Target').

Highlights of this release included:

- Ore Reserves increased 4% to 6.4 Moz gold
- Mineral Resources remained unchanged at 12.8 Moz gold
- The 10-year production target is set to average 275,000 oz pa from 2024 to 2025, increasing to an average of 480,000 oz pa from 2026 to 2031

## KIAKA GOLD PROJECT

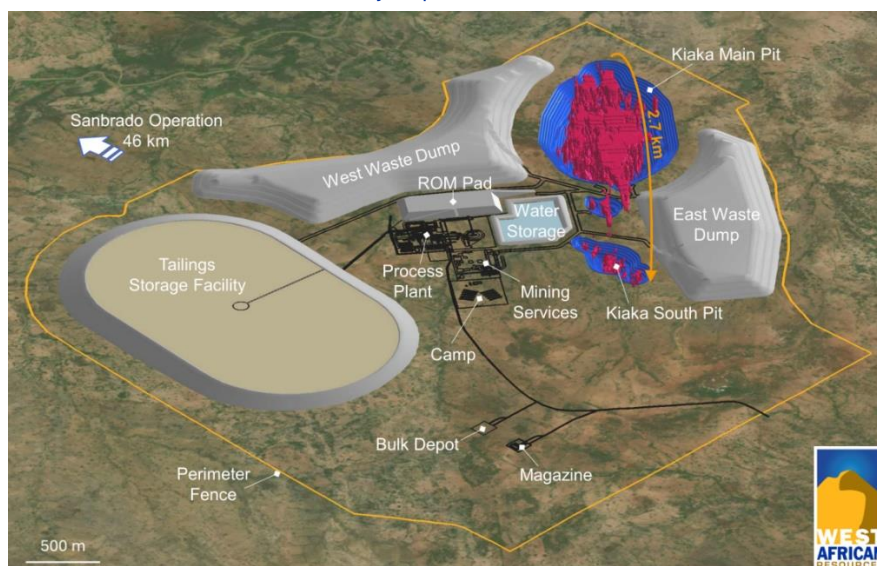
### Background

Kiaka is a fully permitted gold mining project located 110km southeast of the Burkina Faso capital, Ouagadougou, and 45km south of WAF's Sanbrado Gold Operations. It is accessed from Ouagadougou via 100km of sealed road, and then by 40km of all-weather dirt road to site.

### Kiaka Feasibility Study Update

On 2 July 2024, the Company released the results of its feasibility study update for Kiaka along with Kiaka's updated Ore Reserves entitled "Kiaka Feasibility Update Delivers 4.8Moz gold Ore Reserve". The feasibility study update incorporates a change from contract mining to an owner mining strategy allowing WAF to realise greater benefits from the long life and consistent mining rates of the large-scale Kiaka open pit operations.

Layout plan of Kiaka



Kiaka will be a low strip-ratio conventional open-pit mining operation with a conventional carbon-in-leach process circuit. Summaries of the key physical and key financial metrics from the 2 July 2024 feasibility update announcement are set out in the following two tables.

**Kiaka feasibility study update (2 July 2024) - summary of key physical metrics, stated on a 100% project basis**

<b>Production in years 1 to 5</b>	Average 258,000 oz/year
<b>Production life of mine</b>	Average 234,000 oz/year
<b>Strip ratio</b>	1.8 : 1 (waste : ore)
<b>Mineral Resource Estimate</b>	284.9Mt at 0.9 g/t for 7.9Moz gold (6.0Moz Indicated, 1.9Moz Inferred, open pit constrained at US\$2,000/oz)
<b>Probable Mineral Reserves</b>	164Mt at 0.9 g/t for 4.8Moz gold (at US\$1,400/oz)
<b>Life of mine gold recovery</b>	90% average, recovering 4.5Moz gold
<b>Mine life</b>	19.5 years

**Kiaka feasibility study update (2 July 2024) - summary of key financial metrics, base case, stated on a 100% project basis <sup>1</sup>**

<b>Assumed gold price</b>	US\$2,100/oz
<b>Pre-production capex</b>	US\$447 million <sup>2</sup>
<b>Pre-production capex for owner-mining fleet, site establishment and early grade control drilling</b>	US\$118 million
<b>AISC Years 1 to 5</b>	US\$1,172/oz (A\$1,750/oz) <sup>3</sup>
<b>AISC life of mine</b>	US\$1,196/oz (A\$1,785/oz) <sup>3</sup>
<b>Life of mine free cashflow</b>	Pre-tax: US\$3,435 million (A\$5,126 million) Post-tax: US\$2,502 million (A\$3,734 million)
<b>NPV at 5% discount rate</b>	Pre-tax: US\$1,675 million (A\$2,500 million) Post-tax: US\$1,183 million (A\$1,766 million)
<b>IRR and pay-back period</b>	Pre-tax IRR: 33%, 2.25-year payback Post-tax IRR: 27%, 3.08-year payback

1. At assumed AUD/USD FX rate of 0.67.

2. Excluding pre-production capex for owner-mining fleet, site establishment and early grade control drilling that are included in the next row.

3. AISC includes all mining and processing costs, site administration, government royalties and production taxes, refining, sustaining capital, site rehabilitation and site closure costs but excludes head office corporate costs.

**Construction of ROM pad, primary crusher, and conveyer tunnel at Kiaka**



## Construction Progress

Kiaka development continues to track on-budget and on-schedule for gold production commencing in Q3 2025. More than 75% of the overall project costs are committed and fixed as at the date of this report, with no material cost inflation relative to the capital expenditure estimate reported in the feasibility study update released in July 2024.

Lycopodium continues to manage the EPCM works on-schedule with the first three carbon-in-leach tanks completed and being filled with water for settlement testing. By the end of the half year all major concrete footings were poured to above ground level, enabling construction to continue unhindered during the wet season.

Activities under the structural, mechanical and piping ('SMP') contracts have commenced. The SMP wet plant contractor has mobilised and the SMP dry plant contractor is going through the mobilisation preliminaries. The mill installation contract has been awarded with the electrical and instrumentation contract being advanced.

Major equipment continues to arrive on site safely and efficiently with some small delays appearing in delivery schedules towards the end of the quarter as the bypass of the Red Sea area causes shipping complexities.

The projected Kiaka construction timeline is presented below.

Kiaka construction timeline

	2022	2023	2024	2025
ESIA & RAP Update	[Yellow bar]			
Award EPCM and long lead items	[Yellow bar]			
Detailed design and early works	[Yellow bar]			
Debt financing process	[Yellow bar]			
Construction major works	[Yellow bar]			
Project commissioning	[Yellow bar]			
Commercial gold production	[Yellow bar]			

## Kiaka operational readiness

The equipment orders for the owner-mining fleet and ancillary equipment have been placed and the first equipment is scheduled to start arriving on site for assembly in Q4 2024. First mining at Kiaka is scheduled to commence in Q1 2025. Contracts for fuel and explosives supplies are being finalised and earthworks for the fuel facility are nearing completion.

Key leadership positions on Kiaka's mining and maintenance teams are being filled, and recruitment programs are well advanced that include testing and training of candidates from the local population for operational positions.

Construction of ball and SAG mill foundations, CIL tanks, and steel works at Kiaka



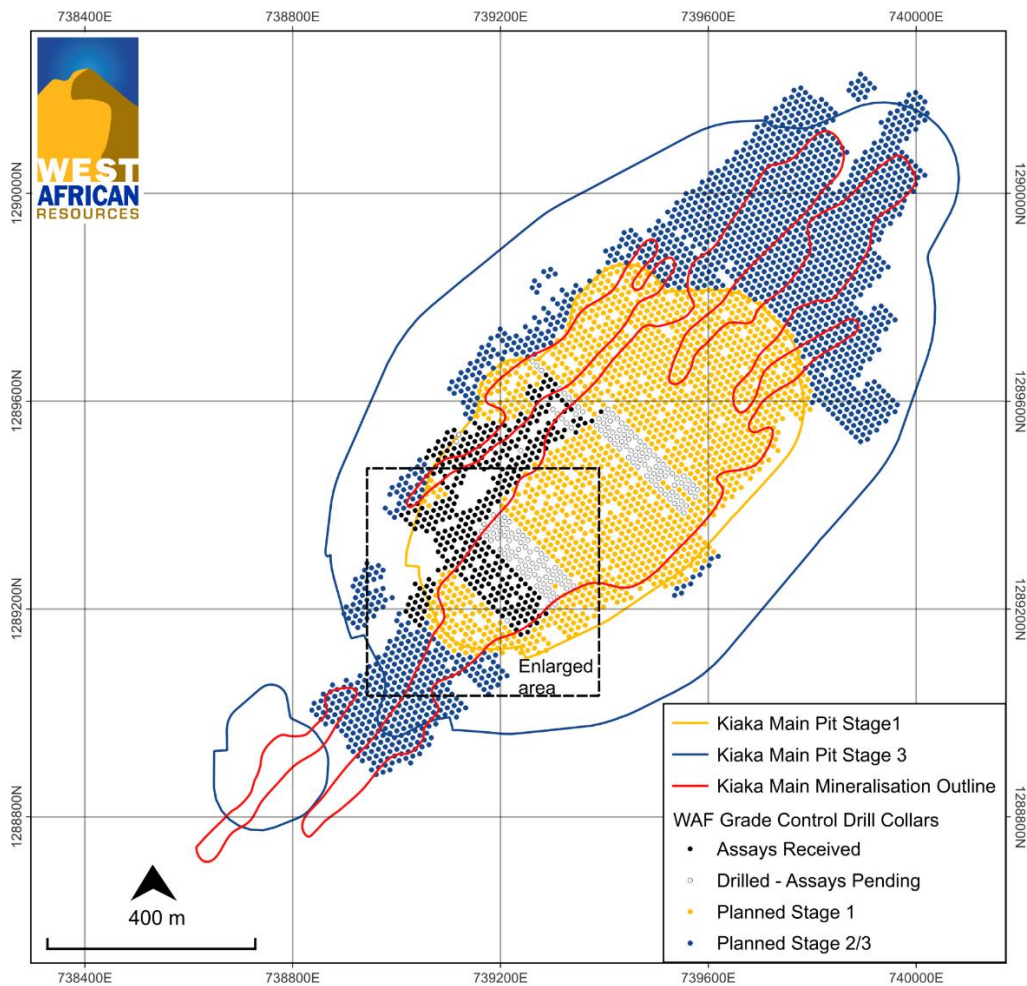
## Kiaka grade control drilling

Grade control drilling at Kiaka was initiated in preparation for the commencement of mining in Q1 2025. Currently two reverse circulation drilling rigs are operating at Kiaka.

### Kiaka Main grade control drilling

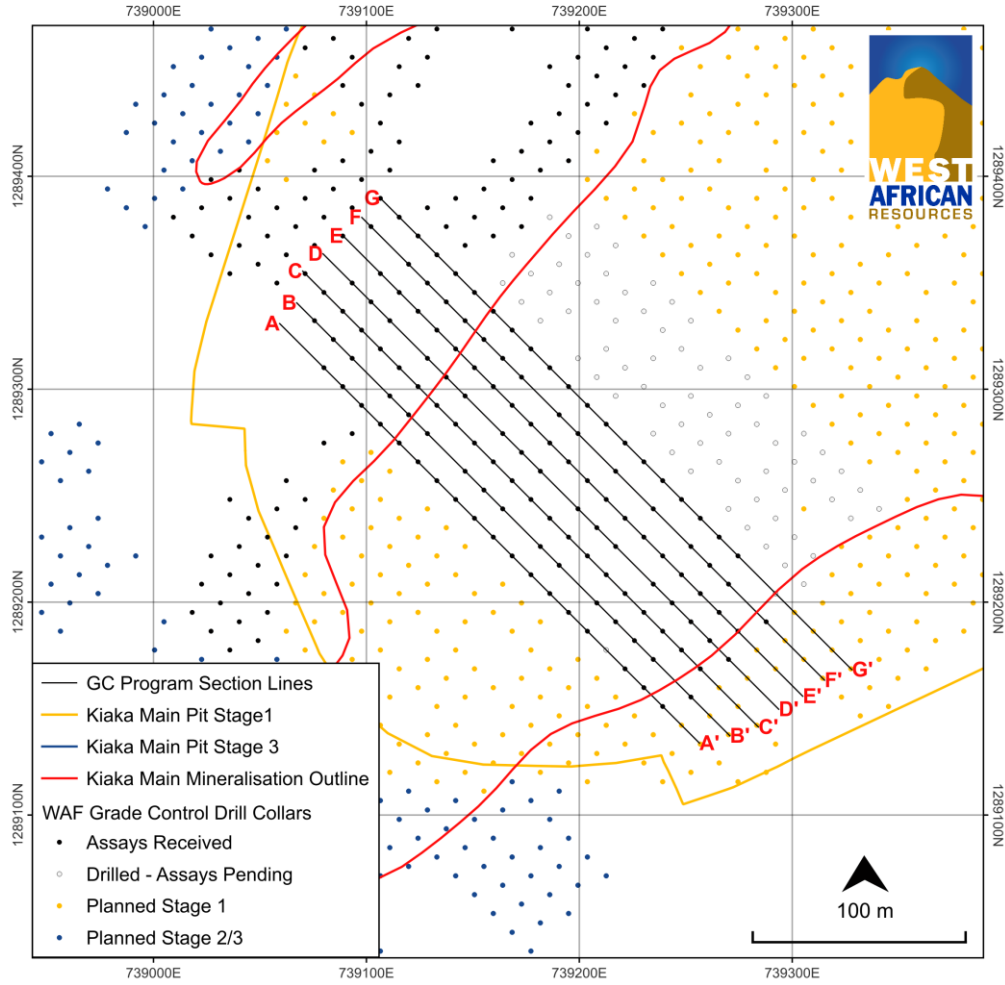
The grade control drilling program at Kiaka Main is designed to improve the confidence level in the geological model and the grade estimation within the top 20 metres of the deposit, which covers the first 12 months of open pit ore production from the Kiaka Main - Stage 1 open pit. As announced on 31 July 2024 (ASX announcement titled 'WAF hits 30m at 4.1 g/t gold in grade control at Kiaka'), thick zones of gold mineralisation were intercepted in grade control drilling at Kiaka Main and the results have aligned well with the current Mineral Resource Estimate, confirming mineralisation widths of up to 185 metres near surface. Drilling also confirms the low strip ratio of 0.8 to 1 (waste to ore) for the Kiaka Main – Stage 1 open pit, which will deliver the bulk of the mill feed in the early years of the mine plan. Selected diagrams from the 31 July 2024 announcement are provided below and interested readers are encouraged to view the full announcement.

Plan view of Kiaka Main grade control collars<sup>2</sup>

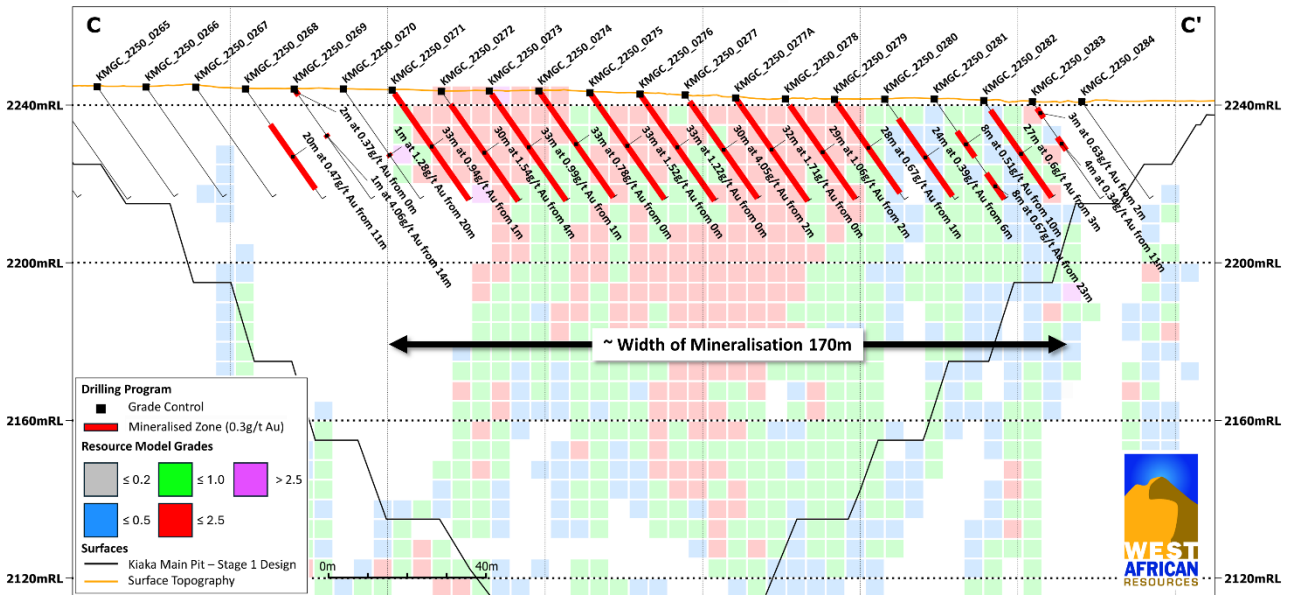


<sup>2</sup> Diagram from ASX announcement released 31 July 2024 titled 'WAF hits 30m at 4.1 g/t gold in grade control at Kiaka'.

Plan view of Kiaka Main showing grade control cross section locations <sup>3</sup>



Kiaka Main grade control section C - C' <sup>3</sup>

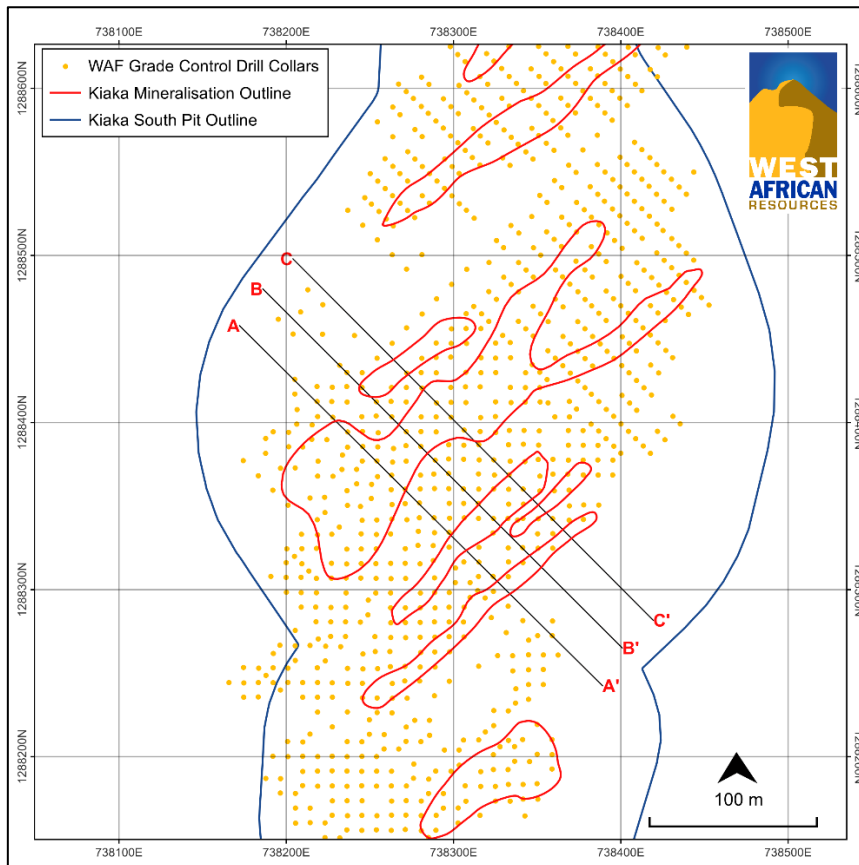


<sup>3</sup> Diagram from ASX announcement released 31 July 2024 titled 'WAF hits 30m at 4.1 g/t gold in grade control at Kiaka'.

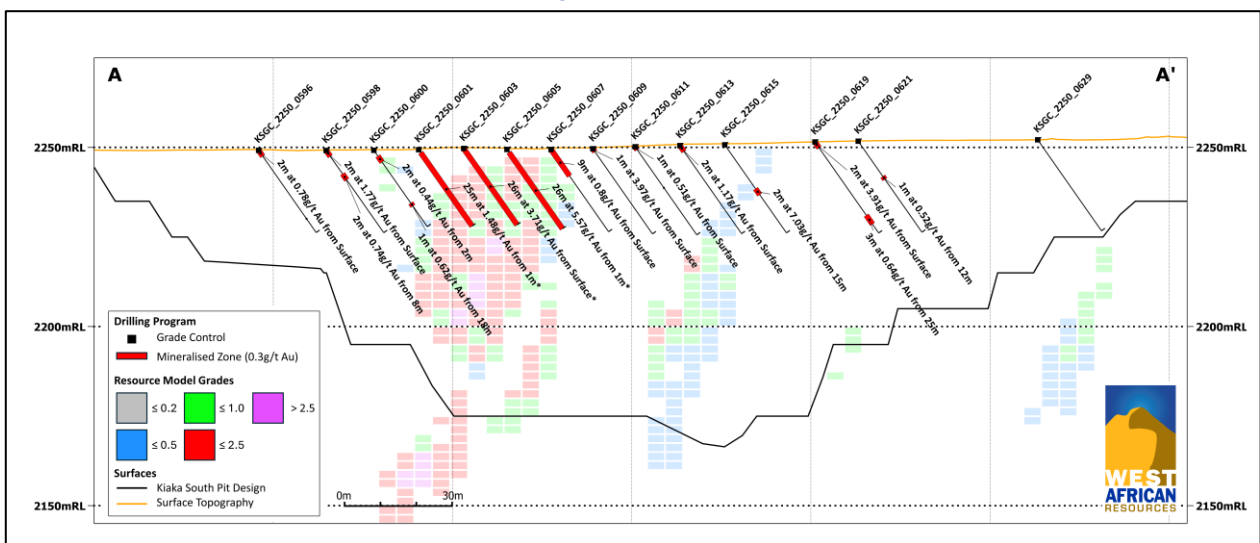
Kiaka South grade control drilling

The Kiaka South Pit has been prioritised earlier in the mine schedule because it provides higher grade ore for processing and fresh waste material to aid in construction of the tailings storage facility and the ROM pad. Grade control drilling at the Kiaka South deposit is aimed at improving the confidence level of both mineralisation interpretation and gold grade estimation within the upper 20 metres of the deposit. As announced on 13 August 2024 (ASX announcement titled ‘WAF Kiaka South surprises with 22m at 7.6 g/t gold’), grade control drilling results returned within the central portion at Kiaka South pit have been better than expected, with higher grades intercepted closer to surface when compared to the current resource model. WAF’s technical team will optimise the shape of the Kiaka South open pit aiming to increase grade and reduce the strip-ratio of the open pit before mining commences in Q1 2025. Selected diagrams from the 13 August 2024 announcement are provided below and interested readers are encouraged to view the full announcement.

Plan view of the Kiaka South grade control collars <sup>4</sup>



Kiaka South grade control section A – A’ <sup>4</sup>



<sup>4</sup> Diagram from ASX announcement released 13 August 2024 titled ‘WAF Kiaka South surprises with 22m at 7.6 g/t gold’.

## SANBRADO GROWTH

WAF's primary growth projects for Sanbrado include:

- M1 South underground extension;
- Toega gold deposit; and
- M5 underground.

### M1 South Underground

#### *M1S Northern Shoot Infill Drilling*

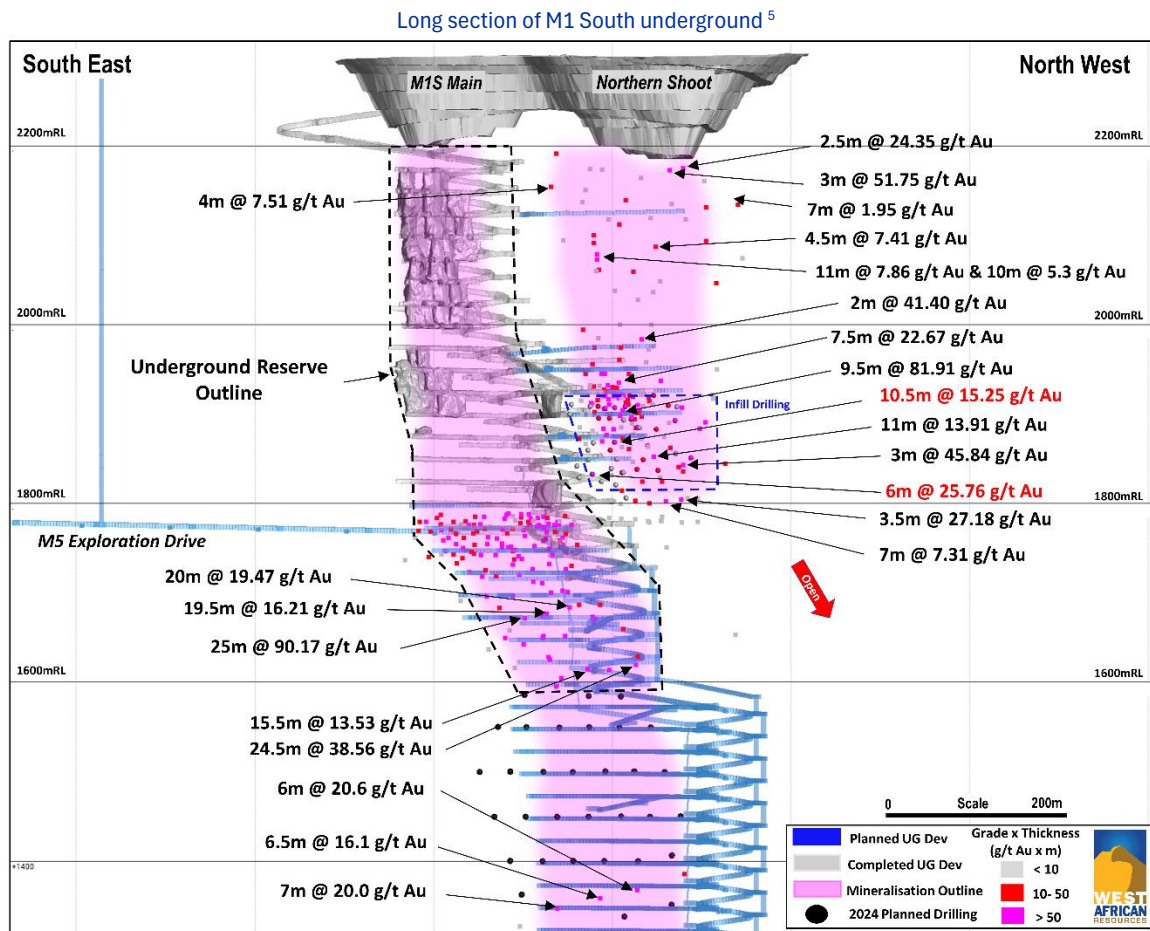
As announced on 27 June 2024 (ASX announcement titled 'WAF hits 10.5m at 15.3 g/t gold at M1S'), 43 holes for 4,822 metres of infill drilling was completed at the M1 South ('M1S') underground targeting mineralisation in the northern shoots between 1920mRL and the 1800mRL. Significant results from infill diamond drilling at the M1S northern shoot include:

- 10.5m at 15.25 g/t gold
- 6m at 25.76 g/t gold
- 3m at 43.06g/t gold
- 14.5m at 7.51g/t gold
- 9.5m at 9.58g/t gold

Work is currently in-progress to update the block model, which will enable revisions to the mine design and schedule. Development activities for the M1 South northern shoot are scheduled to commence in Q3 2024.

#### *M1 South Resource Definition Drilling*

As announced on 27 June 2024 (ASX announcement titled 'WAF hits 10.5m at 15.3 g/t gold at M1S'), a program for 18,000 metres of resource definition drilling has commenced at M1 South targeting the Inferred Mineral Resource between the 1600mRL to the 1350mRL. This drill program is aiming to convert up to 400,000 ounces of gold from an Inferred Mineral Resource classification to an Indicated Mineral Resource. The diagram below has been extracted from that announcement.



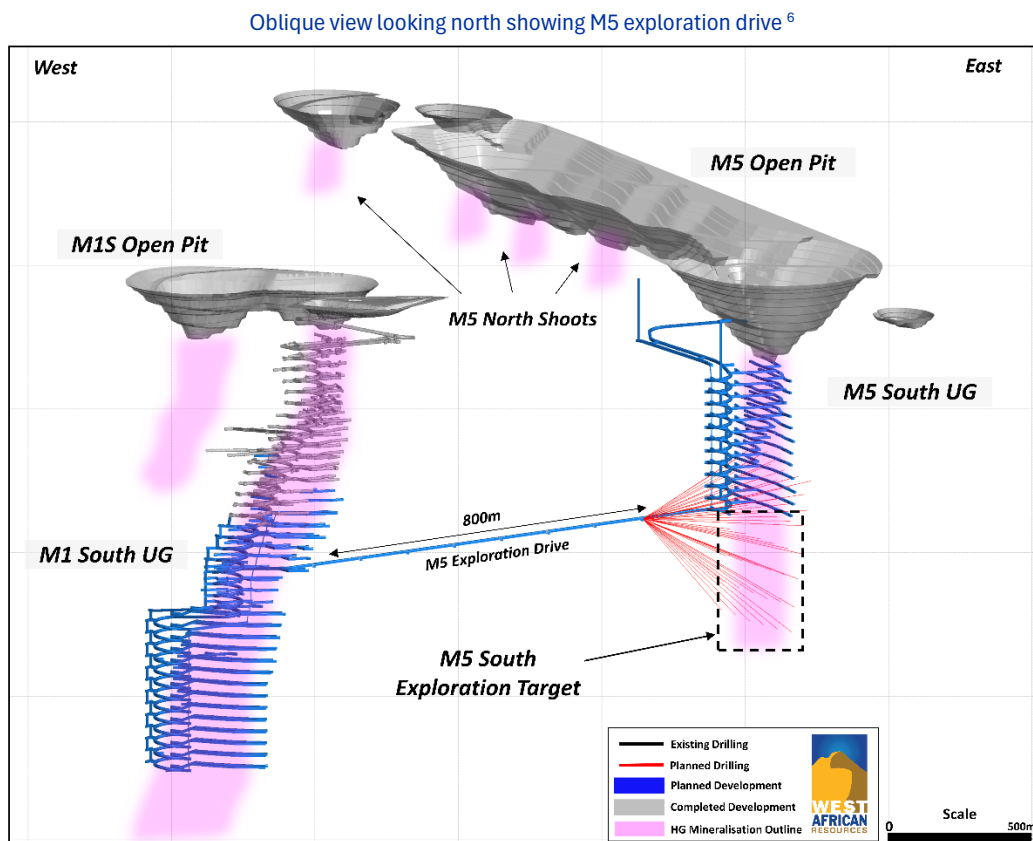
<sup>5</sup> Diagram from ASX announcement released 27 June 2024 titled 'WAF hits 10.5m at 15.3 g/t gold at M1S'.

## Toega Gold Deposit

The Toega gold deposit is located within trucking distance (14km southwest) of the Sanbrado gold processing plant. Toega has an Ore Reserve of 9.5 million tonnes at a grade of 1.9 g/t gold for 570,000 contained ounces with a strip ratio (waste : ore) of 5.4 : 1. The mining licence for Toega for an initial period of 8 years was issued on 17 April 2024.

## M5 Underground Potential

As announced on 27 June 2024 (ASX announcement titled 'WAF hits 10.5m at 15.3 g/t gold at M1S'), development activities have now commenced on the M5 underground exploration drive. Below diagram, extracted from that announcement, shows the exploration drive which extends 800m from the existing underground at M1 South and will provide a drill position for a 15,000m resource extension program. The drill program aims to extend the resource at depth by up to 300m and has the potential to double the mine life of the potential M5 South underground. Based on the current development schedule, the drill program is expected to commence in Q4 2024.



## Strategic exploration position

With the acquisition of Toega in 2020 and Kiaka in 2021, WAF has consolidated a strategic exploration land package over the prospective Markoyé fault region in central and southern Burkina Faso that currently covers an area of 1,334km<sup>2</sup>.

<sup>6</sup> Diagram from ASX announcement released 27 June 2024 titled 'WAF hits 10.5m at 15.3 g/t gold at M1S'.



## DIVIDENDS

No dividends have been paid or declared since the start of the half year and the Directors of the Company do not recommend the payment of a dividend in respect of the half year.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the Group occurred in the half year.

## SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

Post quarter, in early July 2024, the Company completed a placement of approximately 109.5 million new shares priced at A\$1.37 per share to raise A\$150 million before costs.

There has not arisen in the interval between the end of the reporting period and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## ROUNDING OF AMOUNTS

The Company is of a kind referred to in “ASIC Corporations (Rounding in Financial/Directors’ Report) Instrument 2016/191”, issued by the Australian Securities and Investments Commission, relating to the “rounding off” of amounts in the Directors’ Report and accompanying financial statements. Amounts in the Directors’ Report and accompanying financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars, or in certain noted cases, to the nearest dollar. All amounts are in Australian dollars, unless otherwise stated.

## AUDITOR INDEPENDENCE

Section 307C of the *Corporations Act 2001* (Cth) requires the Company’s auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the financial report. This written Auditor’s Independence Declaration is set out on page 34 and forms part of this Directors’ Report.

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



**RICHARD HYDE**

Executive Chairman & CEO  
Perth, 26 August 2024

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 30 June 2024

	Note	Half-year 2024 \$'000	Half-year 2023 \$'000
Revenue from continuing operations	3	344,411	309,675
Cost of sales	4(a)	(186,490)	(181,787)
Exploration and evaluation expenses		(908)	(1,632)
Corporate and technical services		(6,364)	(5,630)
Share-based payments		(1,281)	(594)
Other expenses	4(b)	(3,124)	(7,276)
Finance expenses		(6,813)	(1,016)
Net foreign exchange gain/(loss)		(6,018)	13,908
<b>Profit before tax</b>		<b>133,413</b>	<b>125,648</b>
Income tax expense	5	(41,251)	(43,236)
<b>Profit after tax</b>		<b>92,162</b>	<b>82,412</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		(5,568)	16,420
<b>Other comprehensive income/(loss), net of income tax</b>		<b>(5,568)</b>	<b>16,420</b>
<b>Total comprehensive income for the period</b>		<b>86,594</b>	<b>98,832</b>
Profit attributable to:			
Owners of the parent		82,175	74,351
Non-controlling interest		9,987	8,061
		<b>92,162</b>	<b>82,412</b>
Total comprehensive income attributable to:			
Owners of the parent		76,607	90,771
Non-controlling interest		9,987	8,061
		<b>86,594</b>	<b>98,832</b>
Basic earnings per share (cents per share)	6	8.0	7.3
Diluted earnings per share (cents per share)	6	7.9	7.2

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	30 June 2024 \$'000	31 December 2023 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	425,141	135,080
Restricted cash		4,723	3,268
Trade and other receivables	8	98,710	231,917
Inventories	9	102,791	103,923
<b>Total current assets</b>		<b>631,365</b>	<b>474,188</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	869,372	682,530
Right-of-use assets	11	11,719	2,226
Exploration and evaluation assets	12	62,709	61,895
<b>Total non-current assets</b>		<b>943,800</b>	<b>746,651</b>
<b>TOTAL ASSETS</b>		<b>1,575,165</b>	<b>1,220,839</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	112,405	82,608
Loans and borrowings	14	-	14,102
Lease liabilities		4,492	1,970
Current tax payable		33,396	29,966
<b>Total current liabilities</b>		<b>150,293</b>	<b>128,646</b>
<b>NON-CURRENT LIABILITIES</b>			
Loans and borrowings	14	367,265	133,078
Lease liabilities		6,529	-
Provisions	15	21,148	17,197
Deferred tax liabilities	16	37,926	36,087
<b>Total non-current liabilities</b>		<b>432,868</b>	<b>186,362</b>
<b>TOTAL LIABILITIES</b>		<b>583,161</b>	<b>315,008</b>
<b>NET ASSETS</b>		<b>992,004</b>	<b>905,831</b>
<b>EQUITY</b>			
Issued capital	17	336,074	335,857
Reserves	18	26,456	30,673
Retained profits		577,338	494,674
Equity attributable to owners of the parent		939,868	861,204
Non-controlling interest	21	52,136	44,627
<b>TOTAL EQUITY</b>		<b>992,004</b>	<b>905,831</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 30 June 2024

	Issued capital \$'000	Retained profits \$'000	Foreign currency translation reserve \$'000	Share- based payments reserve \$'000	Non- controlling interest \$'000	Total \$'000
<b>Balance at 1 January 2023</b>	335,630	349,082	689	15,097	40,069	740,567
Profit after tax	-	74,351	-	-	8,061	82,412
Other comprehensive income for the period	-	-	16,420	-	-	16,420
<b>Total comprehensive income for the period</b>	-	74,351	16,420	-	8,061	98,832
Shares issued net of transaction costs	(8)	-	-	-	-	(8)
Transfer to non-controlling interest	-	(1,738)	-	-	1,738	-
Share-based payments	-	-	-	1,469	-	1,469
Subsidiary minority interest profit distribution	-	-	-	-	(10,443)	(10,443)
<b>Balance at 30 June 2023</b>	335,622	421,695	17,109	16,566	39,425	830,417
<b>Balance at 1 January 2024</b>	<b>335,857</b>	<b>494,674</b>	<b>12,838</b>	<b>17,835</b>	<b>44,627</b>	<b>905,831</b>
Profit after tax	-	82,175	-	-	9,987	92,162
Other comprehensive loss for the period	-	-	(5,568)	-	-	(5,568)
<b>Total comprehensive income/(loss) for the period</b>	-	82,175	(5,568)	-	9,987	86,594
Shares issued net of transaction costs	217	-	-	-	-	217
Transfer to non-controlling interest	-	489	-	-	(489)	-
Share-based payments	-	-	-	1,351	-	1,351
Subsidiary minority interest profit distribution	-	-	-	-	(1,989)	(1,989)
<b>Balance at 30 June 2024</b>	<b>336,074</b>	<b>577,338</b>	<b>7,270</b>	<b>19,186</b>	<b>52,136</b>	<b>992,004</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 30 June 2024

	Note	30 June 2024 \$'000	30 June 2023 \$'000
<b>OPERATING ACTIVITIES</b>			
Receipts from customers		341,068	308,690
Payments to suppliers and employees		(196,034)	(174,563)
Income tax paid		(31,602)	(24,989)
Interest received		3,294	974
Interest paid		(386)	(215)
<b>Net cash inflow from operating activities</b>		<b>116,340</b>	<b>109,897</b>
<b>INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(178,459)	(107,000)
Capitalised exploration and evaluation expenditure		(1,187)	(1,647)
<b>Net cash outflow from investing activities</b>		<b>(179,646)</b>	<b>(108,647)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from exercise of share options		232	-
Proceeds from borrowings		375,879	-
Subsidiary minority interest profit distribution		-	(10,443)
Payments for share issue costs		(15)	(8)
Payments for lease liabilities		(4,977)	(2,604)
Interest paid on borrowings		(5,595)	(700)
Transaction costs related to loans and borrowings		(12,241)	(397)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>353,283</b>	<b>(14,152)</b>
<b>Net increase/(decrease) in cash held</b>		<b>289,977</b>	<b>(12,902)</b>
Cash at the beginning of the financial period		135,080	173,393
Effects of exchange rate changes on the balance of cash held in foreign currencies		84	6,481
<b>Cash at the end of the financial period</b>	7	<b>425,141</b>	<b>166,972</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 30 June 2024

## 1 BASIS OF PREPARATION

### A. BASIS OF ACCOUNTING

This general-purpose financial report for the interim half-year reporting period ended 30 June 2024 is presented in Australian dollars and has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Act 2001* (Cth). Compliance with AASB 134 ensures compliance with IAS 34 Interim Financial Reporting.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Company's annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth) and ASX Listing Rules.

### B. ROUNDING OF AMOUNTS

The Company is of a kind referred to in Rounding Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars (\$000's), unless otherwise stated.

### C. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group. The financial statements of the Company's subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are 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. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Company had control.

### D. ADOPTION OF NEW AND REVISED STANDARDS

There have been no new or amended accounting standards or interpretations issued by the Australian Accounting Standards Board (AASB) that have been applied for the first time in the current reporting period.

There are no forthcoming standards and amendments that are expected to have a material impact on the Group in the current or future reporting periods, or on foreseeable future transactions.

### E. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of this financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

#### Exploration and evaluation costs

On a case-by-case basis, assessing whether the acquisition costs and exploration and evaluation expenses of particular mineral properties will be expensed or whether it is appropriate to capitalise them as exploration and evaluation (E&E) assets.

#### Valuation of rehabilitation provision

- Estimating the future cash flows to settle mine restoration obligations.
- Setting the discount rate and inflation rate used in the calculation of the rehabilitation provision.

## 1 BASIS OF PREPARATION (CONTINUED)

### E. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

#### Property, plant and equipment

- Estimating future life of mine costs and gold mineralisation for amortisation of mine development assets.
- Setting the useful lives and depreciation rates for plant and equipment.
- Assessing assets for impairment of their carrying value.

#### Valuation of PPA liability

Estimating the future cash flows to settle the liabilities under the production payment agreements, ('PPA') liability.

#### Group consolidation

Setting the functional currency used for each entity in the Group.

#### Income tax

- Interpreting tax legislation in a number of countries.
- Estimating future tax outcomes.

#### Share-based payments

- Estimating the fair value of share-based payments on the date at which they are granted.
- Estimating number of share-based payment awards to employees that will ultimately vest at each reporting date.

#### Value added tax ('VAT') receivable

Estimating the amount recoverable and timing of recovery of VAT receivable from the Burkina Faso government.

## 2 SEGMENT REPORTING

### A. DESCRIPTION OF SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Company's Board and the executive management team in assessing performance and in determining the allocation of resources. The operating segments of the Group are:

**Mining Operations:** comprise the Sanbrado Gold Project operation located in Burkina Faso.

**Construction and E&E:** comprises mines under construction and exploration and evaluation (E&E) projects in locations other than Sanbrado.

### B. SEGMENT INFORMATION

	Mining operations \$'000	Construction and E&E \$'000	Other \$'000	Total \$'000
<b>Half-year 2023</b>				
Total segment revenue	309,534	36	105	309,675
Total segment expenses	181,787	1,632	5,630	189,049
Total segment results	127,747	(1,596)	(5,525)	120,626
Segment assets at 30 June 2023	645,352	234,235	122,306	1,001,893
Segment liabilities at 30 June 2023	147,306	13,346	10,824	171,476
<b>Half-year 2024</b>				
Total segment revenue	342,425	19	1,967	344,411
Total segment expenses	186,490	908	6,364	193,762
Total segment results	155,935	(889)	(4,397)	150,649
Segment assets at 30 June 2024	759,718	600,468	214,979	1,575,165
Segment liabilities at 30 June 2024	155,226	197,314	230,621	583,161

## 2 SEGMENT REPORTING (CONTINUED)

### B. SEGMENT INFORMATION (CONTINUED)

Segment result is reconciled to the profit before income tax as follows:

	Half-year 2024 \$'000	Half-year 2023 \$'000
<b>Total segment results</b>	<b>150,649</b>	120,626
Share-based payments	<b>(1,281)</b>	(594)
Finance expenses	<b>(6,813)</b>	(1,016)
Other expenses	<b>(3,124)</b>	(7,276)
Net foreign exchange gain/(loss)	<b>(6,018)</b>	13,908
<b>Profit before income tax</b>	<b>133,413</b>	125,648

All metal sales in the period were made to MKS PAMP SA, located in Switzerland.

### C. GEOGRAPHICAL INFORMATION

	Sales to external customers		Geographical non-current assets	
	Half-year 2024 \$'000	Half-year 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
Africa	341,068	308,690	930,430	744,569
Australia	-	-	12,869	2,082
<b>Total</b>	<b>341,068</b>	308,690	<b>943,299</b>	746,651

## 3 REVENUE

	Half-year 2024 \$'000	Half-year 2023 \$'000
Metal sales	<b>341,068</b>	308,690
Interest received	<b>3,292</b>	975
Other income	<b>51</b>	10
	<b>344,411</b>	309,675

## 4 EXPENSES

	Half-year 2024 \$'000	Half-year 2023 \$'000
<b>(a) Cost of sales</b>		
Production expenses	<b>103,061</b>	125,885
Personnel expenses	<b>15,012</b>	13,592
Royalties and other selling costs	<b>28,577</b>	19,351
Depreciation and amortisation	<b>38,635</b>	42,809
Changes in inventory (cash)	<b>1,757</b>	(10,861)
Changes in inventory (non-cash)	<b>(552)</b>	(8,989)
	<b>186,490</b>	181,787
<b>(b) Other expenses</b>		
Accretion of rehabilitation provision	<b>310</b>	270
Depreciation and amortisation	<b>62</b>	88
Withholding tax expense	<b>2,752</b>	6,918
	<b>3,124</b>	7,276
<b>(c) Other required disclosures</b>		
Employee benefits (excluding share-based payments)	<b>19,697</b>	18,984



## 5 INCOME TAX

### A. INCOME TAX RECOGNISED IN PROFIT OR LOSS

	Half-year 2024 \$'000	Half-year 2023 \$'000
Current tax	41,341	33,130
Deferred tax	1,839	2,000
(Over)/Under provided in prior years	(1,929)	8,106
	<b>41,251</b>	<b>43,236</b>

### B. NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE

	Half-year 2024 \$'000	Half-year 2023 \$'000
Accounting profit before tax	133,413	125,648
Income tax expense at 30%	40,024	37,694
Add/(Deduct):		
Non-deductible expenses	3,084	(69)
Under/(Over) provision for prior year	-	8,106
Effect of differences in foreign tax rates	(3,563)	(3,298)
Effect of differences in foreign exchange	(324)	1,386
Other permanent adjustment	1,974	1,451
Movement in unrecognised deferred tax assets	56	(2,034)
Income tax expense	<b>41,251</b>	<b>43,236</b>

### C. UNRECOGNISED DEFERRED TAX BALANCES

	Half-year 2024 \$'000	Half-year 2023 \$'000
<b>(a) Unrecognised deferred tax assets</b>		
Annual leave provision	171	121
Accrued expenses	129	107
Long service leave provision	70	46
Borrowings	14,151	12,801
Borrowing costs	187	-
Leases	142	26
FRT disallowed amounts	3,810	-
Tax losses	20,447	20,447
<b>(b) Unrecognised deferred tax liabilities</b>		
Cash and short-term deposits	(4,146)	(3,553)
Prepayments	(2)	(2)
Property, plant and equipment	(3,104)	-
Right-of-use assets	(141)	(22)
Net unrecognised deferred tax asset	<b>31,714</b>	<b>29,971</b>

## 6 EARNINGS PER SHARE

	Half-year 2024 \$	Half-year 2023 \$
Basic earnings per share (cents per share)	8.0	7.3
Diluted earnings per share (cents per share)	7.9	7.2
The profit and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:		
Attributable profit for the period	82,174,359	74,350,416
Weighted average number of shares outstanding during the period used in calculations of basic earnings per share	1,027,068,771	1,023,511,092
Weighted average number of diluted shares outstanding during the period used in calculations of diluted earnings per share	1,034,463,946	1,034,585,286

## 7 CASH AND CASH EQUIVALENTS

	30 June 2024 \$'000	31 December 2023 \$'000
Cash at bank and in hand	425,141	135,080
	425,141	135,080

## 8 TRADE AND OTHER RECEIVABLES

	30 June 2024 \$'000	31 December 2023 \$'000
<b>Current</b>		
Interest receivable	1	4
Prepayments	2,647	10,266
Loan facility drawdown receivable	-	142,412
VAT receivable	94,255	77,474
Other receivables	1,807	1,761
	98,710	231,917

The value added tax (VAT) receivable is due from the Burkina Faso government and nil provision for doubtful debts has been applied.

## 9 INVENTORIES

	30 June 2024 \$'000	31 December 2023 \$'000
Ore stockpiles – cost	56,880	62,638
Finished goods – cost	16,400	5,178
Gold in circuit – cost	3,381	10,666
Consumable supplies and spares – cost	26,130	25,441
	102,791	103,923

## 10 PROPERTY, PLANT AND EQUIPMENT

	Mine development assets \$'000	Mines under construction \$'000	Capital in progress \$'000	Land and buildings \$'000	Office equipment \$'000	Plant and equipment \$'000	Light vehicles \$'000	Total \$'000
<b>Cost and accumulated depreciation</b>								
<b>31 December 2023</b>								
Gross carrying amount at cost	248,003	320,330	30,957	35,719	892	263,279	6,607	905,787
Accumulated depreciation	(122,302)	-	-	(13,612)	(741)	(80,551)	(6,051)	(223,257)
Net carrying amount	125,701	320,330	30,957	22,107	151	182,728	556	682,530
<b>30 June 2024</b>								
Gross carrying amount at cost	269,374	515,794	21,697	35,445	885	276,313	6,550	1,126,058
Accumulated depreciation	(142,063)	-	-	(15,082)	(775)	(92,532)	(6,234)	(256,686)
Net carrying amount	127,311	515,794	21,697	20,363	110	183,781	316	869,372
<b>Carrying value</b>								
<b>31 December 2023</b>								
At the beginning of the period	136,176	142,580	32,593	24,790	77	180,822	1,022	518,060
Transfers to property, plant and equipment	-	-	(20,560)	-	137	20,083	340	-
Additions	37,215	175,667	17,994	-	-	-	-	230,876
Depreciation expensed for the period	(53,902)	-	-	(3,406)	(66)	(23,428)	(753)	(81,555)
Depreciation capitalised for the period	-	-	-	-	-	(20)	(84)	(104)
Change in rehabilitation provision	(1,451)	-	-	-	-	-	-	(1,451)
Effects of movement in foreign exchange	7,663	2,083	930	723	3	5,271	31	16,704
<b>Net of accumulated depreciation</b>	125,701	320,330	30,957	22,107	151	182,728	556	682,530
<b>30 June 2024</b>								
At the beginning of the period	125,701	320,330	30,957	22,107	151	182,728	556	682,530
Transfers to property, plant and equipment	-	-	(15,047)	-	-	15,054	(7)	-
Additions	22,529	186,015	5,927	-	-	-	-	214,471
Depreciation expensed for the period	(21,136)	-	-	(1,608)	(41)	(12,856)	(192)	(35,833)
Depreciation capitalised for the period	-	-	-	-	-	(8)	(42)	(50)
Change in rehabilitation provision	745	-	-	-	-	-	-	745
Effects of movement in foreign exchange	(528)	9,449	(140)	(136)	-	(1,137)	1	7,509
<b>Net of accumulated depreciation</b>	127,311	515,794	21,697	20,363	110	183,781	316	869,372

## 11 RIGHT-OF-USE ASSETS

	Property	Equipment	Total
	\$'000	\$'000	\$'000
Balance at 1 January 2023	119	7,350	7,469
Additions	-	-	-
Depreciation expensed for the period	(89)	(5,389)	(5,478)
Effects of movement in foreign exchange	-	235	235
Balance at 31 December 2023	30	2,196	2,226
<b>Balance at 1 January 2024</b>	<b>30</b>	<b>2,196</b>	<b>2,226</b>
Additions	490	11,874	12,364
Depreciation expensed for the period	(50)	(2,863)	(2,913)
Effects of movement in foreign exchange	-	42	42
<b>Balance at 30 June 2024</b>	<b>470</b>	<b>11,249</b>	<b>11,719</b>

## 12 EXPLORATION AND EVALUATION ASSETS

	30 June 2024	31 December 2023
	\$'000	\$'000
Balance at the start of the period	61,895	57,581
Additions	1,273	2,729
Effects of movement in foreign exchange	(459)	1,585
<b>Balance at the end of the period</b>	<b>62,709</b>	<b>61,895</b>

The recoupment of exploration and evaluation costs carried forward is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

## 13 TRADE AND OTHER PAYABLES

	30 June 2024	31 December 2023
	\$'000	\$'000
<b>Current</b>		
Trade payables	52,302	46,251
Accruals	59,075	35,192
Employee benefits payable	1,028	1,165
	<b>112,405</b>	<b>82,608</b>

## 14 LOANS AND BORROWINGS

### A. LOAN FACILITY

	30 June 2024	31 December 2023
	\$'000	\$'000
<b>Non-current</b>		
Secured loan facilities	379,741	146,816
PPA liabilities	23,185	17,505
Transaction costs	(49,815)	(31,243)
	<b>353,111</b>	<b>133,078</b>

#### (a) Secured loan facilities

Secured loan facilities arranged by Sprott Resources Lending Corp. and Coris Bank International SA with a combined limit of: a) USD 165 million; and b) FCFA 61 billion, were entered into on 29 December 2023. The facilities were fully drawn as at 30 June 2024. The USD component of the secured loan facilities carries interest at a rate of 5.5% plus the greater of: (i) 3-month SOFR; and (ii) 4%, payable quarterly, with loan repayments commencing in March 2026. The FCFA component of the secured loan facilities carries interest at a rate of 12.05%, payable quarterly, with loan repayments commencing in September 2025.

#### (b) PPA liabilities

Associated with the secured loan facilities are liabilities under production payment agreements (each a 'PPA') to pay a combined amount of US\$12.44 per ounce on the first 1.5 million ounces of gold produced from the Kiaka Gold Project. The PPA liabilities balance was calculated by discounting the expected future cash outflows at a rate of 5%. Amounts owing under the secured loan facilities and PPAs rank equally with respect to guarantees given by substantially all companies in the Group and first ranking securities over substantially all assets of the Group.

### B. SUPPLIER LOAN FACILITY

	30 June 2024	31 December 2023
	\$'000	\$'000
Current	-	14,102
Non-current	14,154	-
	<b>14,154</b>	<b>14,102</b>

An unsecured USD denominated loan facility with ByrneCut Burkina Faso SARL as a component of the Sanbrado underground mining services contract, with a limit of US\$10 million. As at 30 June 2024, US\$9.5 million (31 December 2023: US\$9.6 million) has been utilised which carries an interest rate of 12% (31 December 2023: 9.75%) and is repayable by June 2028.

## 15 PROVISIONS

	30 June 2024	31 December 2023
	\$'000	\$'000
<b>Non-current</b>		
Long service leave provision	235	196
Employee retirement provision	2,178	2,139
Rehabilitation provision	18,735	14,862
	<b>21,148</b>	<b>17,197</b>
<b>Reconciliation of movements in rehabilitation provision:</b>		
Balance at the start of the period	14,862	14,266
Increase in rehabilitation provision during the year	3,987	2,293
Effects of movement in foreign exchange	(114)	(1,697)
Balance at the end of the period	<b>18,735</b>	<b>14,862</b>

The Group's rehabilitation provision has been calculated by discounting the expected future rehabilitation cash outflows at a rate of 4.0% (31 December 2023: 4.0%) and assuming an average inflation rate of 3.6% (31 December 2023: 3.0%).

## 16 DEFERRED TAX LIABILITIES

	30 June 2024	31 December 2023
	\$'000	\$'000
<b>Deferred tax liabilities</b>		
Trade and other receivables	1,990	1,270
Property, plant and equipment	29,486	29,092
Trade and other payables	(87)	(935)
Borrowings	2,959	3,029
Borrowing costs	3,578	3,873
Revenue losses	-	(242)
<b>Deferred tax liabilities</b>	<b>37,926</b>	<b>36,087</b>
<b>Movements:</b>		
Opening balance	36,087	34,734
Charged to profit and loss	2,007	2,211
Under/(Over) provision in prior years	(168)	(858)
<b>Closing balance</b>	<b>37,926</b>	<b>36,087</b>

## 17 ISSUED CAPITAL

	30 June 2024 \$'000	31 December 2023 \$'000
Fully paid ordinary shares	336,073	335,857
<b>(a) Number of shares</b>	<b>No.</b>	<b>No.</b>
At start of period	1,026,338,077	1,022,841,993
Issue of shares on exercise of options and performance rights	1,442,857	3,496,084
Balance at end of period	1,027,780,934	1,026,338,077
<b>(b) Value of shares</b>	<b>\$'000</b>	<b>\$'000</b>
At start of period	335,857	335,630
Issue of shares on exercise of options and performance rights	232	247
Share issue costs	(15)	(20)
Balance at end of period	336,074	335,857

## 18 RESERVES

	30 June 2024 \$'000	31 December 2023 \$'000
Foreign currency translation reserve	7,270	12,838
Share-based payments reserve	19,186	17,835
	26,456	30,673

### Nature and purpose of reserves

#### (a) Foreign currency translation reserve

The foreign currency translation reserve is used to record the Group's exchange differences arising from the translation of loans to foreign subsidiaries in the long term and the translation of the financial statements of foreign subsidiaries.

#### (b) Shared-based payments reserve

The shared-based payments reserve is used to recognise the fair value of options and performance rights issued by the Company under share-based payment arrangements that are not exercised or expired.

## 19 DIVIDENDS

No dividends have been paid or declared payable during the period (31 December 2023: nil).

## 20 CONTINGENT LIABILITIES

### (i) Royalty agreements

The Group entered into royalty agreements with third parties in respect of the 2021 acquisition of the Kiaka Gold Project ('Kiaka') and Toega Gold Deposit ('Toega') as follows:

- Royalties will be payable on refined gold produced from ore extracted from Kiaka as follows:
  - a 3% net smelter return ('NSR') royalty on the first 2.5 million ounces; and
  - a 0.5% NSR royalty on the next 1.5 million ounces.
- Royalties will be payable on the first 1.5 million refined gold ounces produced from ore extracted from Toega as follows:
  - a 3% NSR royalty to a value of US\$25 million; and
  - thereafter a 0.5% NSR royalty.

### (ii) Other contingent liabilities

There were no other material contingent liabilities at 30 June 2024 (31 December 2023: nil).

## 21 INTEREST IN SUBSIDIARIES

### A. SUMMARISED FINANCIAL INFORMATION FOR SOCIETE DES MINES DE SANBRADO BEFORE INTRAGROUP ELIMINATIONS

	Half-year 2024 \$'000	Half-year 2023 \$'000
<b>STATEMENT OF PROFIT OR LOSS</b>		
Revenue	342,425	309,534
Profit for the period:		
Attributable to owners of the parent	91,920	72,551
Attributable to non-controlling interest	10,213	8,061
	<b>102,133</b>	<b>80,612</b>
<b>STATEMENT OF CASH FLOWS</b>		
Net cash from operating activities	138,486	91,424
Net cash used in investing activities	(28,465)	(34,899)
Net cash used in financing activities	(10,751)	(80,231)
	<b>99,270</b>	<b>(23,706)</b>
<b>STATEMENT OF FINANCIAL POSITION</b>		
Assets		
Current assets	393,361	284,472
Non-current assets	368,944	367,040
	<b>762,305</b>	<b>651,512</b>
Liabilities		
Current liabilities	175,750	152,059
Non-current liabilities	61,533	51,723
	<b>237,283</b>	<b>203,782</b>
Equity		
Attributable to owners of the parent	472,520	402,957
Attributable to non-controlling interest	52,502	44,773
	<b>525,022</b>	<b>447,730</b>



## 21 INTEREST IN SUBSIDIARIES (CONTINUED)

### B. SUMMARISED FINANCIAL INFORMATION FOR KIAKA SA BEFORE INTRAGROUP ELIMINATIONS

	Half-year 2024 \$'000	Half-year 2023 \$'000
<b>STATEMENT OF PROFIT OR LOSS</b>		
Revenue	-	-
Profit for the period:		
Attributable to owners of the parent	(2,033)	-
Attributable to non-controlling interest	(226)	-
	<b>(2,259)</b>	-
<b>STATEMENT OF CASH FLOWS</b>		
Net cash from operating activities	-	-
Net cash used in investing activities	(152,019)	(70,930)
Net cash from financing activities	235,800	75,988
	<b>83,781</b>	5,058
	<b>Half-year ended 30 June 2024</b>	<b>Year ended 31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>STATEMENT OF FINANCIAL POSITION</b>		
Assets		
Current assets	93,772	8,129
Non-current assets	461,899	277,330
	<b>555,671</b>	285,459
Liabilities		
Current liabilities	45,625	12,144
Non-current liabilities	513,707	274,775
	<b>559,332</b>	286,919
Equity		
Attributable to owners of the parent	(3,296)	(1,314)
Attributable to non-controlling interest	(366)	(146)
	<b>(3,662)</b>	(1,460)

## 21 INTEREST IN SUBSIDIARIES (CONTINUED)

### C. SUMMARISED FINANCIAL INFORMATION FOR TOEGA SA BEFORE INTRAGROUP ELIMINATIONS

	<b>Half-year 2024</b> <b>\$'000</b>
<b>STATEMENT OF PROFIT OR LOSS</b>	
Revenue	-
Profit for the period:	
Attributable to owners of the parent	-
Attributable to non-controlling interest	-
	-
<b>STATEMENT OF CASH FLOWS</b>	
Net cash from operating activities	-
Net cash used in investing activities	-
Net cash from financing activities	-
	-
<b>STATEMENT OF FINANCIAL POSITION</b>	
Assets	
Current assets	<b>25</b>
Non-current assets	-
	<b>25</b>
Liabilities	
Current liabilities	-
Non-current liabilities	-
	-
Equity	
Attributable to owners of the parent	<b>23</b>
Attributable to non-controlling interest	<b>2</b>
	<b>25</b>

Toega SA is a company that was incorporated under the laws of Burkina Faso and was granted the Toega mining licence during the half year. The government of Burkina Faso owns a 10% equity interest in Toega SA.

## 22 SUBSEQUENT EVENTS AFTER THE BALANCE DATE

In early July 2024, the Company completed a placement of approximately 109.5 million new shares priced at A\$1.37 per share to raise A\$150 million before costs.

There has not arisen in the interval between the end of the reporting period and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## DIRECTORS' DECLARATION

In the opinion of the Directors of the Company:

- a. The interim financial statements and notes of the Group are in accordance with the *Corporations Act 2001* (Cth), including:
  - (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year then ended; and
  - (ii) complying with AASB 134: Interim Financial Reporting, the *Corporations Regulations 2001*, and other mandatory professional reporting 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.

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



**RICHARD HYDE**  
Executive Chairman & CEO  
26 August 2024

# AUDITOR'S INDEPENDENCE DECLARATION



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of West African Resources Limited for the half-year ended 30 June 2024, 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
26 August 2024

A handwritten signature in blue ink, appearing to read 'M R Ohm', written over a light blue horizontal line.

M R Ohm  
Partner

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# INDEPENDENT AUDITOR'S REVIEW REPORT



## INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of West African Resources Limited

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the half-year financial report of West African Resources Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024, 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 half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of West African Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company 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 annual financial report in Australia.

We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Responsibility of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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*Auditor's Responsibility for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**

**Perth, Western Australia  
26 August 2024**

A handwritten signature in blue ink, appearing to read 'M R Ohm'.

**M R Ohm  
Partner**