Press Release
20th February 2017

West African confirms Sanbrado as +150,000 ounces per annum gold producer by 2019

All amounts stated in US dollars. Base case is stated on a 100% project basis at $1,200/oz

- **Sanbrado open pit feasibility study confirms:**
  - Forecast annual production of 150,000 ounces over the first 3 years of project and 93,000 ounces per annum over 9 years of current mine life (LOM)
  - 124% increase in Indicated Resources at M1 South, driving new project economics
  - 103% increase in Probable Reserves now 894,000 ounces (16.8Mt at 1.7g/t Au)
  - Two year pay back on $131 million capex (including pre-production mining and contingency)
  - Low All-In Sustaining Costs (AISC) of $708/oz over the first 3 years and $759 over LOM
  - Strong economics - pre-tax NPV5% of $143m, IRR 27% and post-tax NPV5% of $100m, IRR 21%
  - Sanbrado is 'shovel ready' with mining and environmental permits already approved
  - Camp construction and early site works are underway
  - Discussions with project lenders in progress, targeting conventional debt and equity finance
  - Ore reserves based on Indicated Resources only, study delivered 6 months after M1 maiden resource and less than 12 months after M1 South high-grade discovery
- **Substantial upside to LOM through optimised definitive feasibility study and further drilling:**
  - Significant opportunity to boost to project economics through underground mining at M1 South reducing high Y1-2 stripping costs
  - Infill drilling targeting conversion of Inferred Resources within and beneath current ore reserve pit shells, and follow-up extensional drilling at M1 and M5
  - DFS to include resource and reserve update for M1 and M5
  - DFS completion by Q3 2017, fully-funded from existing cash of A$17 million

Managing Director Richard Hyde commented:

"From high-grade discovery to delivering a robust feasibility study in less than 12 months is an outstanding achievement, and a credit to our dedicated in-country team and independent consultants.

"The recent discovery of high-grade gold at M1 South is the driving force behind the new project, which currently represents a high-margin, but high strip ratio open pit. It is likely to be more cost effective to mine M1 South with a smaller open-pit followed by underground mining. This is the focus of current development work and will be reported in an optimised definitive feasibility study by Q3 2017.

"The next steps are straight-forward – with $17m cash on hand we are well-funded to carry out work programs, including the optimisation study, which is likely to drive mining costs significantly lower. Drilling programs will also focus on converting existing Inferred Resources within and beneath reserve pit-shells, and drilling 'open at depth' extensions at M1 and M5.

"The open pit feasibility study as it currently stands demonstrates very strong early cashflow, rapid payback of capital and allows us to advance discussions with project lenders while completing optimisation work and further drilling, and commence early site works including camp construction.

"We look forward to keeping the market informed with results from our busy 2017 work program."

Gold developer West African Resources Limited (ASX, TSXV: WAF) is pleased to announce the results of its Open Pit Feasibility Study, prepared in accordance with the requirements of the 2012 JORC Code and NI 43-101, for the Sanbrado[1] Gold Project, Burkina Faso. The study envisages an initial 9 year mine life, with strong early cashflow and a rapid payback of capital.

Sanbrado Open Pit Feasibility Study - Production and Financial Highlights	
Base case is stated on a 100% basis and a gold price of $1,200/oz (all amounts in US$)	
Production Y1-3	Average of 150,000oz/yr
Production LOM	Average of 93,000oz/yr
Production Costs[1] Y1-3	Average Cash Costs of $672/oz (including royalties) Average All-in Sustaining Costs (AISC) of $708/oz
Production Costs LOM	Average Cash Costs of $717/oz (including royalties) Average All-in Sustaining Costs (AISC) of $759/oz
IRR	Pre-tax IRR of 27% and 2.1 year payback on initial capital After-tax IRR of 21% and 2.3 year payback on initial capital
NPV	Pre-tax NPV (5%) of $143M After-tax NPV (5%) of $100M
Capex	Pre-Production capital of $131 million (including pre-production mining and contingency)
Study Mine Life	8.75 years
Probable Mineral Reserves[2,3]	16.8Mt at 1.7g/t gold containing 894,000 ounces of gold (strip ratio of 5:1)
LOM Recoveries	90.7% for 810,000 ounces of gold recovered

[1] Cash costs include all mining and processing costs, site administration, royalties, refining and site rehabilitation costs. AISC includes Cash costs, sustaining capital, closure costs but excludes head office corporate costs.

[2] Based on Indicated Resources only, in-pit Inferred Resources treated as waste in the study mining schedule.

[3] The average strip ratio of 5.0:1 is inclusive of a strip ratio of 35.6:1 for the M1 South pit.

[1] *Formerly known as the Tanlouka Gold Project*

Figure 1
Sanbrado Gold Project Resources and Site Layout

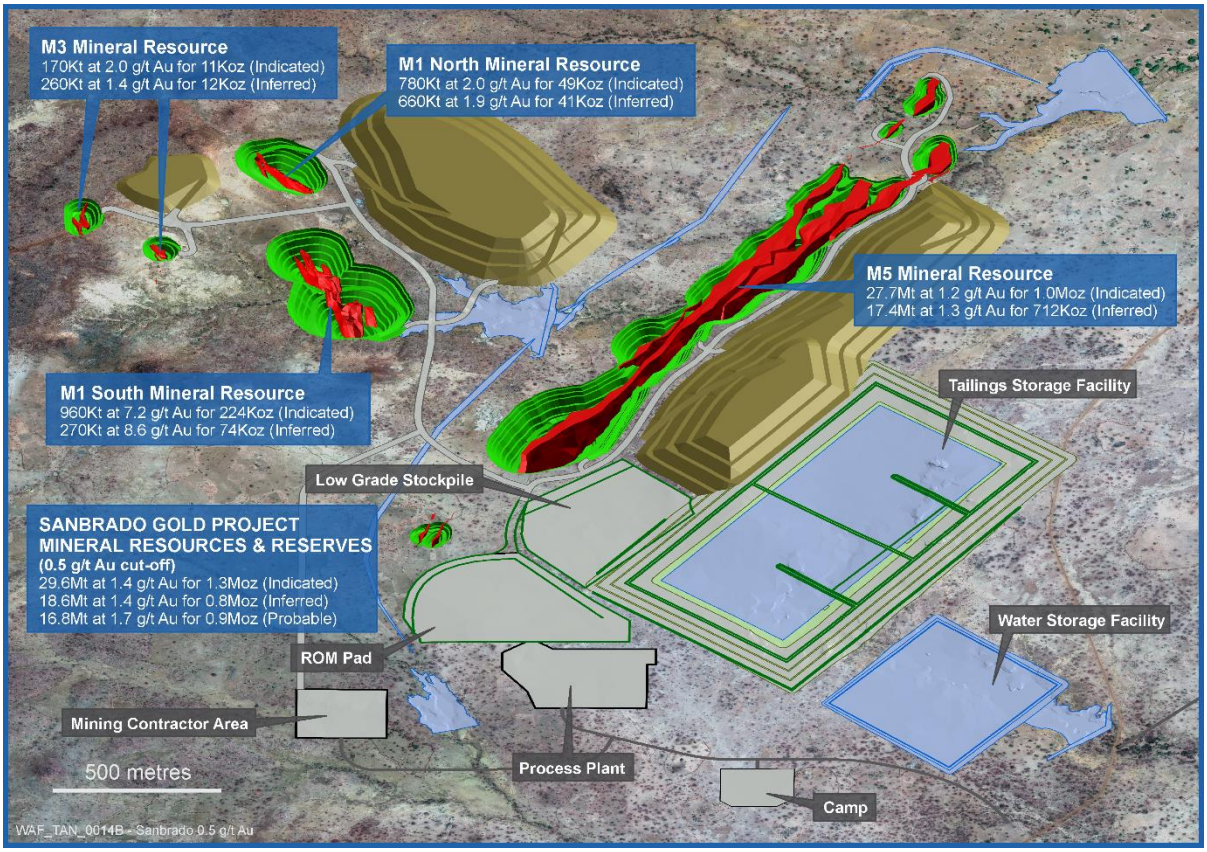
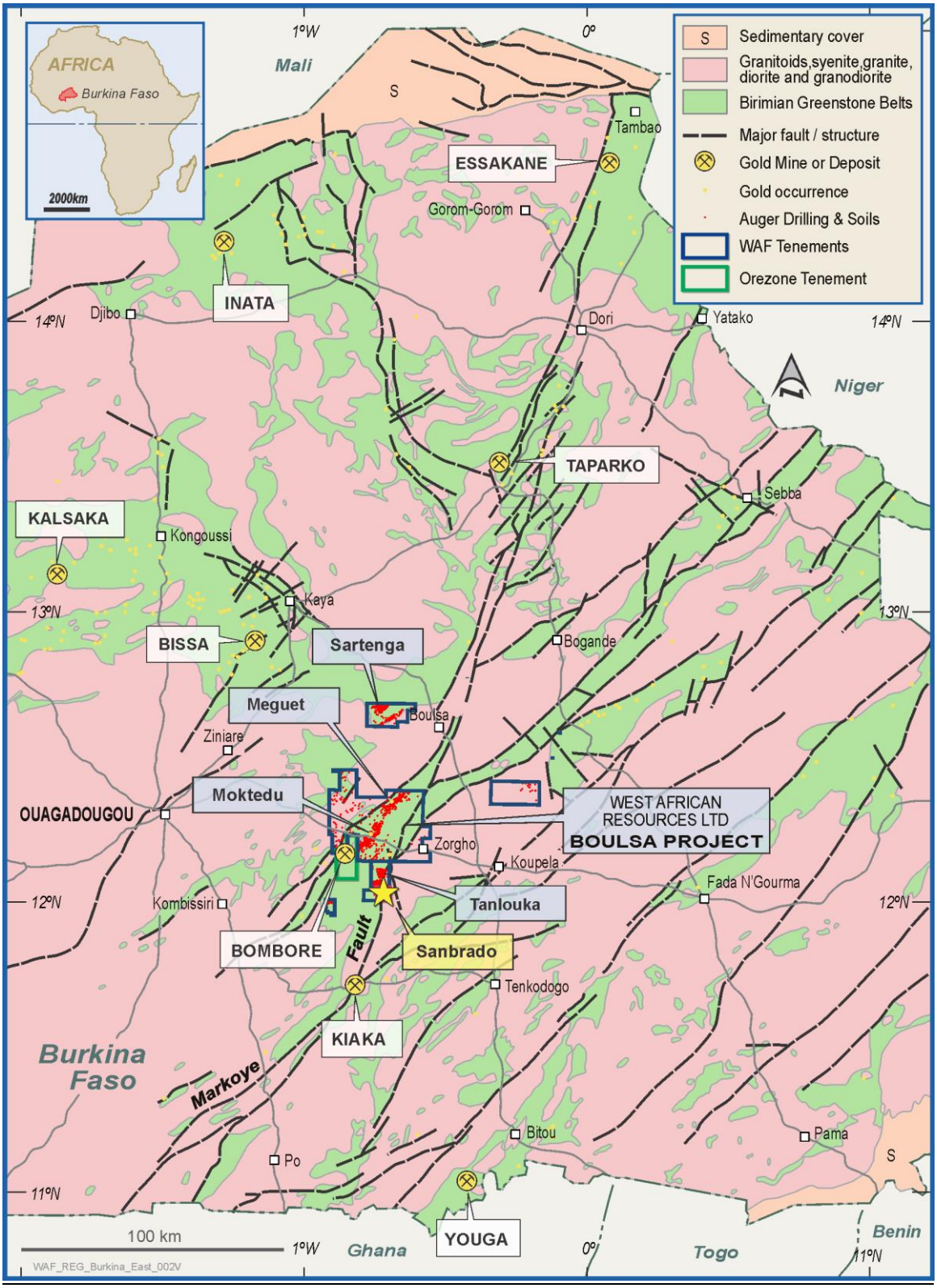


Figure 2
Sanbrado Gold Project Location



SANBRADO GOLD PROJECT | OPEN PIT FEASIBILITY STUDY

Contents

1. INTRODUCTION AND EXECUTIVE SUMMARY

West African Resources (WAF) is dual listed on the TSX Venture Exchange and the Australian Securities Exchange. The Sanbrado Gold Project is located approximately 90km east-southeast of Ouagadougou, the capital of Burkina Faso. The Project covers an aggregate area of 116km^2, comprising one granted mining permit and one granted exploration licence. WAF has a 100% interest in the Sanbrado Gold Project. The Government of Burkina Faso is entitled to a free-carried 10% interest in the Project on commencement of mining. In December 2016 the Company received environmental approval for the Project.

The Sanbrado Gold Project Mineral Resource estimates were updated by independent resource consultants International Resource Solutions Pty Ltd (IRS) as part of this Study and were reported in accordance with NI 43-101 standards and JORC (2012) guidelines. Mineral resources have been estimated in accordance with JORC standards. Four separate mineral resources have been estimated for the Project consisting of Mankarga 1 North, Mankarga 1 South, Mankarga 3 and Mankarga 5. The Sanbrado Gold Project Mineral Resource is summarised below with an effective date of the 20th February 2017. Mineral resources are inclusive of mineral reserves.

Sanbrado Gold Project
20th February 2017 Resources

	Cutoff (Au g/t)	Indicated Resource			Inferred Resource		
		Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
M5	0.5	27,660,000	1.2	1,049,000	17,360,000	1.3	712,000
	1	11,100,000	1.9	670,000	7,810,000	2.0	495,000
M1 South	0.5	960,000	7.2	224,000	270,000	8.6	74,000
	1	610,000	11.0	215,000	210,000	10.8	73,000
M1 North	0.5	780,000	1.9	49,000	660,000	1.9	41,000
	1	610,000	2.3	45,000	480,000	2.3	36,000
M3	0.5	170,000	2.0	11,000	260,000	1.4	12,000
	1	130,000	2.3	10,000	180,000	1.7	10,000
Total	**0.5**	**29,570,000**	**1.4**	**1,332,000**	**18,550,000**	**1.4**	**839,000**
	1	**12,450,000**	**2.3**	**940,000**	**8,680,000**	**2.2**	**614,000**

The Sanbrado Gold Project ore reserves have been updated in this Study to a Probable Ore Reserve of 17Mt at 1.7g/t Au for 894,000 ounces of gold. The Project comprises several open pits, all within 1-2km of the proposed plant site. The proposed plant comprises a conventional SAG milling circuit, gravity and carbon in leach processing with a throughput capacity of 2Mtpa. The Project has an initial mine life of 8.75 years.

The mine plan is based on an accelerated mining schedule in Years 1 and 2, followed by a constant rate in Years 3 to 5. Mining is completed in Year 5 and the project remains a process only operation from Year 6 to 9. Importantly, the mine plan excludes the significant Inferred Resources that occur within and adjacent to the reserve pit shells. M1 South represents a high margin but very high strip ratio open pit (35.6:1). Consequently, it is likely to be more cost effective to start with a smaller open pit followed by underground mining. Underground optimisation work has commenced and is scheduled to be reported by Q3-2017.

Mining and processing of the high grade M1 South Probable Ore Reserve is prioritised, generating significant early cashflow.

The estimated operating costs for the project highlight that the project will be a conventional, low cost and high margin operation with LOM All in Sustaining Costs (AISC) of US$759/oz. This is a result of the significant proportion of oxide and transition material in the mine schedule and the free milling nature of all ore types (average LOM recovery of 90.7%), low reagent consumption and a high component of gravity recoverable gold.

Mintrex has built up the capital cost estimate to provide current costs to assess the economics of the project and to provide the initial control of capital expenditure. All amounts in this report are in US$ unless otherwise stated. The estimated project capital cost is $131 million, inclusive of $12.0 million of contingencies.

At the base case gold price of US$1,200/oz and using a 5% discount rate, the project generates a pre-tax NPV of US$143M, an IRR of 27% with a payback period of 2.1 years and a post-tax NPV of US$100M, an IRR of 21% with a payback period of 2.3 years following commissioning.

The Company is well-funded to carry out future work programs aimed at reducing mining costs early in the mine schedule and adding further high grade ounces from M1 South for processing in years 4 and 5 through the conversion of existing Inferred Resources. The work program for 2017 includes:

- Completion of an underground optimisation study focussing primarily on M1 South which will reduce current mining costs and determine an optimal transition between open pit and underground mining.
- Further infill drilling on 25m by 25m centres converting existing Inferred Resources within and beneath reserve pit-shells at M1 and M5.
- Diamond drilling targeting ‘open at depth’ extensions and high grade shoots at M1 and M5.
- Optimisation studies have commenced and will investigate the potential to increase throughput of harder material later in the mine schedule.
- Future metallurgical test work programs will investigate the potential to improve recoveries through modifications to the proposed study flowsheet and increase annual throughput in later years.

2. STUDY TEAM

The open pit CIL Feasibility Study commenced soon after the discovery of high-grade gold mineralisation at M1 in March 2016, and has been managed independently by Mintrex Engineering working with the following key consultants:

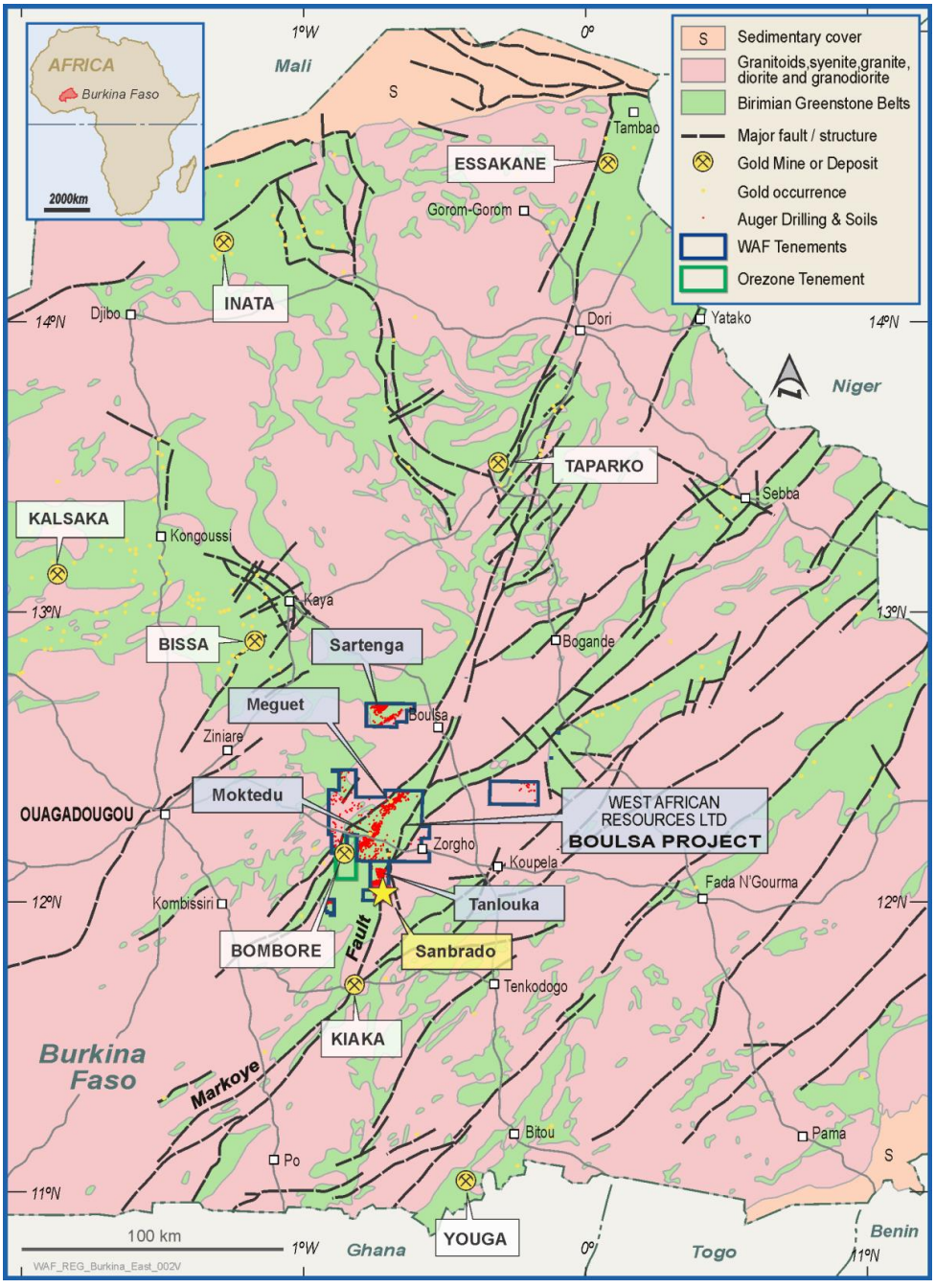
- Mintrex - Study Management, Process Plant & Infrastructure Design, Metallurgical Overview
- Aurifex and ALS Ammtec - Metallurgical Test Work
- OMC - Comminution Modelling
- Knight Piésold – Hydrology & Hydrogeology
- Knight Piésold & Ingrid - Environmental Permitting
- Knight Piésold & Ingrid- Flora Surveys
- Knight Piésold - Waste Rock Classification
- Peter O'Bryan & Associates - Geotechnical Assessment
- Knight Piésold - Tailings Storage Design
- Sahara Geoservices – Surface Surveys
- International Resource Solutions - Resource Estimation

- SCME – Mine Planning and Optimisation, Ore Reserve Statement

3. GEOLOGY AND MINERALISATION

In common with most of the other gold deposits in the region, the Sanbrado deposit is associated with the Lower Proterozoic system of the Birimian (2.17-2.18 billion years) comprising metavolcanic (arc) and metasedimentary (basin) rocks. The Birimian System has been intruded by two distinctive granitoid types. The larger basin-type granitoids (Eburnean Events) can be subdivided into the initial Eburnean event corresponding to a major phase of crustal thickening as a result of shortening, folding and granitoid emplacement, followed by regional-scale north to northeast trending transcurrent faulting. Large scale fluid migration along these major, deep-seated structures is inherent to most orogenies. Hydrothermal gold-bearing fluids follow secondary and tertiary fault systems, adjacent to the main fault at shallower crustal levels.

Figure 2
Regional Geology, Eastern Burkina Faso



The structural environment can be described as brittle-ductile, coincident with a greenschist-amphibolite facies. Gold mineralisation at the Mankarga deposits is associated with sheared and boudinaged quartz vein and veinlet arrays, silica, sulphide and carbonate-albite, tourmaline-biotite alteration. High grade mineralisation is evident along the fold hinges and is marked by an intense silica-albite alteration assemblage. Gold is free and is mainly associated with minor pyrite, asenopyrite and pyrrhotite disseminations and stringers that are foliation controlled. The mineralised structures occasionally display syn- to post mineralisation displacements, due to plunging fold noses and minor late faulting.

Known mineralisation at M1 extends along strike for approximately 1km, is up to 50m wide and 300m in depth. The M5 mineralisation extends along strike for approximately 3km, is up to 100m wide and 300m in depth. The M3 mineralisation extends along strike for 750m, is up to 50m wide and 75m in depth. Mineralisation at all deposits remains open at depth.

4. MINERAL RESOURCE

A summary of the material information used to estimate the mineral resource is presented in accordance with JORC and disclosed in accordance with NI 43-101 requirements. A more detailed description is contained in Appendix 1. The NI 43-101 Technical Report in support of the updated mineral resource estimates for the Sanbrado Gold Project will be published on WAF's website and SEDAR www.sedar.com within 45 days of this news release.

Drilling Techniques

The area of the Mankarga 5 resource was drilled using Reverse Circulation (RC), Aircore (AC) and Diamond core (DC) drillholes on a nominal 50m x 25m grid spacing with infill to 25m x 25m in the far south portion. A total of 675 AC holes (22,088.4m), 40 DC holes (7,480m) and 31 RC drillholes (3,514.7m) were drilled by WAF between 2013 and 2016 (as at 11 December 2016). A total of 60 RC holes (7,296.2m) and 71 DC holes (15,439.6m) were drilled by Channel Resources Ltd (CHU) between 2010 and 2012. Holes were angled towards 120° or 300° magnetic at declinations of between -50° and -60°, to optimally intersect the mineralised zones.

The area of the Mankarga 1 resource was drilled using RC, AC and DC drillholes on a nominal 25m x 20m grid spacing. A total of 360 AC holes (6,950.2m), 53 DC holes (11,440.7m) and 148 RC holes (15,319.6m) were drilled by WAF in 2015-2016. A total of 23 RC holes (3,060.0m) and 7 DC holes (1,199.0m) were drilled by CHU between 2010 and 2012. Holes were angled towards 020°, 045°, 180°or 225° magnetic at declinations of between -50° and -60°, to optimally intersect the mineralised zones.

The area of the Mankarga 3 resource was drilled using RC, AC and DD drillholes on a nominal 20m x 20m grid spacing. A total of 269 AC holes (9,007.8m), 4 DC holes (384m) and 9 RC holes (962m) were drilled by WAF in 2015-2016. Holes were angled towards 090° or 225° magnetic at declinations of -50°, to optimally intersect the mineralised zones.

Sampling and Sub-Sampling Techniques

RC samples were split and sampled at 1m and 2m intervals respectively. AC samples were split and sampled at 1m intervals using a three-tier riffle splitter. Diamond core is a combination of HQ, NQ2 and NQ3 sizes. All diamond core was logged for lithological, alteration, geotechnical, density and structural attributes. QAQC procedures were completed as per industry standard practices.

Sample Analysis Method

Historic and recent RC and DC samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis for gold by 50g standard fire assay method (FA) followed by an atomic absorption spectrometry (AAS) finish.

Estimation Methodology

M5

Multiple Indicator Kriging (MIK) with change of support was selected as the most appropriate method for estimating Au for the M5 deposit. A block size of 10mE x 25mN x 10mRL was selected as an appropriate block size for estimation based on the drill spacing (majority 50m strike spacing), geometry of mineralisation and the likely potential future selective mining unit or SMU (i.e. appropriate for potential open pit mining). An SMU dimension of 5mE x 12.5mN x 5mRL was selected as appropriate for support correction investigation. An indirect lognormal support correction was applied to emulate mining selectivity for the above SMU dimension. A number of minor zones of interpreted mineralisation exist where MIK is not an appropriate method given the data spacing and small datasets. These areas have been estimated by Ordinary Kriging (OK).

M1 North and South

MIK with change of support was selected as the most appropriate method for estimating Au for the M1 deposits. High grade domains were estimated separately using OK. An MIK, block size of 10mE x 25mN x 10mRL was selected. An SMU dimension of 5mE x 12.5mN x 5mRL was selected as appropriate for support correction investigation. An indirect lognormal support correction was applied to emulate mining selectivity for the above SMU dimension. For the high grade domains estimated via OK, a parent cell dimension of 5mE x 5mN x 5mRL was selected.

M3

OK was selected as the most appropriate method for estimating Au for the M3 deposit. A block size of 5mE x 5mN x 5mRL was selected as an appropriate block size for estimation.

Classification

Resource classification was based on geological confidence and a spatial review of estimation result parameters which reflected the quality of the estimate for each block. Areas that had high confidence estimate values, had sufficient drilling density (<50m spaced drilling) or were proximal to 50m by 25m (or closer) spaced drill lines were classified as Indicated Resources. The remainder was classified as Inferred.

Application of Top Cuts

The impact of higher grade gold outliers was examined on composite data using log probability plots and cumulative statistics. This is particularly relevant in the case of the high-grade domains at M1 South where extreme grade values exist and OK has been selected as the grade estimation method. Composites affected by top cuts were reviewed in three dimensions to validate their location and relevance relative to the entire population. A range of different top cut values was considered and their effect on the composite statistics evaluated. The results of this analysis are summarised in Table 2. Ultimately, a capping value of 200g/t Au was selected for the high grade domains at M1 South.

Table 2

Composite Top Cut Statistics
M1 South High Grade Domains

Count	Min	Max	Mean	Std. Dev.	Variance	CV	Number of Samples Cut	% Reduction Mean Grade
113	6.37	553.87	44.86	76.59	5,866.31	1.71	-	-
		250	40.64	56.31	3,171.32	1.39	4	9%
		200	38.59	49.09	2,409.91	1.27	5	14%
		150	35.64	40.04	1,603.06	1.12	8	21%
		100	31.69	29.65	879.31	0.94	10	29%

Reporting Cutoff Grades

The resource is reported at lower cut off grades of 0.5g/t Au and 1.0g/t Au which were considered reasonable and reflect that the final cut off determination will be dependent on the scale of any potential future operation and the prevailing gold price.

Mining and Metallurgical Methods and Parameters and Other Material Modifying Factors

The proposed development scenario for the deposit is as an open cut (pit) mine. No mining dilution has been applied to the reported estimate. Metallurgical test work is outlined in more detail below, however the testwork to date has shown the ore to be free-milling (non-refractory) presenting moderate gravity gold content and providing high leach extractions, low cyanide consumption and low to moderate quicklime demands using conventional cyanide leaching techniques.

Assessment of Reasonable Prospects of Economic Extraction (NI43-101)

To assess reasonable prospects of economic extraction for mineralisation that potentially could be extracted by open pit mining methods, the resources have been constrained within a conceptual Whittle pit shell for each of the Sanbrado Gold Project deposits.

Key parameters include the continuity of gold mineralisation within an envelope that uses a lower assay cut off grade of 0.3g/t Au to constrain mineralisation. Conventional open pit mining methods are assumed. The conceptual open pit shells are based the following input parameters:

- Gold price: US$1650/oz
- Lower cut off grades of 0.3g/t Au for oxide mineralisation and 0.4g/t Au for fresh rock
- Metallurgical recovery of 95% for oxide and transitional material, and 90% for fresh rock
- Mining costs: $1.50/t oxide; $1.90/t transitional; $2.50/t fresh
- Process costs: $9.00/t for oxide; $12.00/t for transitional and fresh
- Pit slope angles of 45° for oxide and 50° for transitional and fresh
- Conceptual annual production rate of 2.5Mtpa

Comparison with Previous Estimate

Resource estimates have been updated for all deposits. Tables 3 and 4 shows the 2016 and 2017 Mineral Resources tabulated using the same cut off grades. Both the August 2016 and February 2017 resource estimates were constrained within conceptual Whittle pit shells. Key differences between the two estimates include re-classification of Inferred to Indicated at all deposits due to infill drilling, refinement and extension of high grade domains and a subsequent material increase in average grades at M1S and better definition of the mineralised envelopes and a subsequent reduction in overall tonnes within the optimised pit at M3.

Table 3

Sanbrado Gold Project
August 2016 Resource

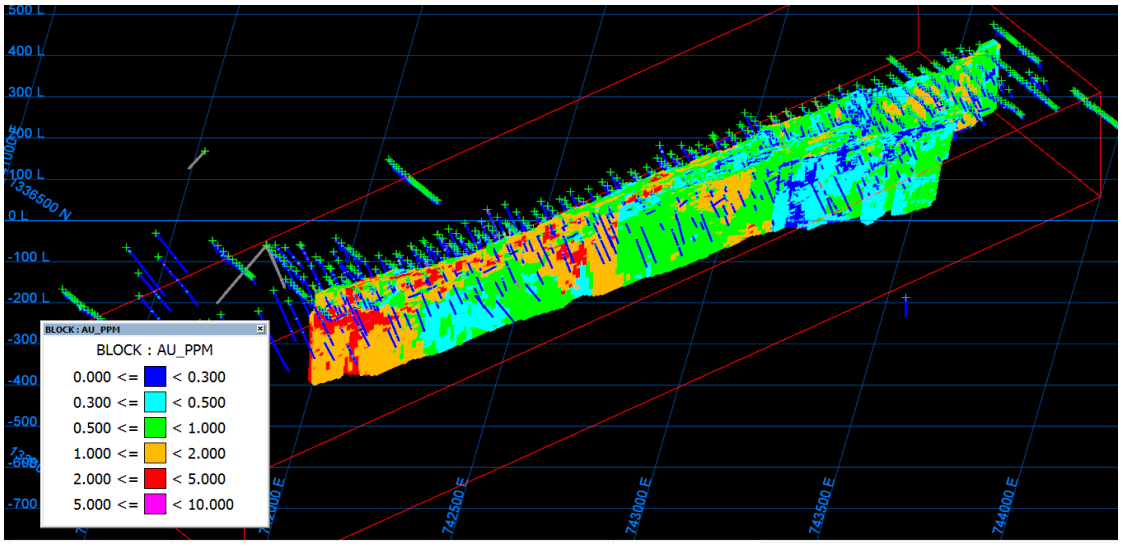
	Cutoff (Au g/t)	Indicated Resource			Inferred Resource		
		Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
M5	0.5	22,400,000	1.2	842,000	24,100,000	1.1	877,000
	1	9,000,000	1.9	540,000	9,300,000	1.8	546,000
M1 South	0.5	510,000	6.2	101,000	700,000	4	90,000
	1	290,000	10.3	96,000	410,000	6.4	83,000
M1 North	0.5	630,000	2.0	40,000	770,000	1.9	47,000
	1	500,000	2.3	36,000	570,000	2.3	42,000
M3	0.5	-	-	-	540,000	1.6	29,000
	1	-	-	-	440,000	1.8	26,000
Total	**0.5**	**23,530,000**	**1.3**	**980,000**	**26,110,000**	**1.2**	**1,043,000**
	1	**9,790,000**	**2.1**	**670,000**	**10,720,000**	**2**	**695,000**

Table 4

Sanbrado Gold Project
February 2017 Resource

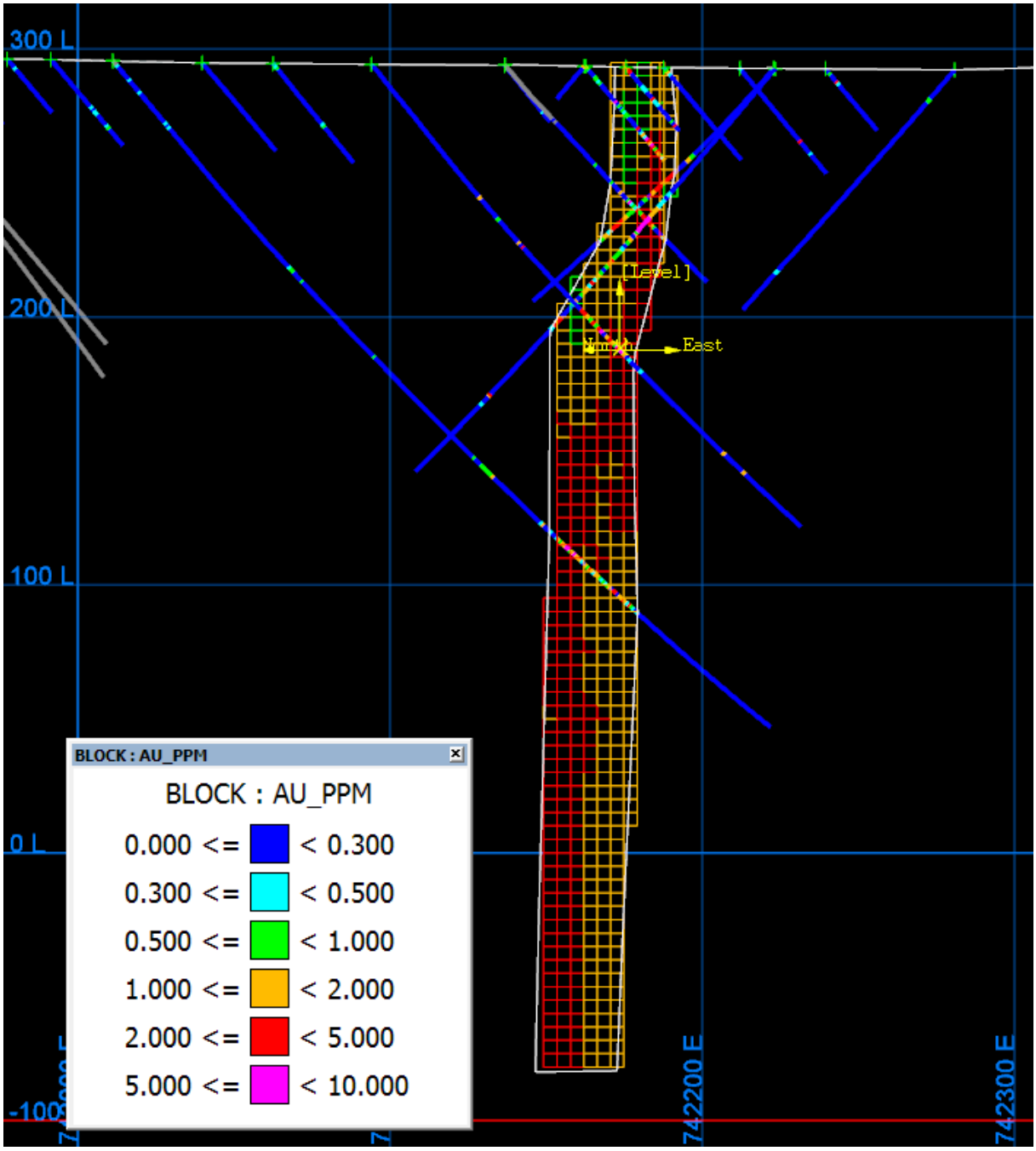
	Cutoff (Au g/t)	Indicated Resource			Inferred Resource		
		Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
M5	0.5	27,660,000	1.2	1,049,000	17,360,000	1.3	712,000
	1	11,100,000	1.9	670,000	7,810,000	2.0	495,000
M1 South	0.5	960,000	7.2	224,000	270,000	8.6	74,000
	1	610,000	11.0	215,000	210,000	10.8	73,000
M1 North	0.5	780,000	1.9	49,000	660,000	1.9	41,000
	1	610,000	2.3	45,000	480,000	2.3	36,000
M3	0.5	170,000	2.0	11,000	260,000	1.4	12,000
	1	130,000	2.3	10,000	180,000	1.7	10,000
Total	**0.5**	**29,570,000**	**1.4**	**1,332,000**	**18,550,000**	**1.4**	**839,000**
	1	**12,453,737**	**2.3**	**940,000**	**8,680,000**	**2.2**	**614,000**

Figure 3
M5 Resource Model (isometric southeast view)



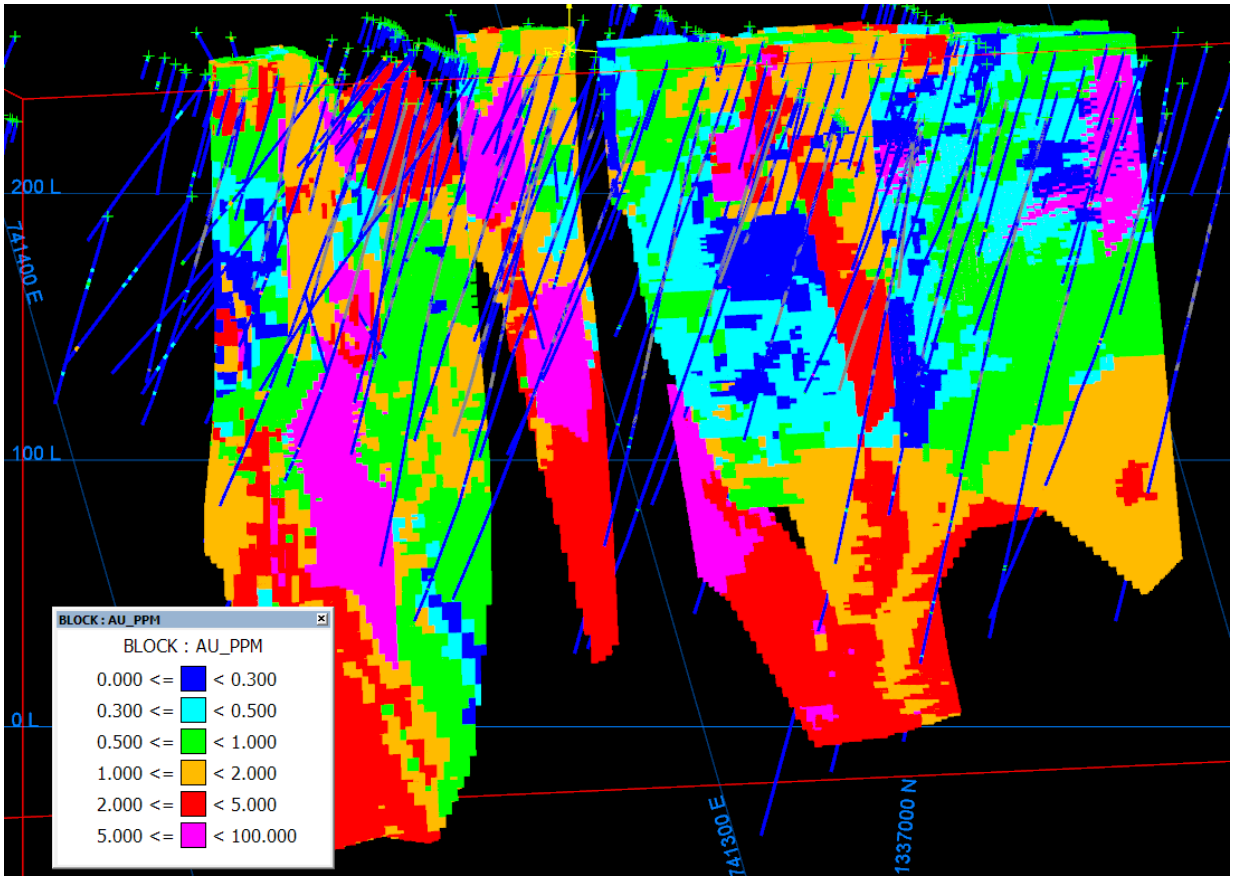
Block model contoured by gold grade

Figure 4
M5 Block Model Cross-Section - Section 800SW



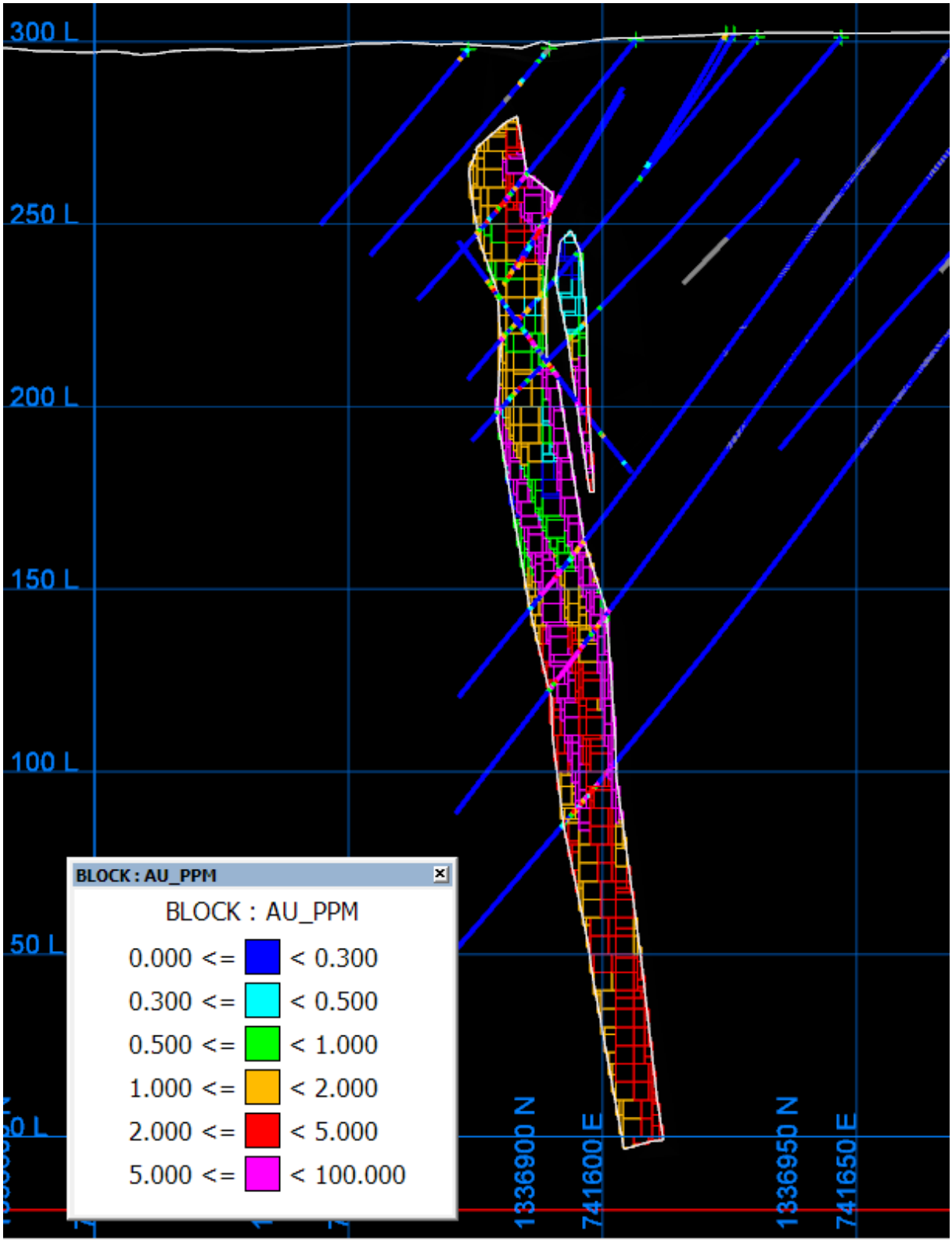
Block model contoured by gold grade

Figure 5
M1 South Resource Model (isometric northeast view)



Block model contoured by gold grade

Figure 6
M1 South Block Model Cross-Section - Section 0425SE



Block model contoured by gold grade

5. GEOTECHNICAL AND HYDROLOGY

Open pit geotechnical assessment was based on an inspection of the Sanbrado site and the analysis of data generated from exploration and metallurgical cores in addition to a number of specific geotechnical investigation DC holes. The assessment of open pit wall stability was based on the following:

- Consideration of the general geological conditions,
- Structural geological assessment,
- Kinematic stability analysis,
- Limit equilibrium and finite element analysis of expected pit wall conditions; and
- Experienced based assessment of expected wall conditions.

The recommended slope designs for the M1 and M5 pits are summarised in Tables 5 and 6 below.

Table 5
Recommended Slope Design for the M5 Pit

Wall	Level	Wall Design Parameters	
Eastern Wall	Surface to Base of Strong Oxidation	Face Height 10m Face Angle 55° Berm Width 5m	Inter-ramp slope angle 39.8°
	Top of Moderate Oxidation to Base of Oxidation	Face Height 20m Face Angle 60° Berm Width 7m	Inter-ramp slope angle 47.2°
	Below Base of Oxidation	Face Height 20m Face Angle 65° Berm Width 7m	Inter-ramp slope angle 50.8°
Western and End Walls	Surface to Base of Strong Oxidation	Face Height 10m Face Angle 55° Berm Width 5m	Inter-ramp slope angle 39.8°
	Top of Moderate Oxidation to Base of Oxidation	Face Height 20m Face Angle 60° Berm Width 7m	Inter-ramp slope angle 47.2°
	Below Base of Oxidation	Face Height 20m Face Angle 70° Berm Width 7m	Inter-ramp slope angle 54.5°

The oxide slope parameters for M5 have been applied to the M3 pits, which are small, shallow and predominantly oxide pits.

Table 6
Recommended Slope Design for the M1 Pit

Wall	Level	Wall Design Parameters		
Eastern Wall	Surface to Base of Strong Oxidation	Face Height Face Angle Berm Width	10m 55° 5m	Inter-ramp slope angle 39.8°
	Top of Moderate Oxidation to Base of Oxidation	Face Height Face Angle Berm Width	20m 60° 7m	Inter-ramp slope angle 47.2°
	Below Base of Oxidation	Face Height Face Angle Berm Width	20m 65° 7m	Inter-ramp slope angle 50.8°
Western and End Walls	Surface to Base of Strong Oxidation	Face Height Face Angle Berm Width	10m 55° 5m	Inter-ramp slope angle 39.8°
	Top of Moderate Oxidation to Base of Oxidation	Face Height Face Angle Berm Width	20m 60° 7m	Inter-ramp slope angle 47.2°
	Below Base of Oxidation	Face Height Face Angle Berm Width	20m 70° 7m	Inter-ramp slope angle 54.5°

Hydrology

Water Management Model

A water balance model was developed for the Project, which is located in a dry climate where average yearly evaporation significantly exceeds rainfall. A water harvesting and storage system is required to meet the overall water deficit.

Primary water supply will be abstracted from the River Gibgo over a four month period during the wet season. This water will be stored on site in a Water Storage Facility (WSF) with a capacity of approximately 1.5Mm^3.

Water Balance Model

The primary objectives of the water balance model are to:

- Determine the water supply requirements for the Plant Site,
- Establish the filling rate for tailings solids and pond volumes within the tailings storage facility (TSF),
- Determine staged embankment crest elevations, to ensure containment of tailings (and design pond volumes),
- Determine the likelihood of water excess or shortfalls during average conditions and design wet and dry rainfall sequences; and
- Assess risk factors for water balance modelling.

The site water balance assumes:

- The decant and underdrainage from the TSF will be returned to the Plant Site,
- The River Gibgo has sufficient flow for a period of 4 months to meet the water demand for the site,
- The tailings percent solids are from 45% to 55%, and
- The percent water release in the tailings are between 20% (initial) and 30% (long term).

Table 7
Water Balance Summary of First Years of Operation

	Tailings 45% Solids and 30% Water Release	Tailings 55% Solids and 20% Water Release
Mass of water for 1t of dry tailings	1.22t	0.82t
Mass of water in 2Mt of dry tailings	- 2,440,000t	- 1,640,000t
Water in ore, 5%	+100,000t	+100,000t
Water released	+730,000m³	+330,000m³
TSF precipitation minus evaporation	+170,000m³	+170,000m³
Sum (deficit of water)	- 1,440,000m³	- 1,040,000m³
Water deficit per tonne of tailings	0.72m³	0.52m³

River Gibgo Water Abstraction

Process water will be sourced from the River Gibgo, which flows in a north to south direction approximately 6km east of the site.

The river is ephemeral and flows are expected to be suitable for harvesting over 4 months of the year during the wet season. A low height dam will be constructed across the river and water will be abstracted from this dam during the months of peak river flow. The dam will have a storage capacity of approximately 200,000m³ and will provide the required 1.5Mm³pa of water pumping continuously at 140L/s directly to the WSF.

Water Storage Facility

The WSF is the main storage pond for raw process water on site, and is designed to store up to 1,500,000m³ of water at the maximum operating level.

The design of the water dam comprises a zoned earth embankment with a 1.5mm smooth HDPE liner installed over the compacted soil sub-grade for the full WSF basin and upstream embankment area.

An abstraction tower system is included to facilitate recovery of raw water directly to the process plant.

Potable Water

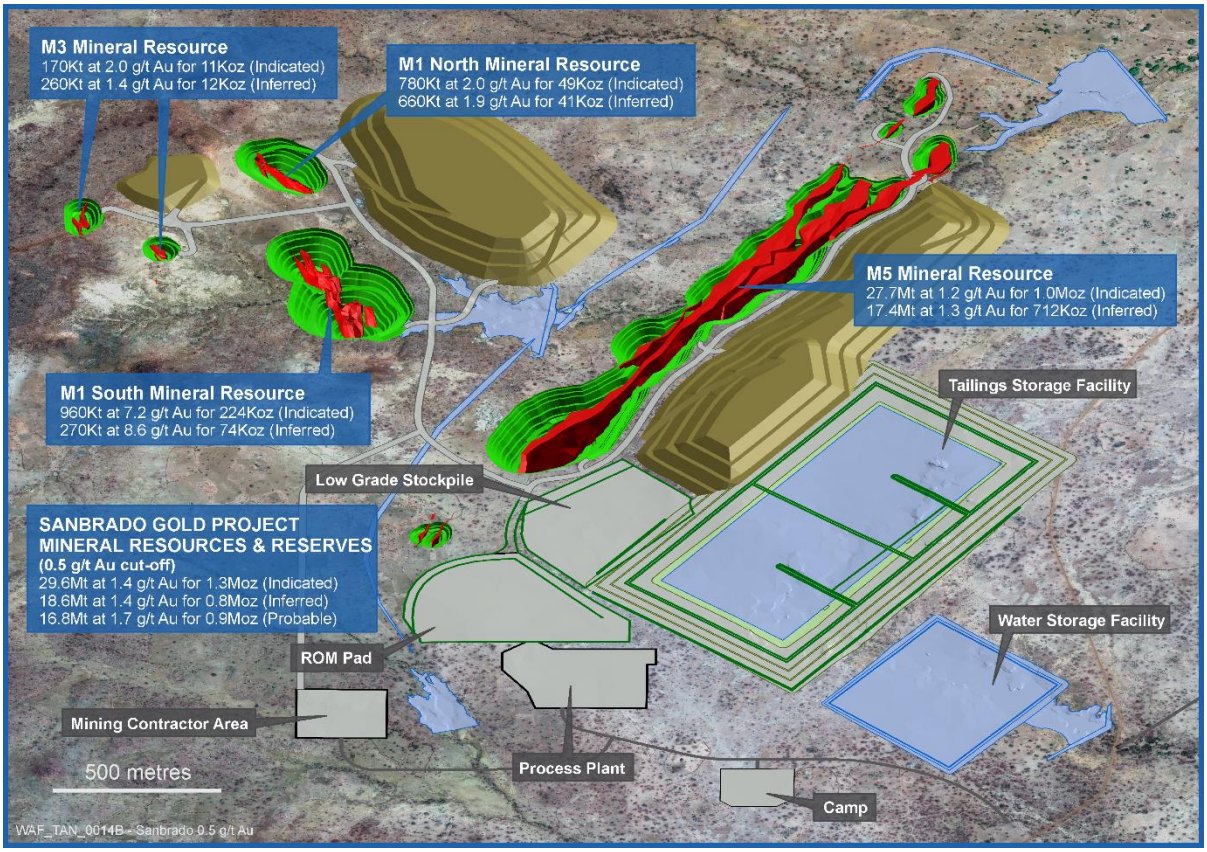
Potable water will be sourced independently from groundwater bores located around the mine site.

The total daily potable water consumption for the camp, elution room, intensive leach reactor and safety showers is estimated at 170m³.

6. MINING AND RESERVES

The Sanbrado Gold Project will mine three deposits; M5, M1 and M3. The layout of the project is shown below (Figure 7).

Figure 7
Sanbrado Gold Project Layout



The majority of the defined Mineral Resources at the Project are within 200m of the surface and of lode style mineralisation. The material to be excavated will be predominantly free dig from surface with blasting required deeper in the oxidation profile. Given these conditions, conventional open pit mining techniques using drill and blast with material movement by hydraulic excavator and trucks will be employed. The project scale suits 120t to 200t class excavators in a backhoe configuration matched to 95t class mine haul trucks.

Potential exists for some of the higher grade Mineral Resources, particularly at the M1 deposit, to be more profitably exploited by underground mining methods. The underground potential and optimisation of the open pit – underground interface will be explored in the optimisation study which has commenced.

Mining will be undertaken by an experienced contractor with WAF retaining responsibility for technical services comprising of mine planning, production scheduling, grade control, surveying, supervision and management of contract mining operations.

Pit Optimisation and Design

The recently updated Mineral Resources Estimates for the M5, M1 and M3 deposits were used as the basis for the feasibility mining study. Only mineral resources classified as Indicated were considered in the study.

Pit optimisations were carried out using industry standard methods and Whittle 4x Software. The results of the open pit optimisations were put in context of sensitivities, risks, contained ounces, mine life and total project size. Pit shells were chosen to balance mine life and project value and, as such, the shells producing the greatest cash-flow were chosen as the basis for pit designs.

Final pit designs were prepared for each deposit to enable practical and efficient access to each bench. The designs were based on the selected optimised shells and geotechnical design criteria. Table 8 provides the final designs reconciled with the optimised pit shells.

Table 8

Comparison of Optimised Pit Shells and Pit Designs

	Total (Mt)	Waste (Mt)	Strip Ratio	Processed Ore		
				(Mt)	Au Grade (g/t)	Cont. Au (koz)
Total Shell Inventory	104.1	87.7	5.4	16.4	1.7	897
Total Design Reserve	101.0	84.2	5.0	16.8	1.7	894
Variance	-2.9%	-4.0%		2.9%	-3.1%	-0.4%

M5 pit is 2km long with an average width of 300m and depth of 170m at the southern end. The pit has been designed so the southern higher grade portion can be mined independently of the northern portion of the pit. Both the northern and southern pit will be mined in two stages (an initial starter pit and then a cutback to final limits) in order to target higher grade earlier in the schedule and defer waste movement until later in the mine life.

The M1 deposit will be mined in two pits, a North and a South pit. The M1 South pit is approximately 540m long, 360m wide and 180m deep. The M1 North pit is 350m long by 240m wide and 90m deep.

The M3 deposit has two small, predominately oxide pits less than 40m deep.

The final pit inventories are shown in Table 9 below.

Table 9

Pit Inventories

	Total (Mt)	Waste (Mt)	Strip Ratio	Processed Ore		
				(Mt)[1]	Au Grade (g/t)	Cont. Au (koz)[1]
M5	64.1	48.7	3.2	15.3	1.3	639
M1Sth	30.3	29.5	35.6	0.8	8.0	212
M1Nth	5.6	5.1	9.9	0.5	2.1	34
M3	1.0	0.9	6.0	0.1	1.8	8
Total	**101.0**	**84.2**	**5.0**	**16.8**	**1.7**	**894**

[1] Difference between the sum of the amounts for each pit and the total is due to rounding

Figure 8
M5 Pit Design showing Initial Pit Stages and Waste Rock Dump

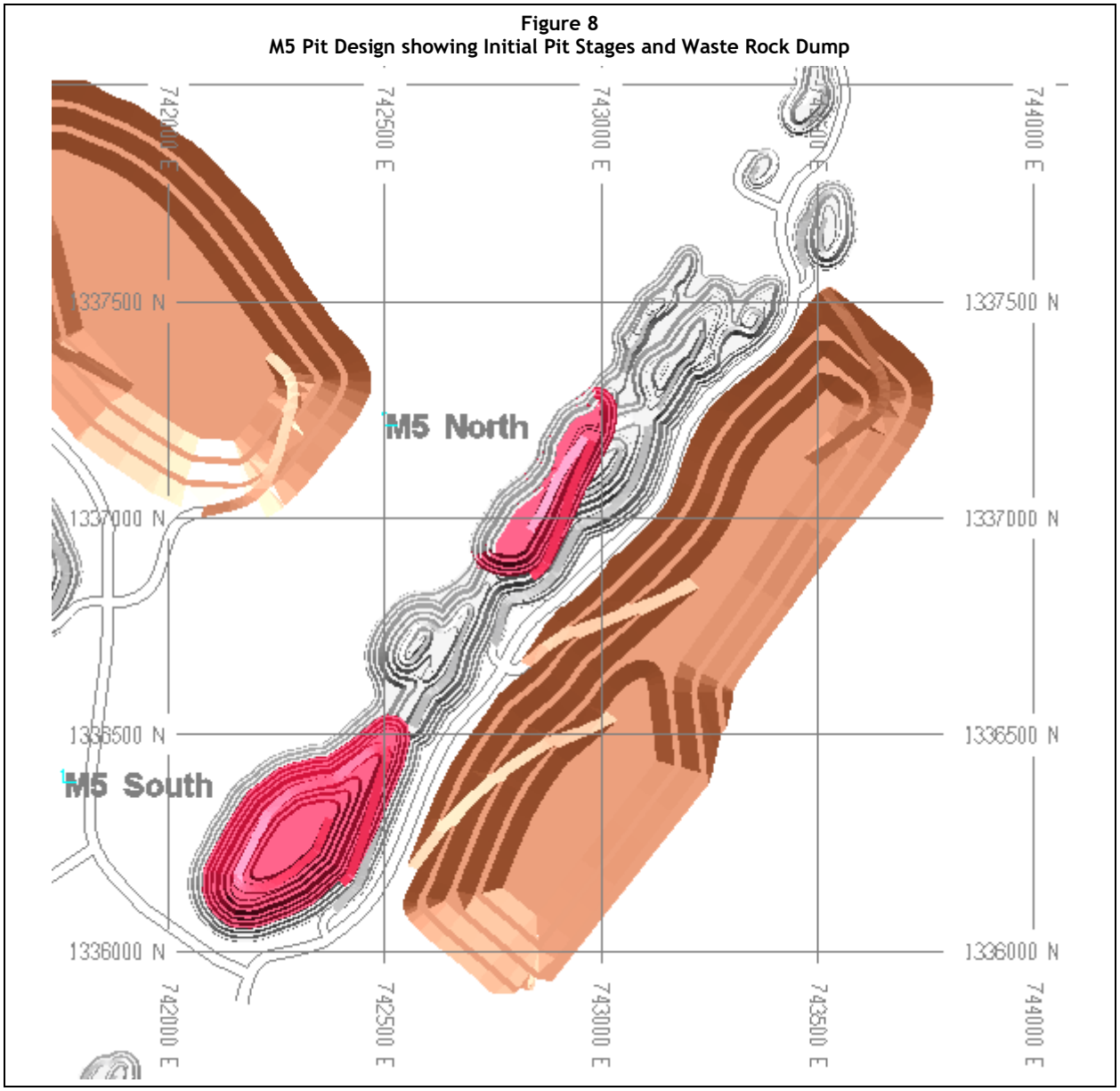
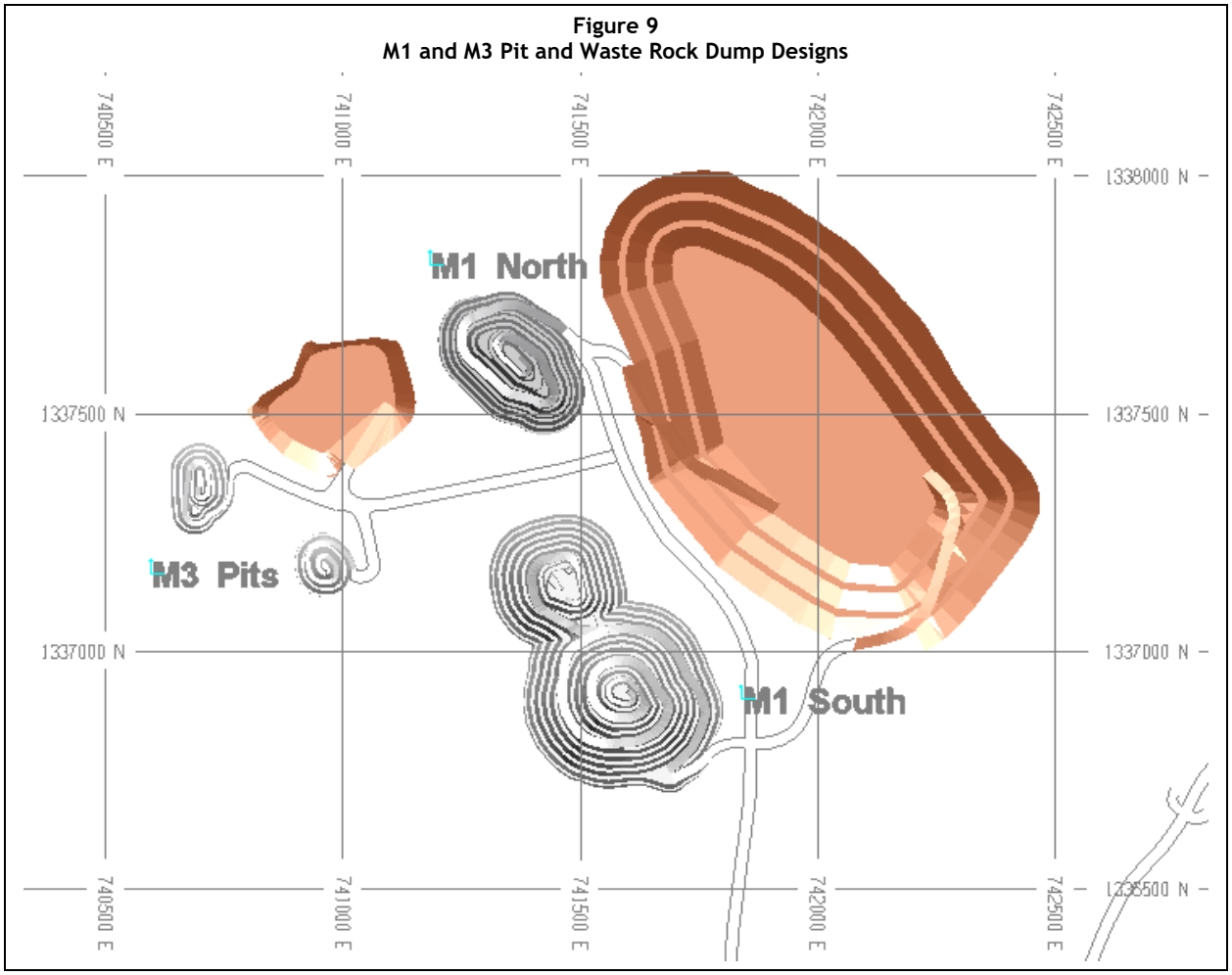


Figure 9
M1 and M3 Pit and Waste Rock Dump Designs



Mine Schedule

The primary aim of the mine schedule is to supply the best value ore to the mill as early as possible in order to maximise the value to the Project. The schedule must also satisfy physical and practical constraints, including a sustainable production profile, achievable vertical advance rates and practical use of low grade stockpiling.

Table 10 shows the mine production and processing schedule.

Table 10
Mining Production and Processing Schedule

Mining			Total	Pre-Prod	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Mining	Total Material	Mt	**101.0**	5.3	30.8	23.6	14.3	14.3	12.7				
	Waste	Mt	**84.2**	4.9	28.1	20.9	12.0	10.0	8.1				
	Total Ore	Mt	**16.8**	0.4	2.7	2.7	2.3	4.3	4.5				
		au g/t	**1.7**	1.7	2.0	2.4	2.1	1.2	1.2				
Processing	Total Milled	Mt	**16.8**		2.1	2.0	1.6	1.9	2.0	2.0	2.0	1.9	1.3
	Head Grade	au g/t	**1.7**		2.3	2.9	2.8	1.5	1.1	1.1	1.1	1.1	0.9
	Recov. Au[1]	Koz	**810**		145	167	138	81	64	62	62	56	34

[1] Difference between the sum of the Recov. Au for each year and the total is due to rounding

In order to provide the highest value ore to the process plant in the earlier years of the schedule, the higher grade and higher strip ratio material from the M1 South pit and the southern part of M5 are mined. This results in a total material movement of 31Mt in the first production year and 24Mt in the second reducing to 13Mtpa to 14Mtpa for the remainder of the mine life. The nominated mining fleet of 1 x 250 tonne class excavator and 3 x 120 tonne class excavators and matching truck fleet (95t class) has sufficient capacity for these production rates. The fleet will be reduced in size from year 3 onwards.

Rather than reducing the mining rate to match the milling rate from year 4 onwards, the pits will be mined at a constant rate and excess ore will be stockpiled. This will minimise the fixed mining costs over the life of the project.

Ore Reserves

The Ore Reserve estimates are based on the updated Mineral Resource Models estimated and reported by Independent Resource Solutions Pty Ltd as part of this Feasibility study. The Ore Reserves are based on Indicated Mineral Resources and as such are Probable Ore Reserves.

The cut-off grades used in the estimation of the Ore Reserves is the non-mining, break-even gold grade taking into account the following modifying factors mining recovery and dilution, metallurgical recovery, site operating costs, royalties and revenues. These factors have all been estimated at a definitive feasibility level. For reporting of Ore Reserves the calculated cut-off grades were rounded to the first decimal gram per tonne of gold are 0.4g/t for oxide; 0.6g/t for transitional; and 0.7g/t for fresh ore.The grades and contained metal stated in the Ore Reserves Estimate include mining recovery and dilution estimates. The Ore Reserve Estimate is reported within the open pit designs prepared as part of this study.

Table 11 provides the summarised ore reserve estimate with an effective date of the 20th February 2017.

Table 11
Sanbrado Gold Project Probable Ore Reserves

Tonnes (Mt)	Gold Grade (Au g/t)	Contained Gold (koz)
16.8	1.7	894

7. METALLURGY AND PROCESS FLOWSHEET DEVELOPMENT

The Sanbrado process development and process plant designs are based on a series of test work programs spanning the period 2012 to 2017 (ongoing) as well as application of a conventional flowsheet suited to free milling non-refractory gold ores.

Test work has evaluated performance of a series of composite and variability samples from the M5 and M1 proposed open cut pits both along strike and down dip. The work has presented the variability in metallurgical performance associated with grind size, leach time, reagent regimes and other design parameters as well as comminution characteristics.

Four major ore types were assessed separately to assess variation in plant performance and operating conditions. These ore types are referred to as Fresh (FRS), Weakly Oxidised (WOX), Moderately Oxidised (MOX) and Strongly Oxidised (SOX). Processing characteristics regarding grind size and reagent conditions for each ore type are similar, and blending of the ores to optimise mining and plant throughput can be undertaken.

Comminution Test Work

Comminution test work was completed utilising diamond core that included a range of rock types and composites. A full suite of comminution work was completed and included JK Parameter determination (SAG milling), conventional Rod and Ball Mill Work Index testing, Levin tests on SOX material, as well as Crushing Work Index, Abrasion Index and UCS testing. Test work data confirms that the ore is very soft in the SOX/MOX zone (Bond Work Indices ranging from 4kWh/t to nominally 8 to 9kWhr/t and A*b of 150). The FRS/WOX zone is medium hard to very hard (Bond Work Index of nominally 22kWhr/t and A*b values of the order of 33). The ore is single stage SAG milling is proposed based on the 90 micron P_{80} grind size applied.

The crushing work index varies between 4.1kWhr/t for SOX/MOX and 10.8kWhr/t for FRS/WOX, and crushing can be accomplished with relatively low energy input. UCS values are also low suggesting breakage by primary jaw crushing will be straightforward.

The Abrasion Index results range from 0.098 to 0.351 signifying that the material is non-abrasive to slightly abrasive.

Gold Extraction and Recovery

The metallurgical test work explored the grind sensitivity of the ore. The 90 micron size was considered the most cost effective based on the economic parameters applied.

Gravity recoveries generally ranged from 15% to 40%. The plant design utilises discounted values specific to each ore ranging from 5% to 15%.

Cyanide sensitivity is generally low. Some samples were found to have a higher sensitivity than others. Nominal cyanide concentration of 300mg/L sodium cyanide resulted in leach extractions being achieved in 24 hours. Increased cyanide concentrations of 500mg/L decaying to 300mg/L gave accelerated leaching in some cases.

Use of oxygen sparging slightly improved initial leaching kinetics and resulted in a slightly higher leach extraction in a 24 hour period. Consequently oxygen sparging has been included in the process design.

The materials tested did not show any preg-robbing tendencies, have low oxygen demands, viscosity characteristics that will not result in pumping or handling issues and presented good carbon adsorption characteristics, suggesting the ores do not generate a lot of competing soluble species in leach.

Thickening test work used high flocculant doses but achieved typical settling characteristics. Follow up work is planned for this unit process however operating costs reflect the data as currently available.

A test work program has been conducted on M1 South high grade mineralisation material which has grades ranging from 95g/t to 180g/t. Of five composites prepared, leach extractions between 94% and 97% were achieved in 24 hours using moderate cyanide concentrations (consumption average 0.48kg/t) post gravity. Gravity recoveries were between 10% and 50%, similar to the lower grade M1 and M5 samples. These tests were not optimised, because data from these scoping tests only became available late January 2017. However, this work suggests the high grade M1 material can be processed via the same facility proposed for the rest of the Sanbrado ores.

Gold losses post leaching are generally due to gold associated with minor sulphide content as determined by diagnostic leaching. It is anticipated that preferential grinding in the full-scale plant will provide improved leach extractions, however such benefit has not been included in the leach extraction estimations.

A set of leach recovery algorithms (including allowance for soluble losses from a CIL circuit) were generated for each of the four ore oxidation states based on the relevant test work results.

The average gold recovery over the current mine life is 90.7%.

8. PROCESS PLANT

The Sanbrado process plant will have a nameplate throughput of 2Mtpa, with an availability of 8,000 hours per annum and a nominal capacity of 250 tonnes per hour (tph).

The plant will be located to the south west of the M5 pit, adjacent to the WSF and TSF. The plant is to be fed from M1 and M5 pits with only some small amounts of material from M3 pit.

The process flow diagrams were developed from the process design criteria prepared by Mintrex. The plant design proposed is simple but robust and broadly comprises the following:

- Primary Jaw Crushing,
- Crushed Ore Stockpile and Reclaim System,
- SAG Mill Grinding and Classification with Pebble Crushing,
- Gravity Recovery,
- Leaching and Adsorption,
- Tails Thickening; and
- Elution and Electrowinning.

Ore will be placed in stockpiles on the ROM pad located to the north of the process plant and will be fed by front end loader using a blending strategy of SOX/MOX and FRS/WOX (first 5 years nominally 50% of each) from the ROM stockpile to the primary crusher to smooth out power demands in the comminution circuit.

The process plant will comprise the following circuits:

- The crushing circuit has a designed throughput of 450tph and availability of 6,000 hours per annum on a 24 hour per day operation,
- Crushed product will report to an open stockpile, which has a total capacity of 15,000 tonnes,
- An apron feeder installed in a reclaim tunnel will reclaim ore and directly feed the milling circuit via the mill feed conveyor. An emergency reclaim feeder will also be installed in the reclaim tunnel to provide feed to the mill when reclaiming dead ore from the stockpile via front end loader,
- The milling circuit is designed for a throughput of 250tph, operating with an availability of 8,000 hours per annum to provide a design grind of 80% passing 90 microns,
- A gravity recovery circuit on cyclone underflow will consist of two centrifugal concentrators and an intensive leach reactor for treatment of the gravity concentrate, treating nominally 50% of the cyclone underflow,
- A conventional CIL circuit will consist of seven adsorption tanks, treating the cyclone overflow,
- Metal recovery and refining will consist of an elution circuit, electrowinning cells and smelting,
- A high rate tailings thickener will be provided for recycle of water that contains cyanide and precious metal values and for generation of a high density slurry to be pumped to the TSF, and
- A TSF will be constructed 1.5km northeast of the process plant for deposition of the process plant tailings.

Figures 10, 11,12 and 13 provide the Project General Arrangement, Plant Site General Arrangement, Simplified Process Flow Diagrams and Isometric General Arrangement.

Figure 10
Overall Project General Arrangement

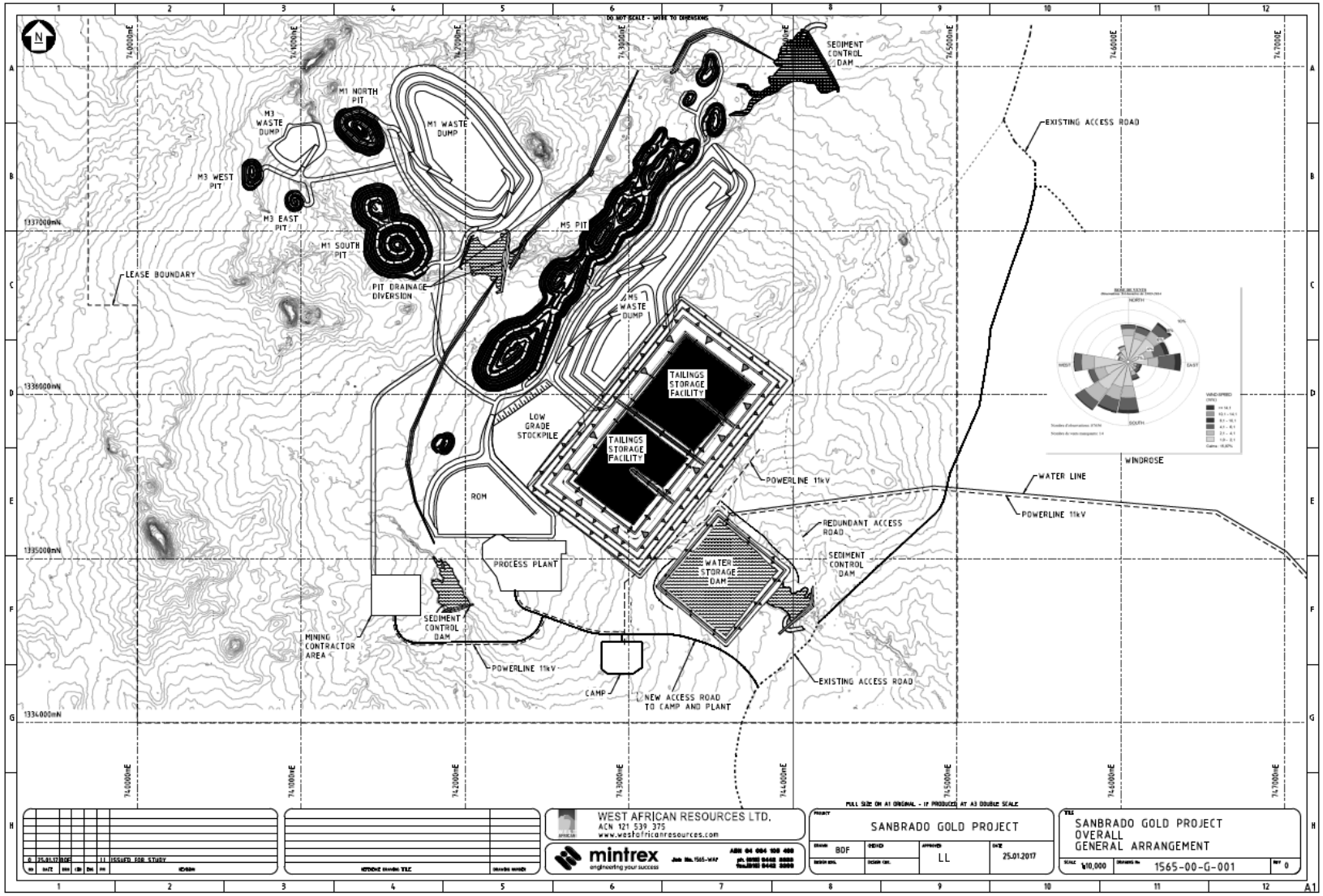


Figure 11
Plant Site General Arrangement

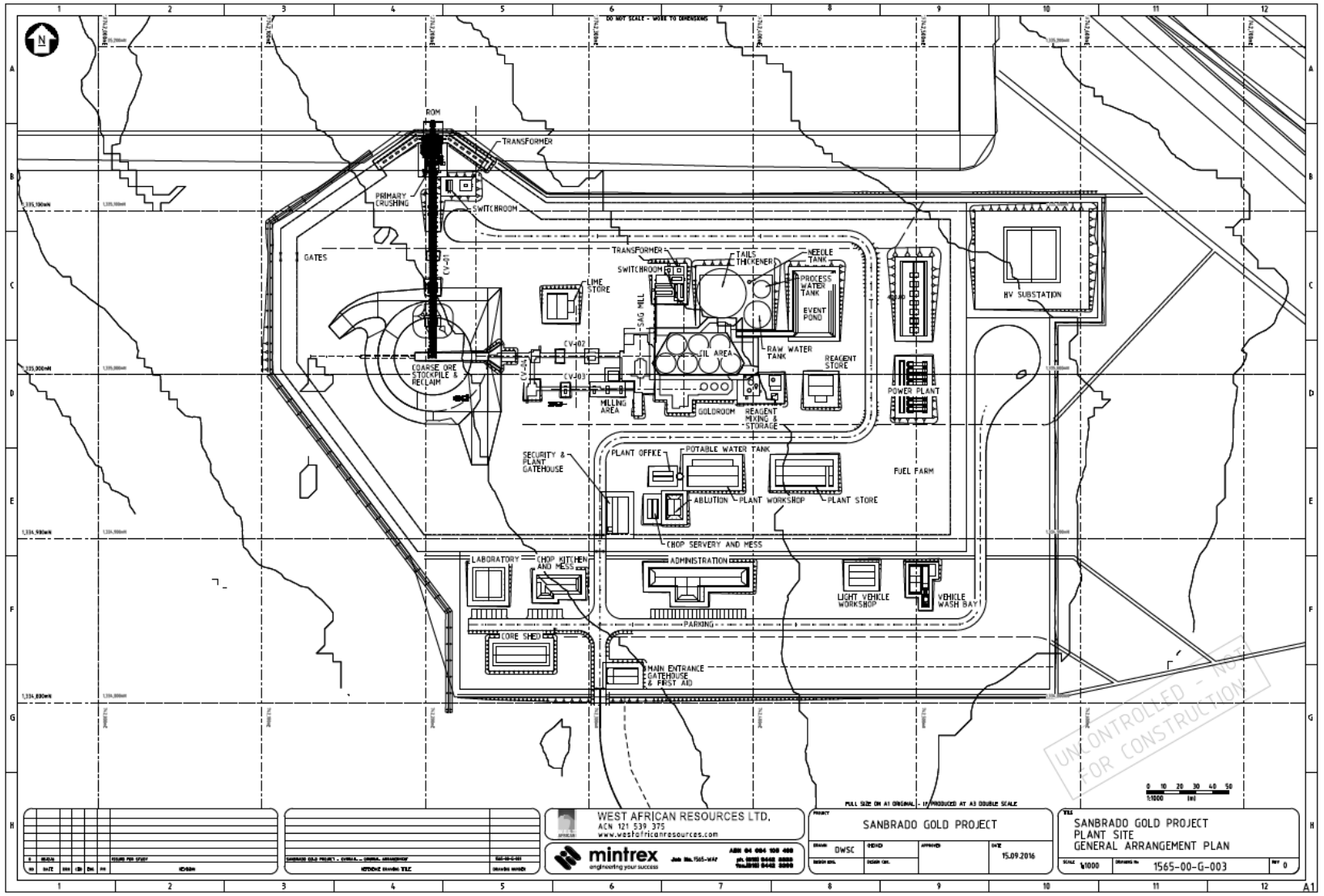


Figure 12
Process Plant General Arrangement - Isometric

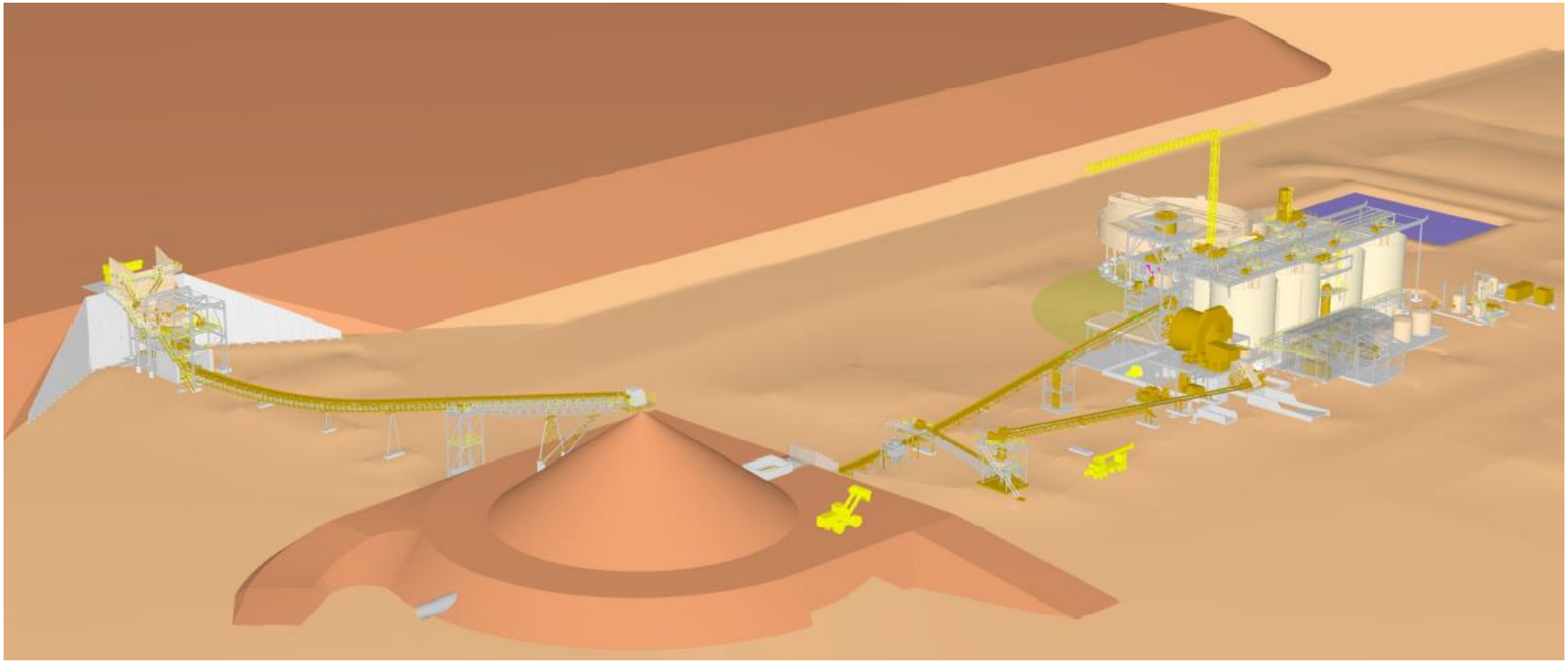
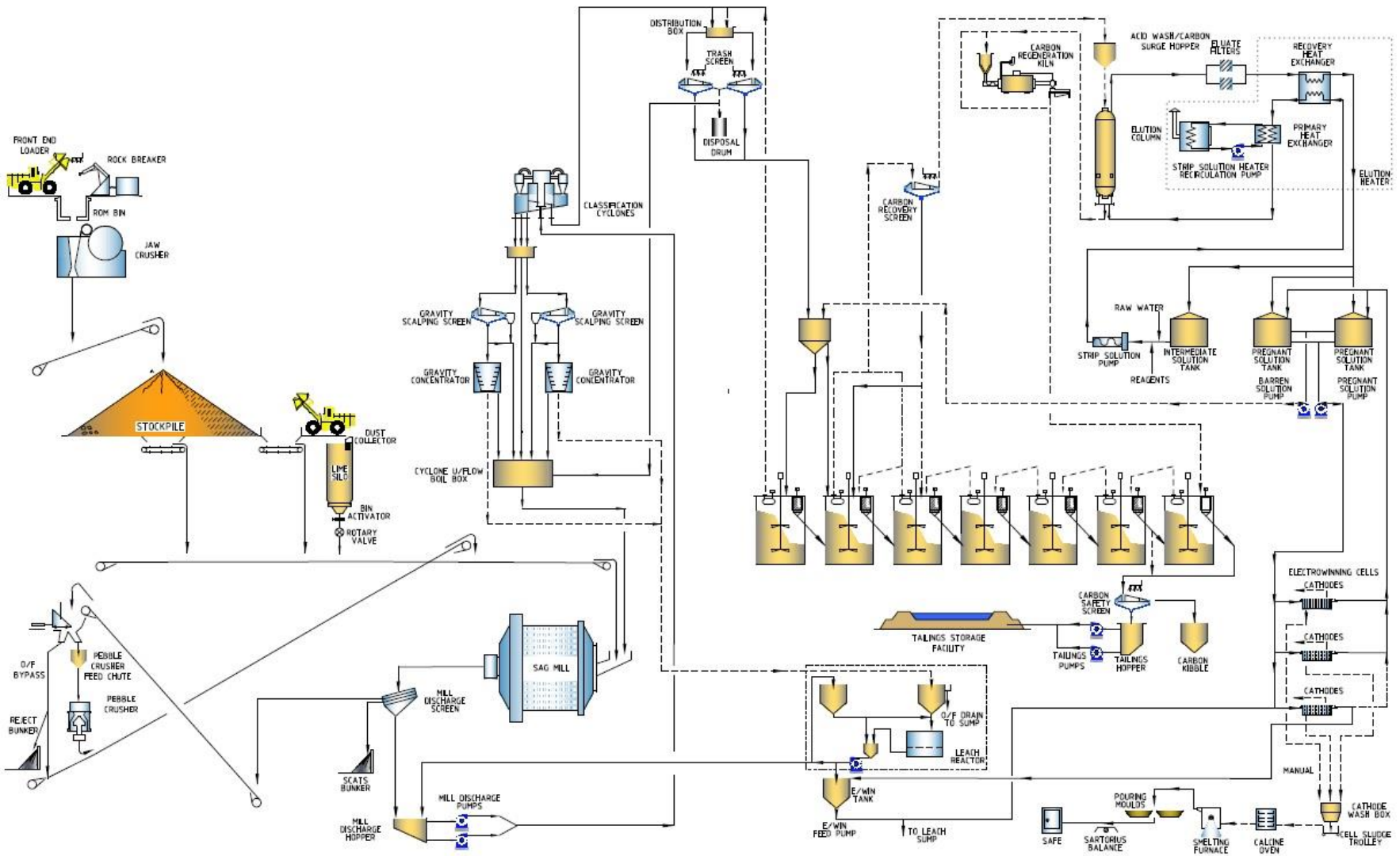


Figure 13
Simplified Process Flow Diagram



9. PROJECT INFRASTRUCTURE

Site Development

The project is located 90km east-southeast of Ouagadougou and is accessed via a sealed highway (RN4) which runs between the capital and Koupela. An existing gravel road intersects the highway near the village of Zempasgo and crosses through the south-eastern corner of the Sanbrado tenement. Two kilometres of the access road require upgrading to install multiple flood crossings and road re-profiling. Beyond the existing access road, new gravel access roads will be constructed to access the accommodation camp, process plant and mining contractor's area.

Accommodation Camp

WAF will construct a fully supported 172 person accommodation camp, located 1.5km southeast of the process plant. The camp will be operated by a catering and accommodation service provider on a long term operating contract. The camp contractor will be responsible for all operations at the accommodation camp including catering, cleaning and maintenance activities.

Power Supply

A heavy fuel oil (HFO) power station will be constructed at the process plant by an independent power provider (IPP) under a build-own-operate (BOO) agreement. The power station will be fitted with three heavy duty HFO generator engines and one standby generator to maintain supply in the event of a shutdown of one of the engines.

11 kilovolt aerial transmission lines will be constructed from the Sanbrado power station to the TSF, WSF, River Gibgo Abstraction Dam, accommodation camp and the mining contractor's area.

The study also investigated the use of grid power. A HV power line supplying hydroelectric generated power Dam to Ouagadougou is located approximately 15km south of the project area. Discussions with the national electricity company Sonabel are on-going.

Tailings Storage Facility

The TSF will comprise a four sided paddock storage facility located 1.5km northeast of the process plant, situated just beyond the 500m blast zone around the M5 pit. The TSF is designed with a storage capacity of 25 million tonnes and comprises two cells, each of approximately 12.5 million tonne capacity.

10. ENVIRONMENT AND SOCIAL

An Environmental and Social Impact Assessment (ESIA) for the Project was prepared during 2015/16 by Burkina Faso based consultants INGRID, and supervised by Knight Piésold, Perth based on the 2015 heap leach mining plan. This ESIA and associated baseline surveys predicted that there will be generally minor impacts on local flora and fauna, air quality and visual amenity associated with the Project. The most significant impacts identified were noise and vibration levels during mine construction and operations, and socio-economic issues associated with the quarantining of approximately 750 hectares of agriculture and pasture lands and the associated need to resettle approximately 220 households and 700 residents. An update from heap leach to CIL processing is underway, and expected to reduce the footprint project, therefore potentially reducing the resettlement requirement.

The key environmental and social risk associated with the Project is water availability. The economy in the area is agriculture and grazing with minor levels of artisanal mining. Water availability for crop production in valleys and grazing in the areas of higher elevation are dependent on seasonal flows and any changes to those flows arising from the development and operation of the mine will need to accommodate the needs of the community.

A mine closure plan will be developed during the mine life, and a set of completion criteria for rehabilitation, which are consistent with overall site closure objectives, will be determined and agreed with the regulator and relevant stakeholders. Through long-term monitoring of the site, the

development of rehabilitated areas will be consistent with the completion criteria. Consultation with stakeholders will continue throughout the life of the Project.

11. OPERATIONS STRATEGY

WAF's overall operations strategy is to mine the project reserves by using bulk tonnage mining methods to feed the processing plant. The plant will utilise conventional gravity recovery and cyanide leaching technology to recover and produce gold doré bars. Mining and processing will be supported by facilities, systems, services and infrastructure that are sufficient in magnitude, fit for purpose and based upon existing models and methods used at other gold operations within West Africa.

The General Manager – Sanbrado Operations (GM) will be responsible for overall site operations and will report to WAF's Managing Director. Most personnel will be sourced locally with a focus on Burkinabe Nationals, with initial key positions filled with experienced expatriate staff. WAF will implement a skill transfer program with the aim of increasing the percentage of Burkinabe employees over time, and reducing the reliance on expatriate staff where possible. Staff will be housed in a purpose-built 172 person mining camp, with other workers housed in nearby towns and villages.

Contract mining operations will operate on a continuous (two 12 hour shift per day basis). Contract mining personnel will be accommodated in the Sanbrado mining camp and nearby villages and towns. It is expected that the mining contractor personnel will operate on the same roster as the processing personnel of 14 work shifts followed by seven rostered days off.

The operations strategy is based on the use of directly employed personnel in full time positions in preference to the use of contractors, except for mining, power supply and catering operations. Operational support functions such as bullion transport, access road maintenance and freight services will be provided by service contractors.

Mining Contract

All mining operations will be carried out by a suitably experienced open pit mining contractor. This contractor will also be responsible for the mining-related construction activities, including ROM pad and haul road construction and maintenance during operations.

ROM stockpile management will be shared by WAF mining and processing departments. The mining department will engage the mining contractor to haul ore to and stockpile ore on the ROM pad. Feeding of the primary crusher will be carried out by the mining contractor under supervision of WAF's process staff.

12. OPERATING COST ESTIMATE

Operating cost estimates have been built from first principles and have used study metallurgical test work results to assist in validating the operating cost model. A summary of the operating cost estimate is provided in Table 12.

Table 12
Operating Cost Estimate Summary ($US)
(assuming US$1,200 gold price)

Item	LOM Cost (US$M)	LOM Cost / Ore Tonne	LOM Cost / Ounce (US$/oz)
Mining	266	15.82	329
Processing and Maintenance	181	10.77	224
G & A (incl. Government Charges)	83	4.92	102
Sustaining Capital	34	2.03	42
Refining Charges	2	0.10	2
Royalties	49	2.89	60
Total	**615**	**36.53**	**759**

The difference between the calculated LOM Cost / Ore Tonne and the Total is due to rounding

13. CAPITAL COST ESTIMATE

The estimated project capital cost is $131 million, inclusive of $12.0 million contingency.

The capital cost estimate is based upon an EPCM approach and has been prepared to a level equivalent to that of a bankable feasibility study. The estimate is presented in United States Dollars (USD) to an accuracy level of ±15% at 90% confidence as at Quarter 1, 2017. Table 13 provides a sumamry of the capital cost estimate.

Table 13
Capital Cost Estimate Summary ($US)

Capital Costs (US$)	Life of Mine
2Mtpa Processing Plant	$58.2M
Project Infrastructure (TSF, Plant Vehicles, Mobile Equipment, Process Plant Infrastructure, Power Supply and Camp)	$36.7M
Owner's Costs (Construction Facilities, First Fills and Capital Spares)	$29.2M
Pre-production Mining	$6.9M
Total Capital Cost	**$131.0M**

14. FINANCIAL EVALUATIONS

The financial evaluation has been completed on a 100% project basis and is based on a US$1,200/oz gold price. Table 14 presents key economic inputs for the Study.

Table 14
Key Economic Inputs ($US)

Variable	Rate
Gold Price	$1,200/oz
Diesel Price	$1.05/litre
HFO Power cost	$0.1805 per kWhr
Royalty Rate	5% flat
Corporate Tax Rate	27.50%
VAT	18%
Community Development Fund (Royalty)	1%

At the base case gold price of US$1,200/oz and using a 5% discount rate, the project generates a pre-tax NPV of US$143M, an IRR of 27% with a payback period of 2.1 years and a post-tax NPV of US$100M, an IRR of 21% with a payback period of 2.3 years following commissioning.

Because of the relatively low AISC, the project is robust at a range of gold prices. Table 15 provides a sensitivity analysis demonstrating the forecast robust economics under a range of gold price scenarios.

Table 15
Economic Summary

Pre - Tax	$1,100/oz Au	$1,200/oz Au	$1,300/oz Au
NPV5% ($M)	$83	$143	$202
IRR (%)	18%	27%	35%
Payback (Years)	2.4	2.1	1.7
After - Tax	**$1,100/oz Au**	**$1,200/oz Au**	**$1,300/oz Au**
NPV5% ($M)	$56	$100	$143
IRR (%)	14%	21%	27%
Payback (Years)	2.7	2.3	2.1

Under the previous and recently updated Mining Code of Burkina Faso, the Government of Burkina Faso is entitled to a 10% interest in the project. Certain decrees remain to be adopted under the new mining code, therefore some uncertainty exists regarding the distribution of dividends, taxes, VAT and levies. WAF will provide further information when the situation is better understood.

15. PERMITTING AND APPROVALS

In December 2016 the Burkina Faso Ministry of the Environment, Green Economy and Climate Change approved the ESIA for the Project.

In January 2017 the government of Burkina Faso Council of Ministers approved the Sanbrado Mining Permit application, which covers an area of 26km². In January 2017 the Manesse Exploration Licence was also granted, which covers the residual area of the former Tanlouka Exploration Licence.

16. PROJECT IMPLEMENTATION SCHEDULE

The Company has commenced optimisation studies including an underground mining study, focussing on M1. This study is expected to positively enhance project economics. Once this work is complete, project finance will be completed and following statutory approvals, construction will commence.

Early site works have commenced focussing on on-permit water storage and camp construction. Project is expected to commence in late 2017 with an 18 month construction schedule leading to targeted gold production in the first half of 2019.

17. FINANCING

The WAF Board believes that there are reasonable grounds to assume that future funding will be available for the ongoing development of the Project, as envisaged in this announcement, on the following basis:

- The project economics will be improved following completion of the Optimised DFS and we are confident we will continue to increase its Indicated Resources and Ore Reserves will continue to increase at the project with further drilling, to extend the mine life beyond what is currently assumed in the current Study. The project mining inventory does not include any Inferred Resources located within or immediately beneath the current reserve pit shells. Accordingly, there will be a material benefit from further drilling targeting at converting these resources to a higher category.
- The production and economic outcomes delivered in the Feasibility Study are sufficiently robust to provide confidence in the Company's ability to fund development of the project through conventional debt and equity financing. WAF is already in early stage discussions with a number of potential financiers, the details of which will be disclosed when a financing can be agreed and as required by applicable exchange and securities laws. No material or binding Agreements for funding have been signed to date.
- The Company currently has significant cash reserves (c.A$17 million) in addition to the potential conversion of up to 56.4 million options to acquire WAF shares, which are exercisable at various prices between now and June 2019. If fully exercised, the options would provide up to A$8m cash. These funds in addition to cash reserves could be applied directly to Project funding or to future debt reduction payments.
- WAF's board has relevant experience in financing projects of similar scope in West Africa and further has secured the services of an advisor to assist the Company to arrange project finance. Our advisor worked for more than 15 years with Macquarie Bank and is experienced in initiating and leading equity, quasi-equity, project finance and structured hedging transactions for a broad range of resource projects with specific experience in West Africa.
- There are recent examples of similar projects in West Africa and more specifically in Burkina Faso attracting debt and equity funding.
- WAF's board believes funding requirements for the project are manageable (US$131m) in relation to the Company's current market capitalisation (c.A$130m).

18. CONCLUSIONS AND RECOMMENDATIONS

Underground Mining Studies: The M1 South open pit, although high margin, currently has a very high strip ratio (35.6:1), and bottoms out at the base of Indicated Resources in the deepest area at 180 vertical metres. Preliminary studies indicate that project economics would be improved significantly should high grade mineralisation be exploited from an underground mining scenario, with mining starting from surface from a much smaller open pit. The southwestern portion of the M5 open pit also has zones of higher grade mineralisation that may be amenable to underground mining. An underground mining study has commenced which will investigate both the M1 and M5 deposits at depth.

Conversion of Inferred Resources: The project mining inventory does not include any Inferred Resources located within and immediately beneath the current reserve pit shells. There will be a

material benefit from the conversion of Inferred Resources within and adjacent to the current designed Ore Reserve open pits through additional infill drilling.

Aggressive Exploration: Further high-priority exploration targets occur close to the existing resources on the project and mineralisation is open at depth in all areas. Currently the deepest hole in M1 South is TAN16-DD077A which returned 11m at 7.43g/t Au from 279m and 10m at 4.93g/t Au from 293m. TAN16-DD077A is located within Inferred Resources and demonstrates that M1 South is a fertile high grade gold system open at depth and is a high priority in the current work program. M5 is open along strike to the northeast and remains to tested sufficiently in this area. Currently the Company has had 4 rigs on site for the past 12 months and several untested targets.

Increasing throughput in later years: Optimisation studies will investigate the potential to increase throughput of harder material later in the mine schedule through additional milling and, or crushing capacity.

Further metallurgical test work: Metallurgical test work programs are ongoing and will investigate the potential to improve recoveries through modifications to the proposed flowsheet.

19. COMPETENT PERSONS AND QUALIFIED PERSONS STATEMENT

Information in this announcement that relates to exploration results, exploration targets or mineral resources is based on, and fairly represents, information and supporting documentation prepared by Mr Brian Wolfe, an independent consultant specialising in mineral resource estimation, evaluation and exploration. Mr Wolfe is a Member of the Australian Institute of Geoscientists. Mr Wolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (or "CP") as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and a Qualified Person under Canadian National Instrument 43-101. Mr Wolfe has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which they appear.

Information in this announcement that relates to ore reserves is based on, and fairly represents, information and supporting documentation prepared by Mr Stuart Cruikshanks, an independent specialist mining consultant. Mr Cruikshanks is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Cruikshanks has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (or "CP") as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and a Qualified Person under Canadian National Instrument 43-101. Mr Cruikshanks has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which they appear.

20. FORWARD LOOKING INFORMATION

This news release contains "forward-looking information" within the meaning of applicable Canadian and Australian securities legislation, including information relating to West African's future financial or operating performance that may be deemed "forward looking". All statements in this news release, other than statements of historical fact, that address events or developments that West African expects to occur, are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond West African's ability to control or predict. Forward-looking statements are necessarily based on estimates

and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements.

In the case of West African Resources Ltd, these facts include their anticipated operations in future periods, the expected enhancement to project economics following optimisation studies, planned exploration and development of its properties including project development commencing in H2 2017 with an 18 month construction schedule, and plans related to its business and other matters that may occur in the future, including the availability of future funding for the development of the project. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. Statements concerning mineral resource and ore reserve estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralisation that will be encountered if a mineral property is developed.

As well, all of the results of the feasibility study constitute forward-looking information, including estimates of internal rates of return, net present value, future production, estimates of cash cost, assumed long term price for gold, proposed mining plans and methods, mine life estimates, cashflow forecasts, metal recoveries, and estimates of capital and operating costs. Furthermore, with respect to this specific forward-looking information concerning the development of the Sanbrado Gold Project, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include among others:

i) the adequacy of infrastructure;
ii) unforeseen changes in geological characteristics;
iii) metallurgical characteristics of the mineralization;
iv) the price of gold;
v) the availability of equipment and facilities necessary to complete development and commence operations;
vi) the cost of consumables and mining and processing equipment;
vii) unforeseen technological and engineering problems;
viii) accidents or acts of sabotage or terrorism;
ix) currency fluctuations;
x) changes in laws or regulations;
xi) the availability and productivity of skilled labour;
xii) the regulation of the mining industry by various governmental agencies; and
xiii) political factors.

This release also contains references to estimates of Mineral Resources and Mineral Reserves. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation (including estimated future production from the project, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on:

i) fluctuations in gold price;

ii) results of drilling;

iii) metallurgical testing and other studies;

iv) proposed mining operations, including dilution;

v) the evaluation of mine plans subsequent to the date of any estimates; and

vi) the possible failure to receive, or changes in, required permits, approvals and licenses.

Mineral Reserves are also disclosed in this release. Mineral Reserves are those portions of Mineral Resources that have demonstrated economic viability after taking into account all mining factors. Mineral Reserves may, in the future, cease to be a Mineral Reserve if economic viability can no longer be demonstrated because of, among other things, adverse changes in commodity prices, changes in law or regulation or changes to mine plans.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: exploration hazards and risks; risks related to exploration and development of natural resource properties; uncertainty in West African's ability to obtain funding; gold price fluctuations; recent market events and conditions; risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimation; risks related to governmental regulations; risks related to obtaining necessary licenses and permits; risks related to their business being subject to environmental laws and regulations; risks related to their mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title; risks relating to competition from larger companies with greater financial and technical resources; risks relating to the inability to meet financial obligations under agreements to which they are a party; ability to recruit and retain qualified personnel; and risks related to their 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 West African'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.

West African's forward-looking information is based on the reasonable beliefs, expectations and opinions of their respective management on the date the statements are made and West African does not assume any obligation to update forward looking information if circumstances or management's beliefs, expectations or opinions change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking information. For a complete discussion with respect to West African, please refer to West African's financial statements and other filings all of which are filed on SEDAR at www.sedar.com.

Production Targets

The information and production target presented in this announcement is based on a feasibility study for the Sanbrado Gold Project, Burkina Faso ("Feasibility Study").

The Company has concluded that it has a reasonable basis for providing the forward-looking statements (including the production targets) included in this announcement. The detailed reasons for that conclusion are outlined throughout this announcement and all material assumptions, including the JORC modifying factors, upon which the forecast financial information is based are disclosed in this announcement and in Table 1 Annexure A. This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules.

100% of the production target referred to in this announcement is based on Probable Reserves category.

The stated production target is based on the Company's current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish further confidence that this target will be met.

The Company believes it has a reasonable basis to expect to be able to fund and develop the Sanbrado Gold Project for the reasons set out above. However, there is no certainty that the Company can raise funding when required.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

21. APPENDIX 1 JORC TABLE 1, SECTIONS 1-4

JORC 2012 Table "1"

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	▪ Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. ▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. ▪ Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	▪ The area of the Mankarga 5 resource was drilled using Reverse Circulation (RC), Aircore (AC) and Diamond drillholes (DD) on a nominal 50m x 25m grid spacing. A total of 675 AC holes (22,088.4m), 40 DD holes (7,480m) and 31 RC drillholes (3,514.7m) were drilled by West African Resources (WAF) between 2013 and 2016 (as at 11 December 2016). A total of 60 RC holes (7,296.2m) and 71 DD holes (15,439.6m) were drilled by Channel Resources (CHU) in 2010-2012. Holes were angled towards 120° or 300° magnetic at declinations of between -50° and -60°, to optimally intersect the mineralised zones. ▪ The area of the Mankarga 1 resource was drilled using Reverse Circulation (RC), Aircore (AC) and Diamond drillholes (DD) on a nominal 25m x 20m grid spacing. A total of 360 AC holes (6,950.2m), 53 DD holes (11,440.65m) and 148 RC drillholes (15,319.6m) were drilled by West African Resources (WAF) in 2015-2016 (as at 11 December 2016). A total of 23 RC holes (3,060.0m) and 7 DD holes (1,199.0m) were drilled by Channel Resources (CHU) in 2010-2012. Holes were angled towards 020°, 045°, 180°or 225° magnetic at declinations of between -50° and -60°, to optimally intersect the mineralised zones. ▪ The area of the Mankarga 3 resource was drilled using Aircore (AC), RC drilling (RC) and Diamond drillholes (DD) on a nominal 20m x 20m grid spacing. A total of 269 AC holes (9,007.8m), 4 DD holes (384.2m), and 9 RC holes (962m) were drilled by West African Resources (WAF) in 2015-2016. Holes were angled towards 090° or 225° magnetic at declinations of -50°, to optimally intersect the mineralised zones. ▪ All RC samples were weighed to determine recoveries. WAF and CHU RC samples were split and sampled at 1m and 2m intervals respectively using a three-tier riffle splitter. Diamond core is a combination of HQ, NQ2 and NQ3 sizes and all Diamond core was logged for lithological, alteration, geotechnical, density and other attributes. In addition, WAF Diamond core was logged for structural attributes. Half-core sampling was completed at 1m and 1.5m intervals for WAF and CHU respectively. QAQC procedures were completed as per industry standard practices (i.e. certified standards, blanks and duplicate sampling were sent with laboratory sample dispatches). ▪ CHU RC samples were dispatched to Abilab Burkina SARL (ALS Laboratory Group) in Ouagadougou. CHU DD samples were dispatched to SGS Burkina Faso SA (SGS) in Ouagadougou and WAF RC and DD samples were dispatched to BIGS Global Burkina SARL (BIGS) in Ouagadougou. The Diamond core samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis for gold by 50g standard fire assay method (FA) followed by an atomic absorption spectrometry (AAS) finish. WAF and CHU RC drilling was used to obtain 1m and 2m composite samples respectively from which 3kg was pulverised (total prep) to produce a sub sample for assaying as above.
Drilling Techniques	▪ *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	▪ Diamond drilling in the resource area comprises NQ2, NQ3 or HQ sized core. RC depths range from 13m to 204m and DD depths range from 49.5m to 486m. WAF Diamond core was oriented using a combination of orientation spear with >50% of orientations rated as "confident", Reflex ACT II system and Coretell© ORIshot orientation system. RC and AC drilling within the resource area comprises 5.5 inch and 4.5 inch diameter face sampling hammer and aircore blade drilling.
Drill Sample Recovery	▪ *Method of recording and assessing core and chip sample recoveries and results assessed.* ▪ *Measures taken to maximise sample recovery and ensure representative nature of the samples.* ▪ *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	▪ Diamond core and RC recoveries are logged and recorded in the database. Overall recoveries are >90% for the diamond core and >70% for the RC; there are no core loss issues or significant sample recovery problems. A technician is always present at the rig to monitor and record recovery. ▪ Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers. RC samples were visually checked for recovery, moisture and contamination.

Criteria	JORC Code Explanation	Commentary
		▪ The resource is defined by DD and RC drilling, which have high sample recoveries. No relationship between sample recovery and grade have been identified at the project. The consistency of the mineralised intervals and density of drilling is considered to preclude any issue of sample bias due to material loss or gain.
Logging	▪ *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* ▪ *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* ▪ *The total length and percentage of the relevant intersections logged.*	▪ Geotechnical logging was carried out on all diamond drillholes for recovery, RQD and number of defects (per interval). Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure/geotechnical table of the database. ▪ Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, structural (WAF DD only), weathering, alteration, colour and other features of the samples. Core was photographed in both dry and wet form. ▪ All drilling has been logged to standard that is appropriate for the category of Resource which is being reported.
Sub-Sampling Techniques and Sample Preparation	▪ *If core, whether cut or sawn and whether quarter, half or all core taken.* ▪ *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* ▪ *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* ▪ *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* ▪ *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* ▪ *Whether sample sizes are appropriate to the grain size of the material being sampled.*	▪ Core was cut in half onsite using a CM core cutter. All samples were collected from the same side of the core. ▪ RC samples were collected on the rig using a three tier splitter. All samples were dry. ▪ The sample preparation for all samples follows industry standard practice. The samples were dispatched to the laboratory (as per section 'Sampling Techniques') where they were crushed, dried and pulverised to produce a sub sample for analysis. Sample preparation involved oven drying, coarse crushing, followed by total pulverisation LM2 grinding mills to a grind size of 90% passing 75 microns. ▪ Field QC procedures involve the use of certified reference material as assay standards, blanks and duplicates. The insertion rate of these averaged 3:20. ▪ Field duplicates were taken on 1m and 2m composites for WAF and CHU RC samples respectively, using a riffle splitter. ▪ The sample sizes are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections.
Quality of Assay Data and Laboratory Tests	▪ *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* ▪ *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* ▪ *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	▪ The laboratory used an aqua regia digest followed by fire assay with an AAS finish for gold analysis. ▪ No geophysical tools were used to determine any element concentrations used in this Resource Estimate. ▪ Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 90% passing 75 micron was being attained. Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in house procedures. Certified reference materials, having a good range of values, were inserted blindly and randomly. Results highlight that sample assay values are accurate and that contamination has been contained. ▪ Repeat or duplicate analysis for samples reveals that precision of samples is within acceptable limits. For Diamond core, one blank and one standard is inserted every 18 core samples and no duplicates. For RC samples, one blank, one standard and one duplicate is inserted every 17 samples.
Verification of Sampling and Assaying	▪ *The verification of significant intersections by either independent or alternative company personnel.* ▪ *The use of twinned holes.* ▪ *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* ▪ *Discuss any adjustment to assay data.*	▪ The CP has visually verified significant intersections in diamond core and RC drilling as part of the Resource Estimation process. ▪ Six RC holes and one diamond hole were twinned by diamond holes (2 drilled by WAF, 5 by CHU) for the Mankarga 5 prospect. Four RC holes were twinned by RC holes and two further RC holes were twinned by diamond holes (all drilled by WAF) at the Mankarga 1 prospect. Results returned from the twins were consistent with original holes. ▪ Primary data was collected using a set of company standard Excel™ templates on Toughbook™ laptop computers using lookup codes. The information was validated on-site by the Company's database technicians and then merged and validated into a final Access™ database by the company's database manager.

Criteria	JORC Code Explanation	Commentary
		▪ The results confirmed the initial intersection geology. ▪ No adjustments or calibrations were made to any assay data used in this estimate.
Location of Data Points	▪ *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* ▪ *Specification of the grid system used.* ▪ *Quality and adequacy of topographic control.*	▪ All drillholes have been located by DGPS in UTM grid WGS84 Z30N. WAF DD downhole surveys were completed at least every 24m and at the end of hole using a Reflex downhole survey tool. CHU DD downhole surveys were completed every 3m with a Reflex EZ-Trac survey tool and CHU RC holes were surveyed every 5m using a GYRO Smart survey instrument. ▪ The grid UTM Zone 30 WGS 84 was used. A local grid orientated parallel to the strike of Mankarga (bearing 030 UTM) has recently been implemented and will be used for future work ▪ Ground DGPS, Real time topographical survey and a drone survey was used for topographic control.
Data Spacing and Distribution	▪ *Data spacing for reporting of Exploration Results.* ▪ *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* ▪ *Whether sample compositing has been applied.*	▪ The nominal drillhole spacing is 50m (northeast) by 20m (northwest) for the Mankarga 5 prospect, 25m (northwest) by 20m (northeast) for the Mankarga 1 prospect and 20m (northwest) by 20m (northeast) for the Mankarga 3 prospect ▪ The mineralised domains have demonstrated sufficient continuity in both geology and grade to support the definition of Inferred and Indicated Mineral Resources as per the guidelines of the 2012 JORC Code.
Orientation of Data in Relation to Geological Structure	▪ *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* ▪ *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	▪ The majority of the data is drilled to either magnetic 120° or 300° orientations for Mankarga 5 and magnetic 045° or 225° orientations for Mankarga 1 and Mankarga3, which is orthogonal/perpendicular to the orientation of the mineralised trend. The bulk of the drilling is almost perpendicular to the mineralised domains. Structural logging based on oriented core indicates that the main mineralisation controls are largely perpendicular to drill direction. ▪ No orientation based sampling bias has been identified in the data at this point.
Sample Security	▪ *The measures taken to ensure sample security.*	▪ Chain of custody is managed by WAF. Samples are stored on site and delivered by WAF personnel to BIGS Ouagadougou for sample preparation. Whilst in storage, they are kept under guard in a locked yard. Tracking sheets are used to track the progress of batches of samples.
Audits or Reviews	▪ *The results of any audits or reviews of sampling techniques and data.*	▪ WAF personnel completed site visits and data review during the due diligence period prior to acquiring Channel Resources Ltd. No material issues were highlighted. During 2012 AMEC completed a site visit and data review as part of the NI43-101 report dated 29 July 2012. No material issues were noted. In May 2014 and Nove IRS completed a site visit and data review as part of this Resource Estimate.

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral Tenement and Land Tenure Status	▪ *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* ▪ *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	▪ The original Tanlouka Permit covered 115km². The Company owned 100% of the Tanlouka Permis de Recherche arrêté No 2013 000128/MCE/SG/DGMG, which covered 115km² and was valid until 27 January 2016. In October 2015, the Company applied for the Sanbrado Mining license which covers the south eastern corner of the Tanlouka permit over a 26km² area. The Sanbrado Mining Permit application was passed by the Councel of Ministers in January 2017. Furthermore the Company also applied for the Manesse permis de recherche which covers the residual area of the expired Tanlouka permit; this permit was granted in January 2017 (Arrêté No 17/014/MEMC/SG/DGCMIM). ▪ All licences, permits and claims are granted for gold. All fees have been paid, and the permits are valid and up to date with the Burkinabe authorities. The payment of gross production royalties are provided for by the Mining Code and the amount of royalty to be paid for is 5%.
Exploration Done by Other Parties	▪ *Acknowledgment and appraisal of exploration by other parties.*	▪ Exploration activities on the original Tanlouka permit by previous workers have included geological mapping, rock and chip sampling, geophysical surveys, geochemical sampling and drilling, both reverse circulation and core. This work was undertaken by Channel Resources personnel and their consultants from 1994 until 2012.
Geology	▪ *Deposit type, geological setting and style of mineralisation.*	▪ The project is located within a strongly arcuate volcano-sedimentary northeast-trending belt that is bounded to the east by the Tiébélé-Dori-Markoye Fault, one of the two major structures subdividing Burkina Faso into three litho-tectonic domains. The geology of the Tanlouka area is characterised by metasedimentary and volcanosedimenatry rocks, intruded by mafic, diorite and granodiorite intrusions. The Mankarga prospect area is characterised by a sedimentary pile which is mostly composed of undifferentiated pelitic and psammitic metasediments as well as volcanosedimentary units. This pile has been intruded by a variably porphyritic granodiorite, overprinted by shearing and mylonites in places, and is generally parallel to sub-parallel with the main shear orientation. In a more regional context, the sedimentary pile appears “wedged” between regional granites and granodiorites. The alteration mineralogy varies from chloritic to siliceous, albitic, calcitic and sericite-muscovite. Gold mineralisation in the project area is mesothermal orogenic in origin and structurally controlled. The project area is interpreted to host shear zone type quartz-vein gold mineralisation. Observed gold mineralisation at the Mankarga prospects appears associated with quartz vein and veinlet arrays, silica, sulphide and carbonate-albite, tourmaline-biotite alteration. Gold is free and is mainly associated with pyrrhotite, pyrite, minor chalcopyrite and arsenopyrite disseminations and stringers.

Drillhole Information	▪ *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:*
	  ▪ *easting and northing of the drillhole collar*
	  ▪ *elevation or RL (Reduced Level - elevation above sea level in metres) of the drillhole collar*
	  ▪ *dip and azimuth of the hole*
	  ▪ *downhole length and interception depth*
	  ▪ *hole length.*
	▪ *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		▪ Significant intercepts that form the basis of this Resource Estimate have been released to the ASX in previous announcements (available on the WAF website) with appropriate tables incorporating Hole ID, Easting, Northing, Dip, Azimuth, Depth and Assay Data. Appropriate maps and plans also accompany this Resource Estimate announcement.
		▪ Drilling completed by Channel Resources is documented in the publically available report "NI 43-101 Technical Report on Mineral Resources for the Mankarga 5 Gold Deposit Tanlouka Property, Burkina Faso for Channel Resources Ltd" prepared by AMEC Consultants and dated 17 August 2012.
		▪ A complete listing of all drillhole details is not necessary for this report which describes the Mankarga5 and Mankarga 1 Gold Resource and in the Competent Person's opinion the exclusion of this data does not detract from the understanding of this report.

Data Aggregation Methods	▪ *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut off grades are usually Material and should be stated.* ▪ *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	▪ All intersections are assayed on one meter intervals. No top cuts have been applied to exploration results. Mineralised intervals are reported with a maximum of 2m of internal dilution of less than 0.5g/t Au. Mineralised intervals are reported on a weighted average basis.

Criteria	JORC Code Explanation	Commentary
	▪ *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship Between Mineralisation Widths and Intercept Lengths	▪ *These relationships are particularly important in the reporting of Exploration Results.* ▪ *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* ▪ *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	▪ The orientation of the mineralised zone has been established and the majority of the drilling was planned in such a way as to intersect mineralisation in a perpendicular manner. Topographic limitations were evident for some holes and these were drilled from less than ideal orientations. However, where possible, earthworks were carried out in order to accomplish drill along optimum orientations.
Diagrams	▪ *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	▪ The appropriate plans and sections have been included in the body of this document.
Balanced Reporting	▪ *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	▪ All grades, high and low, are reported accurately with "from" and "to" depths and "hole identification" shown.
Other Substantive Exploration Data	▪ *Other exploration data, if meaningful and material,* should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	▪ Detailed metallurgical test work has been carryout as part of the FS. Test work shows that the ore is amenable to conventional crushing, grinding and CIL processing. LOM recoveries have been determined to be 90.7%
Further Work	▪ *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* ▪ *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	▪ A program of dedicated metallurgical and geotechnical drillholes has been completed. Some grade control pattern test work is planned prior to commencing mining.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code Explanation	Commentary
Database Integrity	▪ *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* ▪ *Data validation procedures used.*	▪ WAF's have a central database with data templates set up with lookup tables and fixed formats are used for logging, spatial and sampling data. Data transfer is electronic via e-mail. Sample numbers are unique and pre-numbered bags are used. WAF project geologists also regularly validate assays returned back to drill core intercepts and hard copy results. ▪ Data was further validated on import into Vulcan™ mining software. Random checks of assay data from drillhole to database were completed.
Site Visits	▪ *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* ▪ *If no site visits have been undertaken indicate why this is the case.*	▪ The Competent Person (CP) for the resource estimate, Mr Brian Wolfe, visited the Mankarga5 prospect in May 2014 and again in May 2016. This visit included inspection of drilling, drill sites, viewing local surface geology, and a review of drill core from several diamond holes drilled at Mankarga 5 and Mankarga 1 that form part of the resource estimate.
Geological Interpretation	▪ *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* ▪ *Nature of the data used and of any assumptions made.* ▪ *The effect, if any, of alternative interpretations on Mineral Resource estimation.* ▪ *The use of geology in guiding and controlling Mineral Resource estimation.* ▪ *The factors affecting continuity both of grade and geology.*	▪ The geological interpretation was based on geological information obtained from WAF's and Channel Resources Aircore, RC and diamond drilling programs. This included lithological, alteration, veining and structural data. WAF carried out a substantial drillhole re-logging program of Channel's drilling to improve consistency of logging. ▪ The mineralised shear hosted mineralisation can be traced on 50m spaced sections over approximately 3km for Mankarga 5, 25m spaced sections over approximately 1km for Mankarga 1 and 20m spaced sections over approximately 750m for Mankarga 3. The mineralisation interpretation utilised a 0.3g/t Au edge cut off for overall shear zone mineralisation. ▪ A 3D geological model of the major lithologies and alteration was constructed and used to assist in guiding the mineralisation interpretation ▪ The interpretation was developed by Mr Chris Hughes of WAF and reviewed and refined by the CP. ▪ No alternate interpretations were considered as the model developed is thought to represent the best fit of the current geological understanding of the deposit and is supported by surface mapping. ▪ In the CP's opinion there is sufficient information available from drilling/mapping to build a reliable geological interpretation that is of appropriate confidence for the classification of the resource (Indicated/Inferred).
Dimensions	▪ *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	▪ The resource extends over an area of approximately 3,000m of strike, 200m width and is interpreted to a depth of 300m below surface.
Estimation and Modelling Techniques	▪ *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* ▪ *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* ▪ *The assumptions made regarding recovery of by-products.* ▪ *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* ▪ *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* ▪ *Any assumptions behind modelling of selective mining units.* ▪ *Any assumptions about correlation between variables.* ▪ *Description of how the geological interpretation was used to control the resource estimates.*	▪ Geological and mineralisation constraints were constructed in cross section in Micromine and then imported and refined in Vulcan. The constraints thus developed were subsequently used in geostatistics, variography, block model domain coding and grade interpolation. ▪ Multiple indicator kriging was selected as the most appropriate method for estimating Au, the main element of economic significance. Some minor domains were estimated via ordinary kriging due to paucity of data and 3D data configuration. Additionally, Ordinary Kriging was used at Mankarga 1 for the high grade domains. Samples were composited to 3m at Mankarga 5 and 2m for other deposits. ▪ A block size of 10mE by 25mN by 10mRL was selected as an appropriate block size for estimation given the drill spacing (50m strike spacing) and the likely potential future selective mining unit (i.e. appropriate for potential open pit mining). ▪ Variography from the main domains indicated a moderate nugget of approximately 30% to 40%, with maximum range of 100m to 200m (strike), intermediate range of (dip) 50m to 100m and minor axis of 10m to 20m. Elliptical search neighbourhoods within domains were used orientated parallel to the orientation of the shear. Search ranges were based on the variograms and were typically 150m along strike, 1500m down dip and 30m across strike. Indicator variography was modelled for input to MIK grade estimates.

Criteria	JORC Code Explanation	Commentary
	▪ *Discussion of basis for using or not using grade cutting or capping.* ▪ *The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.*	Typically 17 grade cut offs were chosen per domain and every second indicator variogram calculated and modelled. Intermediate indicator variogram parameters were interpolated based on the bounding modelled variograms. ▪ Wireframed mineralisation domains were used as "hard boundaries" for estimation. Oxide and transitional mineralisation were estimated together with the fresh/sulphide mineralisation. ▪ high grade cutting is not a necessary process in the context of MIK grade estimation, however high grade cutting was undertaken prior to the experimental variogram calculations. High grade cuts were typically light and were considered to have a negligible effect on the overall mean grades. High grade cutting was used in calculation to the conditional grade statistics as input to the change of support process. ▪ At Mankarga 1, a high grade cut of 200g/t Au was selected and applies to the ordinary kriged estimates at M1 South. ▪ The block model estimates were validated by visual comparison of whole block grades (etype) to drillhole composites, comparison of composite and block model statistics, generating grade shells and visually assessing them and swath plots of composite versus whole block model grades.
Moisture	▪ *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	▪ The tonnages in the estimate are for dry tonnage with no factoring for moisture.
Cutoff Parameters	▪ *The basis of the adopted cut off grade(s) or quality parameters applied.*	▪ The most likely development scenario for the deposit is as an open cut (pit) mine. Based on this assumption reporting cut offs of 0.5g/t Au and 1.0g/t Au are appropriate with the cut off dependent on the scale of any potential future operation.
Mining Factors or Assumptions	▪ *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	▪ Open pit mining is assumed and this has been factored into the grade estimates. A selective mining unit dimension of 5mE by 12.5mN by 5mRL has been selected as appropriate and used as input to the change of support process for the MIK estimates only. ▪ No additional mining dilution has been applied to the reported estimate as the estimation method can be considered to incorporate dilution ▪ There are minor artisanal gold workings in the M5 area. Production from these is understood to be minimal so no mining depletion has been applied to the model. ▪ More extensive artisanal mining has occurred in the area of M1 and stopes have been intersected in drillholes up to 50m below the surface. The block model dry bulk densities have therefore been reduced by 30% in the relevant areas to compensate for mining activity.
Metallurgical Factors or Assumptions	▪ *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	▪ Preliminary metallurgical test work was completed in 2012, and 2014 providing high leach extraction outcomes under typical cyanide leaching conditions. Gold recoveries of up to 95% from oxide bottle roll tests, and up to 92% for fresh bottle roll tests reported and a significant proportion of the gold found to be recoverable by gravity concentration. A detailed metallurgical test work program commenced in 2016 and results to date have confirmed earlier test work outcomes over a range of variability samples as well as providing design criteria used to support flowsheet development and cost estimates.
Environmental Factors or Assumptions	▪ *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	▪ The prospect is at early stage of assessment and no environmental factors have considered in this model estimate. These factors will be evaluated as part of a future scoping study ▪ It is the CP's understanding that no environmental factors have currently been identified which would impact the resource estimate reported here.
Bulk Density	▪ *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and*	▪ The prospect area is moderately to deeply weathered / oxidised with the top of fresh rock over mineralised zones around 50 to 60 metres below surface for Mankarga 5 and 40 to 50 metres below surface for Mankarga 1 and

Criteria	JORC Code Explanation	Commentary
	representativeness of the samples. ▪ *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* ▪ *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Mankarga 3. ▪ Bulk densities are based upon 2,534 density measurements for Mankarga 5, 1,320 for Mankarga 1 and 117 for Mankarga 3, all completed by WAF (carried out internally). All measures utilised industry standard immersion techniques. ▪ Bulk densities have been assigned to the model subdivided by oxidation states. Average bulk densities are considered reasonable and representative for the rock types and oxidation/weathering states present and are in line with other similar deposits in the region. ▪ All are dry densities and void spaces in core are understood to be negligible.
Classification	▪ *The basis for the classification of the Mineral Resources into varying confidence categories.* ▪ *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* ▪ *Whether the result appropriately reflects the Competent Person's view of the deposit.*	▪ The quality of estimate criteria were reviewed spatially and used to assist in resource classification. Areas that had high confidence estimate values, had sufficient drilling density (<50m spaced drilling) or were proximal to 50m by 25m spaced drill lines were assigned as Indicated Resources. The remainder was classified as Inferred. All mineralisation at M3 has been classified as Inferred due to the nature of the drilling and the mineralisation occurrence and geometry. ▪ Based upon the drill spacing, quality of data, current confidence in the geological understanding of the deposit, continuity of mineralisation and grade it is the Competent Person's opinion that the resource estimate meets the JORC 2012 Guidelines criteria to be classified as an Indicated and Inferred Resource.
Audits or Reviews	▪ *The results of any audits or reviews of Mineral Resource estimates.*	▪ N/A
Discussion of Relative Accuracy / Confidence	▪ *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* ▪ *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* ▪ *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	▪ The quality of estimate as used to assist in resource classification reflects the number of samples used to estimate a block, the distance a block is from a sample, slope of regression and the kriging error (for ordinary kriged estimates). Blocks which were assigned to the Indicated Category typically were informed by at least 4 drillholes, were less than 50m from the nearest composite, had low kriging errors and had drilling spacing of approximately 50m by 25m. The remainder was classified as Inferred. ▪ The relative accuracy of the estimate is reflected in the Resource Classification of deposit as per the JORC 2012 Code and is deemed appropriate by the CP. ▪ At this stage the bulk estimate is considered to be a global estimate.

Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code Explanation	Commentary
Mineral Resource Estimate for Conversion to Ore Reserves	▪ *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* ▪ *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves*	▪ The ore Reserve estimate has been based on the following Mineral Resource estimates: ▪ The Mineral Resource estimates for The Sanbrado Gold Project have been prepared by Mr Brian Wolfe of Independent Resource Solutions Pty Ltd, and have been reported in this announcement dated 20th February 2017. ▪ Project Mineral Resources at a 0.5g/t Au cut-off grade are:29.6Mt at 1.4g/t Au (1.3Moz Au) Indicated and 18.6Mt at 1.4g/t Au (0.8Moz) Inferred. ▪ The Mineral Resources for all deposits have been reported inclusive of the Ore Reserves estimated and stated here.
Site Visits	▪ *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* ▪ *If no site visits have been undertaken indicate why this is the case.*	▪ Stuart Cruickshanks has visited site in January 2017. During this visit the various deposit areas were inspected with particular interest in access evaluation and practical consideration for mining of open pit in the local terrain. Diamond core of the mineralised zones were also inspected to inform assumptions on selectivity of mining.
Study Status	▪ *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* ▪ *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	▪ A Feasibility Study utilising a CIL processing method has been undertaken in order to enable the Mineral Resources to be converted to Ore Reserves stated here.
Cutoff Parameters	▪ *The basis of the cut off grade(s) or quality parameters applied.*	▪ The cut off grades used in the estimation of these Ore Reserves is the non-mining, break-even gold grade taking into account mining recovery and dilution, metallurgical recovery, site operating costs, royalties and revenues.
Mining Factors or Assumptions	▪ *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* ▪ *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* ▪ *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* ▪ *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* ▪ *The mining dilution factors used.* ▪ *The mining recovery factors used.* ▪ *Any minimum mining widths used.* ▪ *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* ▪ *The infrastructure requirements of the selected mining methods.*	▪ Appropriate factors determined during the course of the Feasibility study were applied to the Mineral Resources by Lerchs Grossman optimization methodology. Detailed pit designs were then carried out on the selected optimised pit shells and Ore Reserves reported from these designs. ▪ Conventional open pit mining techniques using drill and blast with material movement by hydraulic excavator and trucks will be employed. The project scale and selectivity would suit 120t – 250t class excavators in a backhoe configuration matched to 95t class mine haul trucks and applicable ancillary equipment. To suit this sized equipment a bench height of 5m has been adopted. The benches will be excavated on 2 x 2.5m high flitches, for blasted material this will be 2 x 3m high flitches when swell is accounted for. ▪ A feasibility geotechnical assessment of open pit mining was carried out by Peter O'Bryan and Associates. The assessment provided base case wall design parameters for open pit mining evaluation. ▪ Grade control sample collection by reverse circulation drilling has been allowed for in the Feasibility Study. ▪ To estimate the mining loss and dilution for the Mineral Resources that have been estimated using Ordinary Kriging, ore reserves block models were prepared by averaging the grades of the ore and non-ore proportions across model block volumes for all elements reported in the resource model. This has effectively diluted the ore with the adjacent non-ore blocks and so simulating mining dilution based on the parent block sizes 5m x 5m x 5m (X x Y x Z). For 1 high grade zone estimated using Ordinary Kriging a 20% mining dilution was applied. ▪ The Mineral Resources estimated using Multiple Indicator Kriging (MIK) with block support adjustment are recoverable resources and as such have mining dilution incorporated in the estimate. ▪ All gold grades reported in this estimate refer to these diluted grades. Mining ore losses result from blocks with small ore proportions which are effectively diluted to the extent that the average grade is below the economic cut off of the reported Ore Reserves. ▪ No Inferred Mineral Resources have been used in the Feasibility Study. All Inferred Mineral Resources are

Criteria	JORC Code Explanation	Commentary
		treated as waste in the mining studies. ▪ Infrastructure to support the mining operations has been allowed for. This includes: ▪ Mine haul roads and access roads ▪ ROM Stock pile area adjacent to the primary crusher ▪ Waste rock dumps ▪ Mine services area including workshop, warehouse, offices, and fuel storage and dispensing ▪ Diesel power generation ▪ Mine accommodation village ▪ Surface water management and pit dewatering infrastructure
Metallurgical Factors or Assumptions	▪ *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* ▪ *Whether the metallurgical process is well-tested technology or novel in nature.* ▪ *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* ▪ *Any assumptions or allowances made for deleterious elements.* ▪ *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* ▪ *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	▪ The feasibility study has been based on conventional CIL process which is well proven technology. ▪ A Feasibility level metallurgical test work programme has been undertaken. ▪ Metallurgical samples representing know mineralogical domains, grade ranges and oxidation profiles have been included are deemed to be representative of the projects deposits. ▪ No deleterious elements have been detected. ▪ No bulk sampling has been undertaken - all samples have been source from diamond drill core as is appropriate for this style of mineralisation.
Environmental	▪ *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	▪ Environmental and Social Impact Assessment (ESIA) has been completed for a project. A certificate of Environmental Compliance has been issued by the Burkina Faso Ministry of Environment and Sustainable Development.
Infrastructure	▪ *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	▪ The Feasibility study has estimated the cost to upgrade/install the necessary infrastructure to support the project. This Includes: ▪ Upgrading access roads ▪ Water collection via surface water runoff collection from large catchment, pit dewatering and groundwater bores, and a storage dam ▪ Power supply by diesel generators ▪ Processing plant and Tailings storage facility ▪ Accommodation village, offices and other necessary buildings ▪ The topography of the project is gently undulating and there is sufficient land to construct all the necessary infrastructure.
Costs	▪ *The derivation of, or assumptions made, regarding projected capital costs in the study.* ▪ *The methodology used to estimate operating costs.* ▪ *Allowances made for the content of deleterious elements.* ▪ *The source of exchange rates used in the study.* ▪ *Derivation of transportation charges.* ▪ *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* ▪ *The allowances made for royalties payable, both Government and private.*	▪ Capital costs for the process plant and associated infrastructure have been estimated to the required level of accuracy for a Feasibility Study by Mintrex Pty Ltd in association with Knight Piésold. Capital costs for mining related infrastructure have been source from quotations and tendered rates sourced from contract mining companies active in West Africa. ▪ Process and general and administration operating costs were developed by Mintrex Pty Ltd. Costs were estimated from first principles based on reagent consumptions and consumable usage rates determined from test work. Power cost estimate is based diesel generators. Labour rates were benchmarked against existing operations in Burkina Faso. ▪ Mining operating costs were sourced from quotations and tendered rates received from mining contracting companies active in West Africa. ▪ Low levels of some deleterious elements have been detected in the waste and waste rock dump design and construction methods have taken these into account. ▪ A gold price of US$1200/oz based on analyst consensus has been used for the Ore Reserve estimate. ▪ Transportation and refining charges have been sourced from European and South African gold refiners.

Criteria	JORC Code Explanation	Commentary
		▪ Government Royalties are payable as per the Mining Code of Burkina Faso. A royalty of 5% is payable on revenue. An additional 1% community development levy is also payable.
Revenue Factors	▪ *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* ▪ *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	▪ No factors were applied in the application of the metal prices stated in the above section. ▪ The head grades as reported in these estimates were not factored. Mining dilution and recoveries were taken into account as discussed elsewhere in this statement and as such no further factors were considered appropriate and were therefore not applied.
Market Assessment	▪ *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* ▪ *A customer and competitor analysis along with the identification of likely market windows for the product.* ▪ *Price and volume forecasts and the basis for these forecasts.* ▪ *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	▪ The product of this mine is a precious metal and the stated methodology of applying the metal price is considered to be adequate and appropriate. No major market factors are anticipated or known at the time of reporting, to provide a reason for adjusting this assumption.
Economic	▪ *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* ▪ *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	▪ Inputs to the economic analysis were: ▪ Mine production schedule, including gold production schedule, produced as part of the Feasibility study ▪ Mine operating costs, process operating costs and general and administrative costs as stated above ▪ Gold price as stated above ▪ Applicable royalties and taxes and duties under Burkinabe law ▪ Discount rate of 5% ▪ The Project's sensitivity to various inputs were also investigated. The Project is most sensitive to gold price. However the project value remained positive up to a 18.75% reduction in gold price.
Social	▪ *The status of agreements with key stakeholders and matters leading to social licence to operate.*	▪ Consultation and engagement has occurred from the local community to the National administration level. ▪ Resettlement planning is well progressed and it is reasonable to expect that this will be completed as part of the development sequence.
Other	▪ *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* ▪ Any identified material naturally occurring risks ▪ The status of material legal agreements and marketing arrangements ▪ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent	▪ To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: ▪ Access to sufficient processing water is a key risk associated with the project. The Company has identified this risk and aimed to mitigate it through the water balance study as part of the is FS, incorporating an on-site water storage facility in the designed infrastructure for the project. No other material naturally occurring risks have been identified for the Sanbrado Gold Project. ▪ The Company has received mining and environmental permits to develop the project. The requirements to maintain agreements are transparent ▪ and well managed by the company in consultation with the Government of Burkina Faso.The Mining License for a heap leach operation has been granted by the Ministry of Mines, Quarries and Energy and it is reasonable to expect that this will be transferred to a CIL Operation ▪ Gold is an easily traded commodity and does not require any specific marketing arrangements. ▪ • There are reasonable grounds to expect that future agreements and Government approvals will be ▪ granted and maintained within the necessary timeframes for successful implementation of the project.
Classification	▪ *The basis for the classification of the Ore Reserves into varying confidence categories.* ▪ *Whether the result appropriately reflects the Competent Person's view of the deposit.* ▪ *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	▪ No Proved Ore Reserves have been reported as there are no Mineral Resources in the Measured category. ▪ Ore Reserves which have been reported as Probable have been derived directly from the Mineral resource classified at the Indicated level of confidence. ▪ No Mineral Resources classified at the Inferred level of confidence are included in these estimated Ore Reserves.

Criteria	JORC Code Explanation	Commentary
		▪ The Competent Person is satisfied that the stated Ore Reserve classification reflects the outcome of the technical and economic studies. ▪ There are no Measured Mineral Resources.
Audits or Reviews	▪ *The results of any audits or reviews of Ore Reserve estimates.*	▪ No audits or reviews of Ore Reserve estimates have been undertaken to date.
Discussion of Relative Accuracy / Confidence	▪ *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* ▪ *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* ▪ *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* ▪ *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	▪ In the estimating of these Ore Reserves, the confidence levels as expressed in the Mineral Resource estimates have been accepted in the respective resource classification categories. ▪ The Ore Reserves estimates relate to global estimates in the conversion of Mineral Resources to Ore Reserves, due largely to the spacing of the drill data on which the estimates are based, relative to the intended local selectivity of the mining operations. ▪ Accuracy and confidence of modifying factors are generally consistent with the current level of this study. The modifying factors applied in the estimation of the Ore Reserves are considered to be of a sufficiently high level of confidence not to have a material impact on the viability of the estimated Ore Reserves.