

## Press Release

31 July 2017

### JUNE 2017 QUARTERLY REPORT

West African Resources Limited (ASX: WAF) is pleased to report activities on its 100%-owned gold and copper-gold projects in Burkina Faso, West Africa, for the quarter ending 30 June 2017.

#### Highlights

##### **Sanbrado Gold Project**

- ✓ High-grade diamond drilling results from M1 more than 400m down hole
- ✓ Mineralisation at M1 now more than double the average depth of the current reserve
- ✓ Deep drilling at M1 and M5 targeting open zones & infill drilling targeting category upgrades
- ✓ Ground geophysical surveys commenced targeting additional M1-style mineralisation
- ✓ Resource for M1 and M5 update on track for Q3 2017
- ✓ C\$17.25m bought deal private placement completed post quarter end

##### **M1 drilling adds further high-grade at depth**

- ✓ 22m at 10.5 g/t Au from 373.5m including 1.5 m at 61.7 g/t Au (TAN17-DD110A)
- ✓ 15m at 12.4 g/t Au from 431.5m including 2.5 m at 57.6 g/t Au (TAN17-DD110A)
- ✓ 21m at 53.1 g/t Au from 408.5m including 1 m at 1,071.9 g/t Au (TAN17-DD111)
- ✓ 14.5m at 38.3 g/t Au from 459m including 4.5 m at 104.2 g/t Au (TAN17-DD111)
- ✓ 2.5m at 58.9 g/t Au from 254m including 0.5 m at 280.3 g/t Au (TAN17-DD128)
- ✓ 2.5m at 24.4 g/t Au from 162m including 0.5 m at 64.9 g/t Au (TAN17-DD129)

##### **M5 drilling hits solid mineralisation beneath reserve pit shell**

- ✓ 7m at 3.3 g/t Au from 179m (TAN17-DD105B)
- ✓ 20m at 2.1 g/t Au from 178m (TAN17-DD116)
- ✓ 36.5m at 2.5 g/t Au from 320m (TAN17-DD118)
- ✓ 20m at 1.5 g/t Au from 187m (TAN17-DD121)
- ✓ 40.5m at 1.4 g/t Au from 240m (TAN17-DD122)
- ✓ 12m at 3.3 g/t Au from 211m (TAN17-DD126)
- ✓ 37m at 2.4 g/t Au from 298.5m (TAN17-DD127)
- ✓ 25.5m at 1.9 g/t Au from 341.5m (TAN17-DD127)

Managing Director Richard Hyde commented:

“The 2017 June quarter added further value at Sanbrado with ultra-high grade mineralisation intercepted at more than 400m down hole, more than double the reserve depth from the February feasibility study. TAN17-DD111 returned a spectacular result with 1.6 kilograms of gold per tonne over a half metre sample, within 21m at 53.1 g/t Au. A second deeper zone in TAN17-DD111 returned and 14.5m at 38.3 g/t Au including 4.5 m at 104.2 g/t Au.

Late in the June quarter the Company announced a C\$17.25m bought deal private placement led by Sprott Capital Partners. The deal subsequently closed post the end of the quarter on 24<sup>th</sup> July, 2017. The Company now has approximately \$26m in cash and is fully funded for all 2017 work programs.

**Corporate**

- ✓ \$10.6 cash at bank and no debt
- ✓ C\$17.25m bought deal private placement led by Sprott Capital Partners

**June 2017 Quarter Summary**

- ✓ 15,900m drilled
- ✓ \$3.9m Exploration and Development Expenditure
- ✓ \$0.4m Administration Costs

**September 2017 Quarter Plans**

- ✓ Deep drilling targeting depth extension at M1 and M5
- ✓ Resource estimation studies
- ✓ Completion of ground geophysical survey targeting additional M1-style mineralisation
- ✓ Target generation and drill planning for 2017-18 field season

**Sanbrado Gold Project**

**M1 Drilling Program.**

Drilling at M1 during the quarter has targeted extensions of high grade mineralisation at depth and also infilled drill density in areas of Inferred Resources. Drilling has been successful in delineating mineralisation to more than 450m down hole and 350m down dip below surface. Depth of known mineralisation was doubled during the quarter and remains open at depth. Significant results from the 2017 drilling campaign including results from the June Quarter include:

- ✓ TAN17-DD104: 11m at 20.4 g/t Au from 286m, including 2m at 101.71 g/t Au
- ✓ TAN17-DD104: 8m at 5.14 g/t Au from 315m
- ✓ TAN17-DD106: 10.5m at 2.28 g/t Au from 327.5m
- ✓ TAN17-DD107: 8.5m at 37.98 g/t Au from 296.5m including 1m at 260.93 g/t Au
- ✓ TAN17-DD107: 27m at 3.73 g/t Au from 315.5m including 0.5m at 63.45 g/t Au
- ✓ TAN17-DD109: 29.5m at 20.67 g/t Au from 349.5m including 1.5m at 250.29 g/t Au
- ✓ TAN17-DD109: 9.5m at 7.78 g/t Au from 385m including 1m at 61.14 g/t Au
- ✓ TAN17-DD110A: 22m at 10.52 g/t Au from 373.5m including 1.5m at 61.71 g/t Au
- ✓ TAN17-DD110A: 15m at 12.4 g/t Au from 431.5m including 2.5m at 57.6 g/t Au
- ✓ TAN17-DD111 21m at 53.13 g/t Au from 408.5m including 0.5m at 1,613.41 g/t Au and 0.5m at 530.38 g/t Au
- ✓ TAN17-DD111 14.5m at 38.27 g/t Au from 459m including 4.5m at 104.16 g/t Au
- ✓ TAN17-DD117: 0.5m at 13.5 g/t Au from 221m
- ✓ TAN17-DD123: 1.5m at 6.5 g/t Au from 176.5m and 3m at 4.1 g/t Au from 184m
- ✓ TAN17-DD125: 1m at 8.0 g/t Au from 212m, 1.5m at 9.2 g/t Au from 265.5m and 0.5m at 8.1 g/t Au
- ✓ TAN17-DD128: 2.5m at 58.9 g/t Au from 254m, including 0.5m at 280.3 g/t Au from 256m
- ✓ TAN17-DD129: 2.5m at 24.4 g/t Au from 162m, including 0.5m at 64.9 g/t Au from 163.5m

Two wedge holes off parent holes TAN17-DD110A and TAN17DD111 (Sections SE0450 & 0425) have both intercepted visible gold mineralisation (see photos 1 and 2). Assays are pending for 8 holes at M1 South

including the TAN17-DD111-WD1. TAN17-DD110A-WD1 is being logged and sampled along with 7 other holes from M1 South.

**Photo 1: TAN17-DD110A- WD1 – Visible gold at 423m - assays pending**



**Photo 2: TAN17-DD111- WD1 – Visible gold at 458m - assays pending**



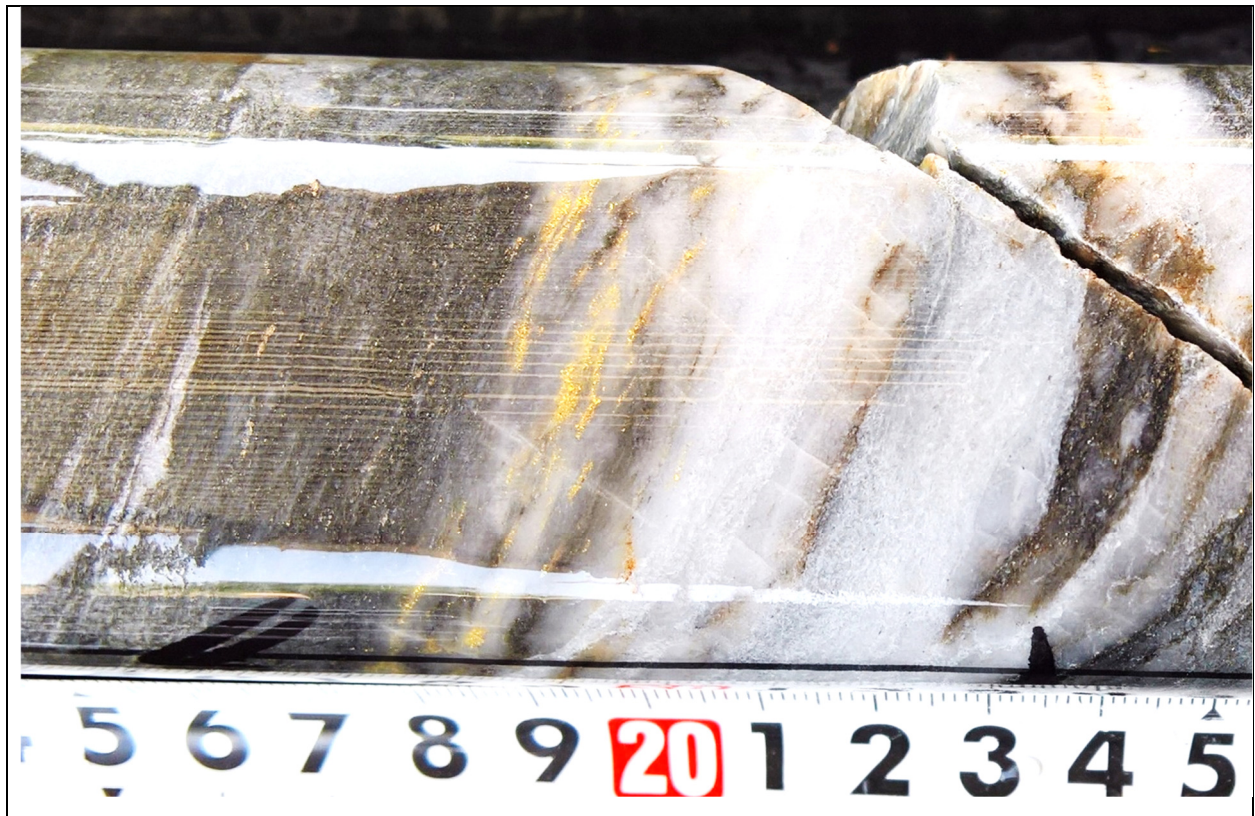


Figure 1: Sanbrado Gold Project – Mineralised Trends and Prospect Locations

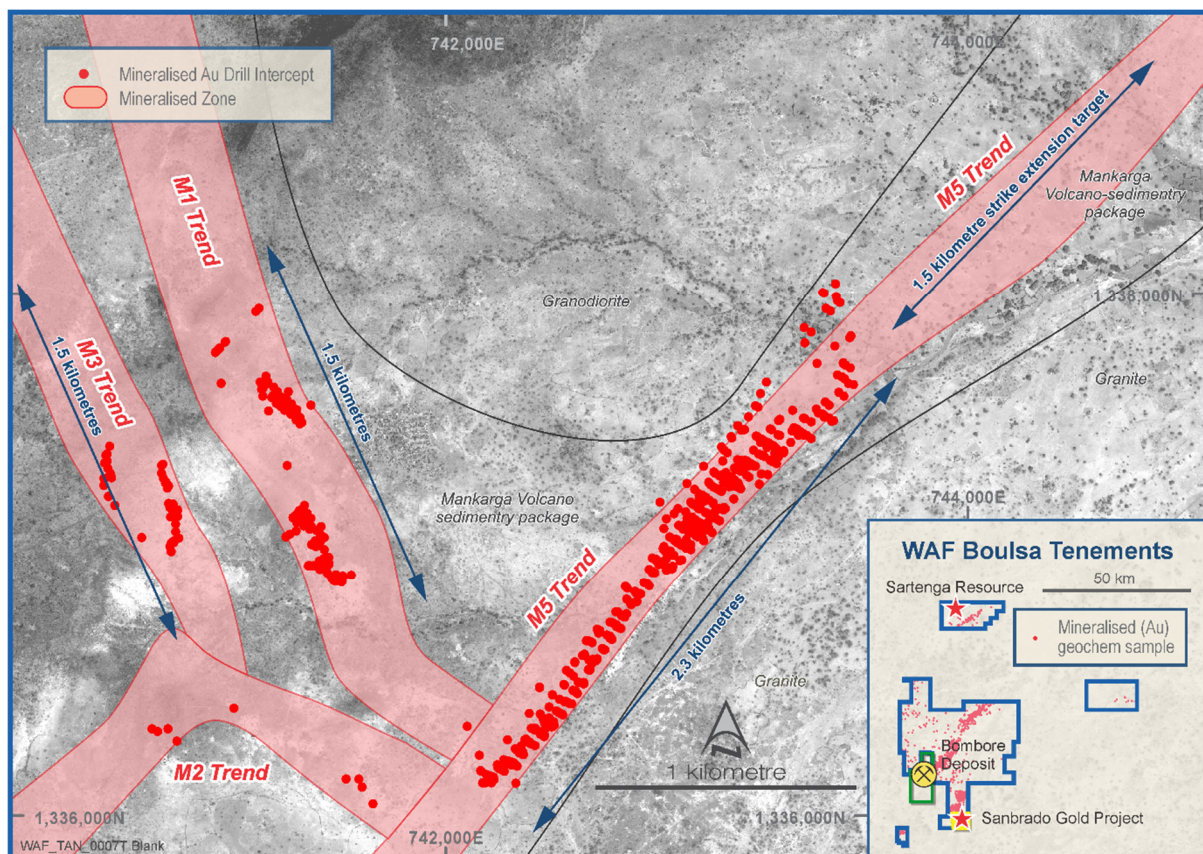




Figure 2: Sanbrado Gold Project - M1 South Long Section

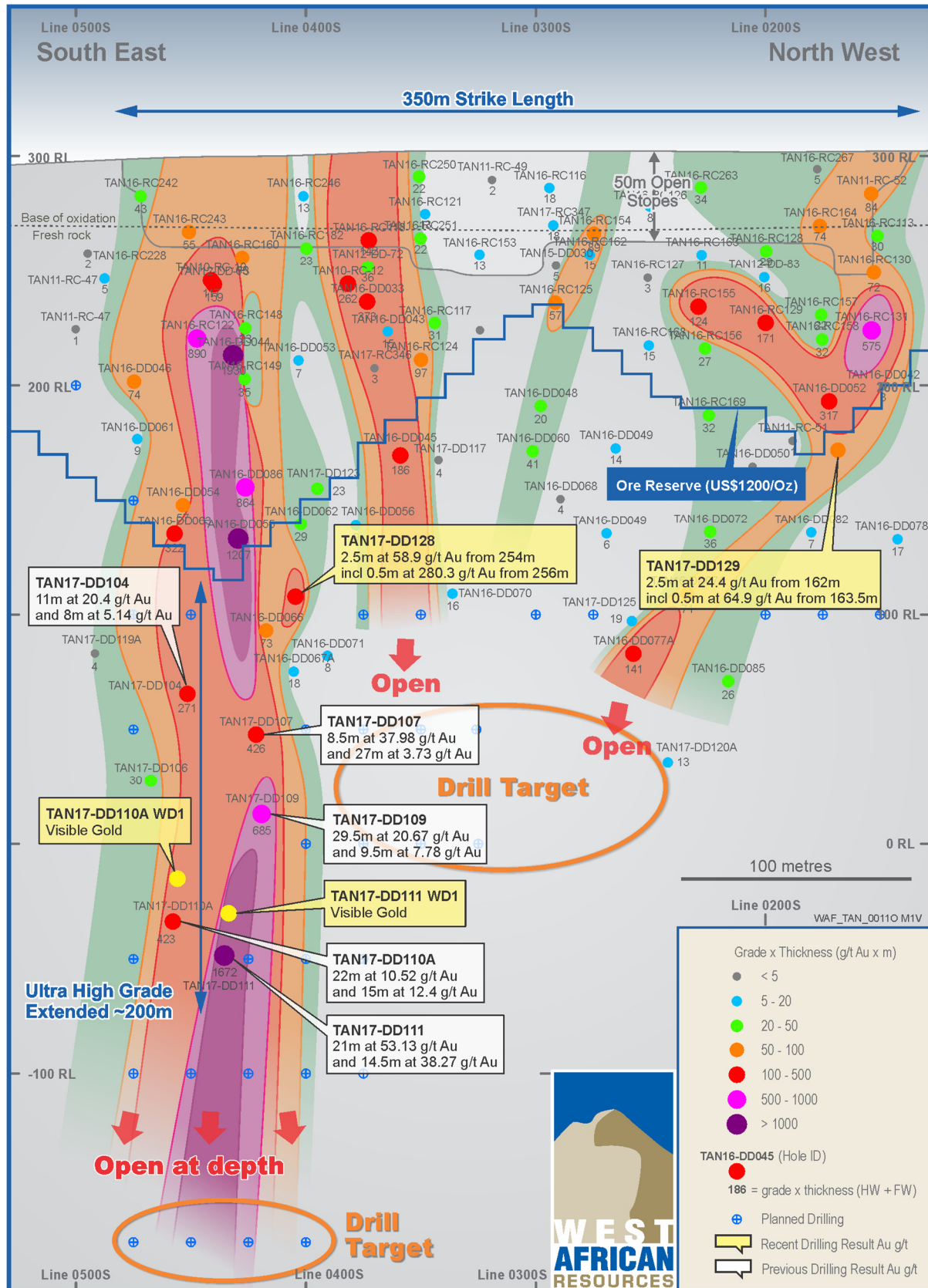
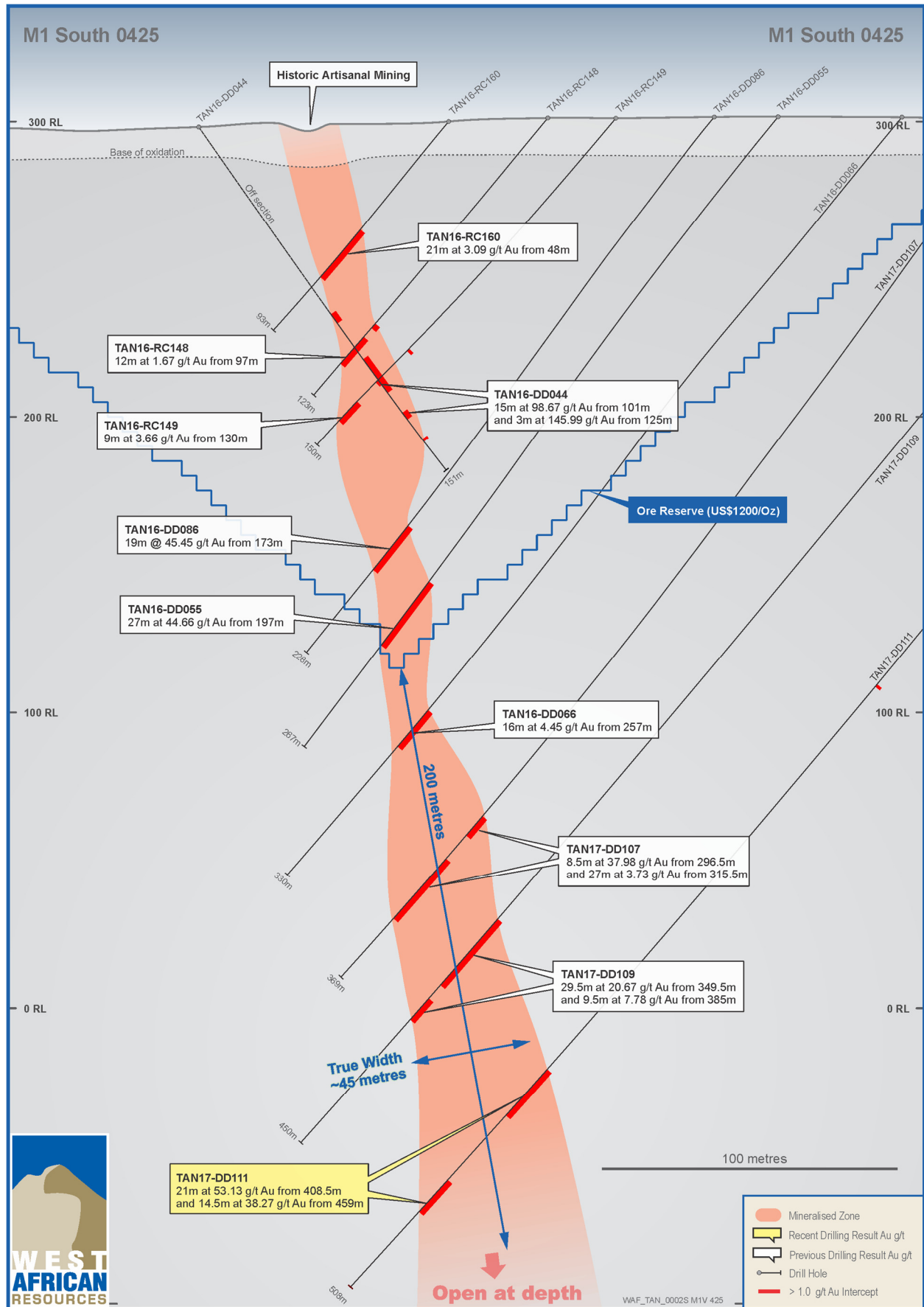


Figure 3: Sanbrado Gold Project - M1 Section SW425





**M5 Drilling Program**

Drilling at M5 during 2017 has predominately targeted mineralisation in the southwestern end of the deposit, between SW850 and SW400, beneath the February 2017 reserve pit shell. Drilling has been designed to upgrade Inferred Resources in this area to Indicated Resource status. The program has been successful, generally intercepting gold mineralisation that is higher in grade than the February 2017 Inferred Resource grade, therefore it is expected that updated resources will have a positive impact on M5 open pit reserves and will result in extending the open pit depth in the southern portion of the M5 deposit. Significant results from depth at the southwestern end of M5 include:

- ✓ TAN17-DD089: 10m at 1.18 g/t Au from 227m
- ✓ TAN17-DD091A: 32m at 1.84 g/t Au from 415m, including 1m at 15.6 g/t Au
- ✓ TAN17-DD094: 29m at 4.96 g/t Au from 128m, including **9m at 10.6 g/t Au**
- ✓ TAN17-DD095: 13m at 2.29 g/t Au from 396m, including 1m at 12 g/t Au
- ✓ TAN17-DD097A: 15m at 5.03 g/t Au from 256m, including **2m at 27.3 g/t Au**
- ✓ TAN17-DD100: 20m at 3.34 g/t Au from 170m, including 1m at 14.3 g/t Au and 2m at 16.5 g/t Au and 22m at 1.53 g/t Au from 210m
- ✓ TAN17-DD101 42m at 3.89 g/t Au including 2m at 27.47 g/t Au and **14m at 5.41 g/t Au**
- ✓ TAN17-DD102 77m at 5.3 g/t Au including 27m at 12.26 g/t Au and **14m at 22.47 g/t Au**; and TAN17-DD102 30m at 2.39 g/t Au from 399m
- ✓ TAN17-DD103 3m at 4.28 g/t Au from 20m
- ✓ TAN17-DD105B: 7m at 3.3 g/t Au from 179m
- ✓ TAN17-DD113: 8m at 2.1 g/t Au from 102m
- ✓ TAN17-DD116: 20m at 2.1 g/t Au from 178m
- ✓ TAN17-DD118: 36.5m at 2.5 g/t Au from 320m, including **0.5m at 49.5 g/t Au**
- ✓ TAN17-DD121: 20m at 1.5 g/t Au from 187m
- ✓ TAN17-DD122: 40.5m at 1.4 g/t Au from 240m, including **0.5m at 14.4 g/t Au**
- ✓ TAN17-DD126: 12m at 3.3 g/t Au from 211m
- ✓ TAN17-DD127: 37m at 2.4 g/t Au from 298.5m including **1.5m at 18.1 g/t Au**, and 25.5m at 1.9 g/t Au from 341.5m
- ✓ TAN17-DD130: 7m at 2.6 g/t Au from 245m

Shallow RC drilling has also been completed throughout the M5 deposit, targeting upgrading of Inferred Resources. Significant results include:

- ✓ TAN17-RC330: 24m at 1.1 g/t Au from 70m
- ✓ TAN17-RC331: 21m at 0.9 g/t Au from 4m and 23m at 0.89 g/t Au from 41m
- ✓ TAN17-RC332: 13m at 0.92 g/t Au from 95m
- ✓ TAN17-RC333: 3m at 3.05 g/t Au from 90m
- ✓ TAN17-RC334: 13m at 0.78 g/t Au from 69m
- ✓ TAN17-RC335: 6m at 1.78 g/t Au from 77m
- ✓ TAN17-RC338: 9m at 1.16 g/t Au from 52m, 14m at 1.22 g/t Au from 70m and 24m at 2.15 g/t Au from 91m
- ✓ TAN17-RC339: 30m at 0.69 g/t Au from 9m and 26m at 0.77 g/t Au from 45m
- ✓ TAN17-RC341A: 21m at 0.88 g/t Au from 31m and 18m at 2.52 g/t Au from 115m
- ✓ TAN17-RC342: 48m at 0.99 g/t Au from 16m
- ✓ TAN17-RC344A: 24m at 1.02 g/t Au from 75m
- ✓ TAN17-RC347: 4m at 4.48 g/t Au from 40m
- ✓ TAN17-RC365: 6m at 3.41 g/t Au from 13m

Shallow RC drilling has also been completed targeting the southern extension of the M1 Trend towards the intersection of the M1 and M5 trends. Follow-up drilling will be completed after the current wet-season. Significant results include:

- ✓ TAN17-RC274: 6m at 6.1 g/t Au from 11m
- ✓ TAN17-RC310: 6m at 1.22 g/t Au from 94m, end of hole
- ✓ TAN17-RC318: 11m at 1.01 g/t Au from 37m
- ✓ TAN17-RC321: 4m at 2.61 g/t Au from 48m
- ✓ TAN17-RC327: 12m at 0.93 g/t Au from 52m

A summary plan for the M5 deposit is shown in Figure 4 and is presented along with sections through SW650 and SW800. Full results for M1 and M5 drilling are presented in Table 1 and 2. The Company remains on track to deliver a resource update for the M1 and M5 deposits by the end of the September Quarter.

**Figure 4: M5 – Drilling Summary Plan**



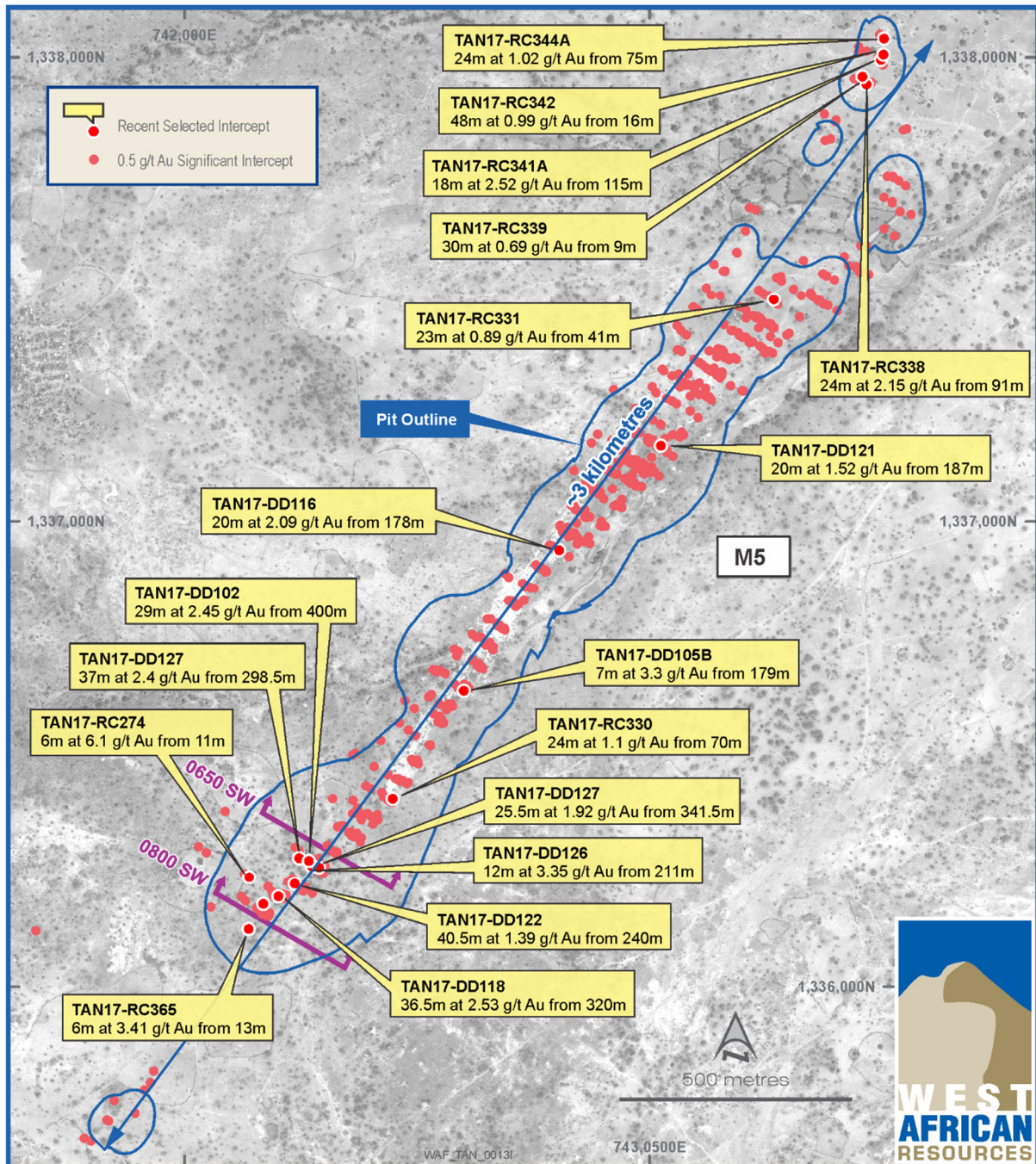


Figure 5: M5 – Section SW650

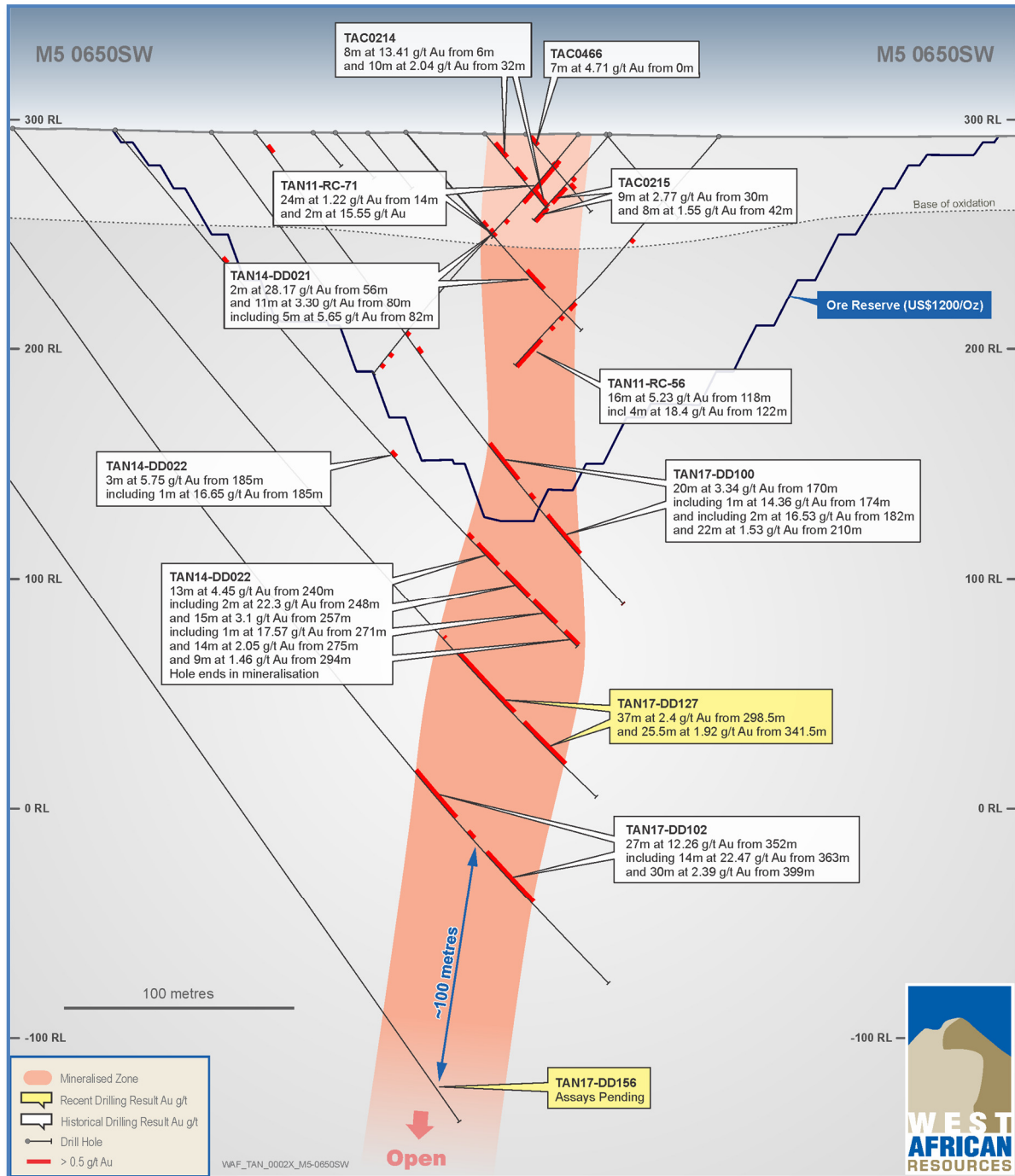
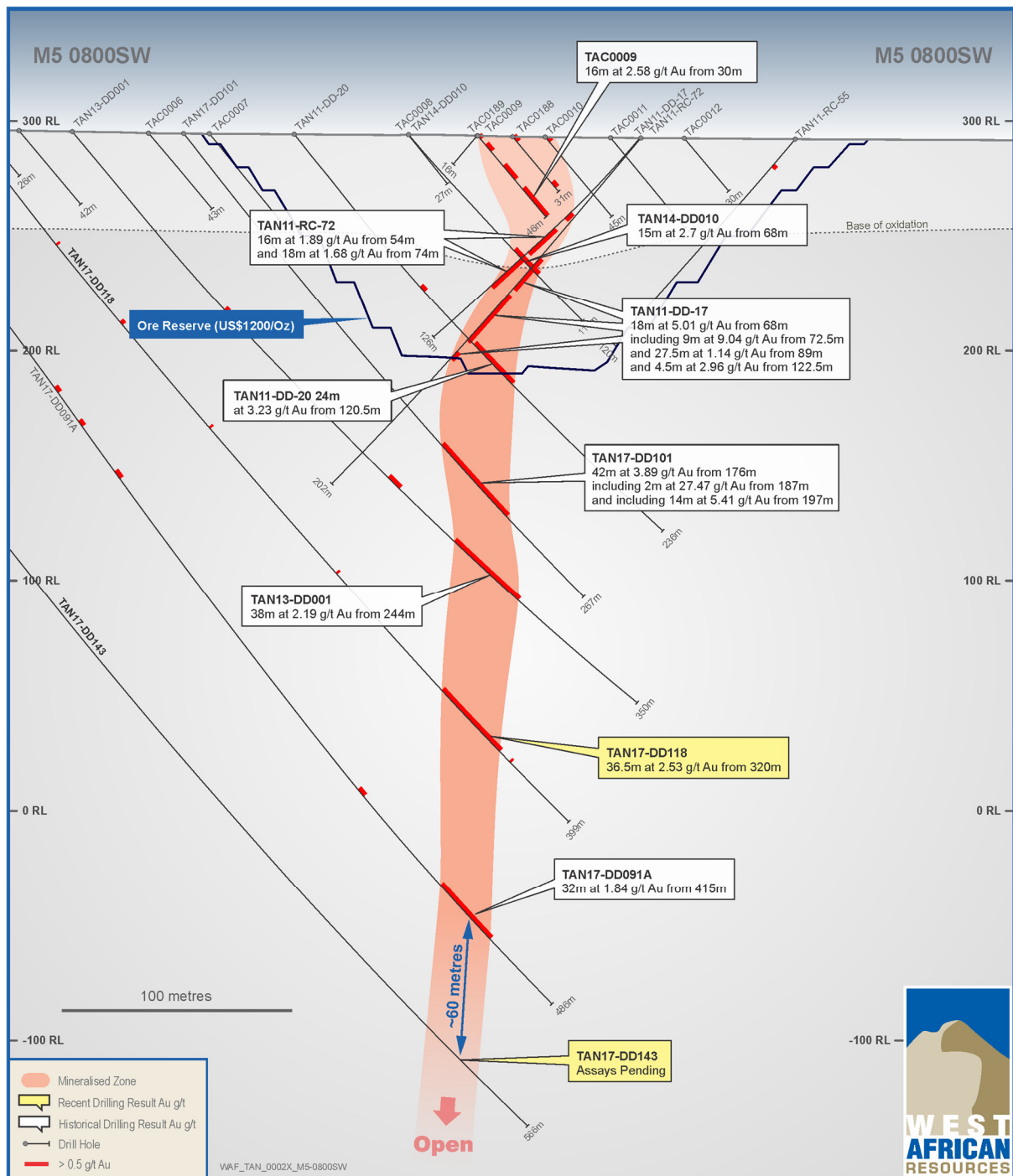




Figure 6: M5 – Section SW800



**M1-M5 Ground Geophysical Program**

WAF has commenced a detailed geophysical program including both Induced Polarisation (IP) and ground magnetic surveys. The program will cover the M1 - M3 trends and the southern part of the M5 trend (Figure 7). High grade mineralisation at M1 South is associated with intense shearing silicification and sulphides. The dominant sulphide in M1 mineralisation is pyrrhotite (Photo: 3) which has both magnetic and conductive properties. Historic IP and aeromagnetic surveys were completed over the project area in 2008 and 2011. Previous IP work was completed on wide-spaced 200m east-west lines. The 2011 detailed aeromagnetic survey was flown over the project area using north-south lines at 50m spacings.

Mineralisation at M1 South occurs as discrete cigar like shoots with 40m to 120m strike lengths generally trending 300° to 330°. Given the style and orientation of M1 mineralisation the historic IP line spacing and aeromagnetic line orientation are suboptimal and will not have tested the project area sufficiently. The current geophysical survey will be completed initially on 100m line spacings over 4 km , on northwest-southeast oriented lines, perpendicular to the main zones of mineralisation. The new grid will also cover the potential intersection of the M1 and M5 trends.

**Photo 3: TAN17-DD111 – Visible gold at 414.5m – 1,613.41 g/t Au (light grey sulphide is pyrrhotite)**

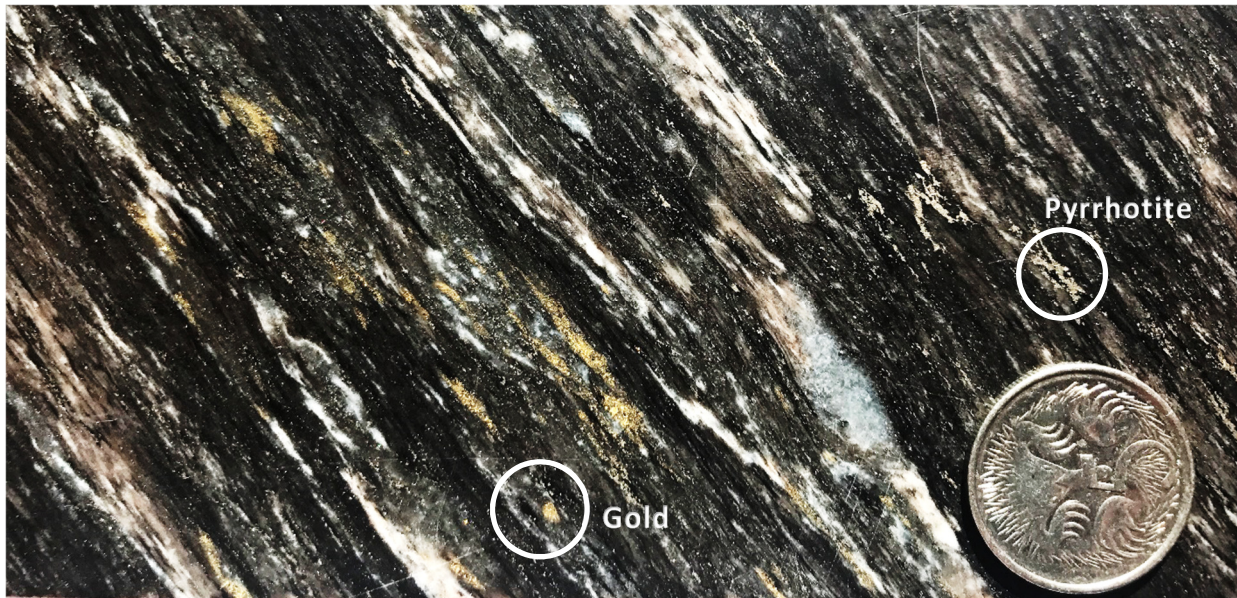
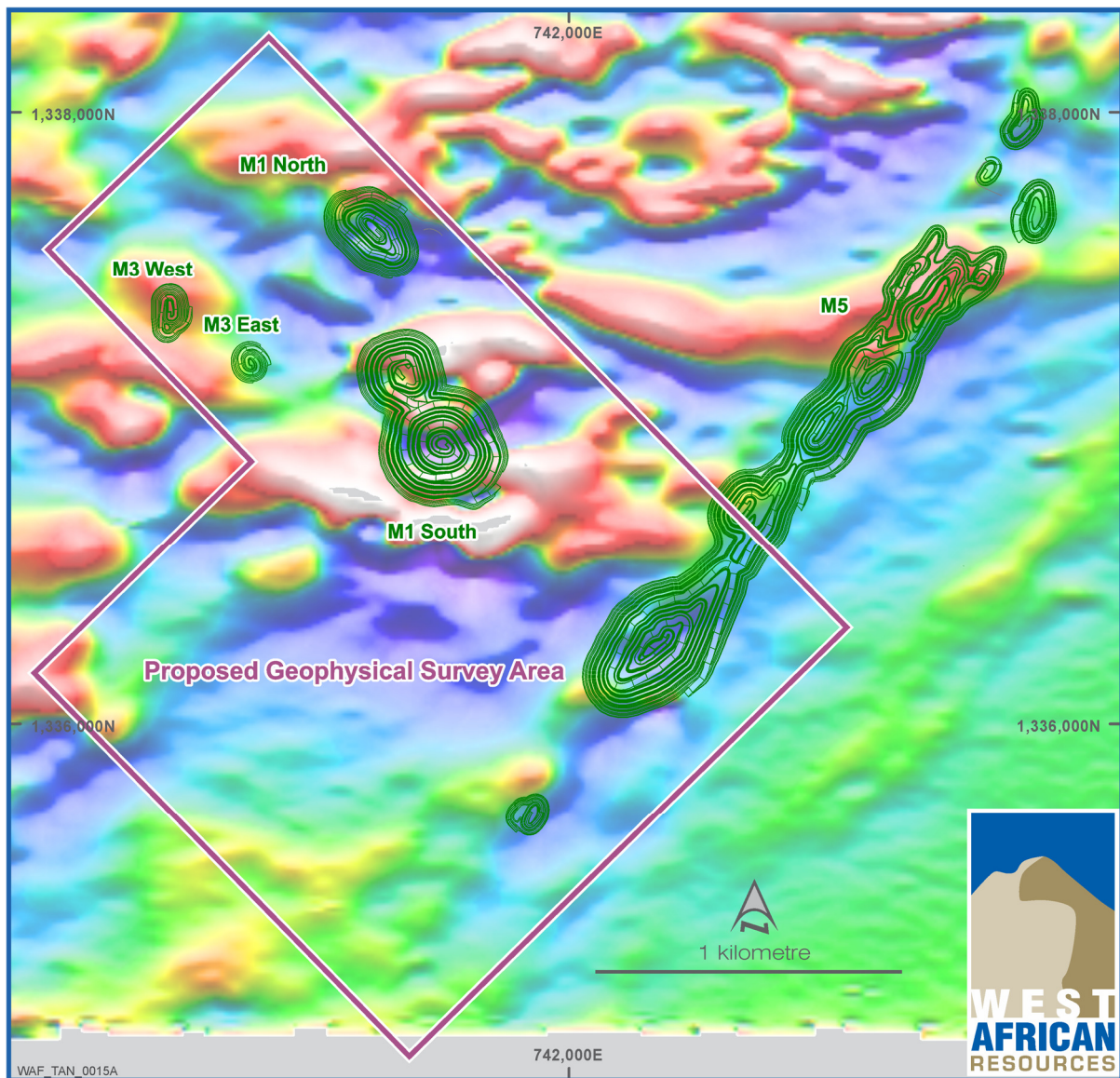




Figure 7: Geophysical Survey Area – 2011 Aeromagnetic Survey (background)



## **Corporate**

### *Private Placement*

During the quarter, West African announced it had entered an agreement with Sprott Capital to act as lead underwriter on a private placement of 46,875,000 ordinary West African shares at a price of C\$0.32/share for gross proceeds to West African of C\$15,000,000. Sprott later exercised its option to acquire up to an additional 7,031,250 ordinary shares for additional gross proceeds of C\$2,250,000, with total gross proceeds to West African increasing to C\$17,250,000. The Offering closed on 24 July, 2017.

Funds from the sale of the Shares will be used to advance the Sanbrado Gold Project, including ongoing exploration, advancement of an updated resource study, a revised feasibility study and working capital purposes. As at 30 June 2017, West African had \$10.6million cash at bank. After payment of fees associated with the issue, the company had approximately \$26m.

## **Other Projects**

No work was completed during the quarter in the Company's other projects.

Further information is available at [www.westafricanresources.com](http://www.westafricanresources.com)

### **For further information, contact:**

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Investor Relations  
Ph: 0420 582 887

Summary of Tenements in Burkina Faso								
Tenement Name	Registered Holder	% Held	Tenement Number	Grant Date	Expiry Date	Tenement Type	Tenement Area km2	Geographical Location
Damongto	West African Resources Ltd SARL	100%	No 2015 000-192/MME/SG/DGCM	3/07/15	01/03/18	EL	36	Namentenga Province
Goudré	West African Resources Ltd SARL	100%	No 2015 000-193/MME/SG/DGCM	3/07/15	23/03/18	EL	250	Zounweogo Province
Manesse	Tanlouka SARL	100%	N2017/014/MEMC/SG/DGCMIM Granted in January 2017	13/01/17	13/01/20	EL	90,35	Ganzourgou Province
Sartenga	West African Resources Development SARL	100%	No 2015 000074/MME/SG/DGMG	15/10/14	4/08/17	EL	130.7	Namentenga Province
Sondo Sud	West African Resources Development SARL	100%	No 2015 000-154/MME/SG/DGCM	5/06/15	01/12/18	EL	18.3	Gnagna, Kouritenga Provinces
Toghin	Wura Resources Pty Ltd SARL	100%	No 2016 16-140/MEMC/SG/DGCMIM	19/08/16	17/07/17	EL	222	Ganzourgou, Oubritenga Provinces
Vedaga	West African Resources Exploration SARL	100%	No 2016 16-139/MEMC/SG/DGCMIM	19/08/16	17/07/17	EL	207.7	Gourma, Kouritenga Provinces
Zam <sup>(2)</sup>	Wura Resources Pty Ltd SARL	100%	No 2012 12-205/MCE/SG/DGMGC	27/09/12	30/12/14	EL	247.7	Zounweogo Province
Zam Sud	West African Resources Ltd SARL	100%	No 2015 000194/MCE/SG/DGMGC	1/03/15	1/03/18	EL	23.46	Ganzourgou Province
Sanbrado <sup>(1)</sup>	Somisa SA (SOCIETE DES MINES DE SANBRADO SA)	0%	No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEVCC	13/03/2017	12/03/2024	ML	26	Ganzourgou Province

(1) The Sanbrado Mining permit has originally been granted for seven (7) years, but can be revised.

(2) An application for a “renouvellement exceptionnel “ was lodged for Zam and payment made in March 2017. Arrêté is pending.

#### Qualified/Competent Person's Statement

Information in this announcement that relates to exploration results, exploration targets or mineral resources is based on information compiled by Mr Richard Hyde, a Director, who is a Member of The Australian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Hyde 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 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 National Instrument 43-101. Mr Hyde consents to the inclusion in this announcement of the statements based on his information in the form and context in which they appear.

Information in this announcement relating to the Pre-Feasibility Study has been prepared by and compiled under the supervision of Dr Leon Lorenzen, an Independent Consultant and Director of Mintrex Pty Ltd, who is a Fellow of the Australian Institute of Mining and Metallurgy (CP) and Fellow of the Institution of Engineers Australia. Dr Lorenzen has sufficient experience which is relevant to 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. Dr Lorenzen 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 exploration results and 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 exploration results and mineral resources is based on, and fairly represents, information and supporting documentation prepared by Mr Nigel Spicer, an independent consultant specialising in mining engineering. Mr Spicer is a Member of the Institute of Material, Mining and Metallurgy and the Australian Institute of Mining and Metallurgy. Mr Spicer 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 Spicer 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.

#### **Regulatory Disclaimer and Related Information**

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. This announcement has been prepared in compliance with the JORC Code 2012 Edition, the ASX Listing Rules and Canadian National Instrument 43-101 (*Disclosure Standards for Mineral Projects*). The information relating to the historic Mankarga 5 Mineral Resource Estimate is extracted from Channel's NI43-101 report dated August 17, 2012 and is available to view on [www.westafricanresources.com](http://www.westafricanresources.com) and on profile of Channel Resources Ltd (now a subsidiary of the Company) on [www.sedar.com](http://www.sedar.com).

#### **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 the potential economic feasibility of a principal mineral project, future financial or operating performance 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, these facts include their ability to secure additional funding, anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralization that will be encountered if a mineral property is developed.

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: gold price volatility, investor interest in financing of junior resource issuers, exploration hazards and risks; risks related to exploration and development of natural resource properties; uncertainty in West African's ability to obtain funding on reasonable terms or any terms at all; financial market 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 materialize, 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 related MD&A, all of which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).