



Press Release

25 October 2017

SEPTEMBER 2017 QUARTERLY REPORT

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

Highlights

Sanbrado Gold Project

- ✓ Infill and extensional drilling program underway with three rigs double shifting on site
- ✓ Ground geophysical survey completed targeting additional M1-style mineralisation – data processing in progress
- ✓ Resource update due by the end of October and updated Feasibility Study in mid-2018

M1 South Diamond Drilling

- ✓ M1 South structure remains open at depth and along strike to the northwest
- ✓ Further high-grade results from depth at M1 South:
 - 16.5m at 14.78 g/t Au from 446.5m, including 0.5m at 320 g/t Au
 - 1.5m at 91.76 g/t Au from 155m, including 0.5m at 215.6 g/t Au
 - 4m at 21.45 g/t Au from 421.5m, including 0.5m at 79.7 g/t Au
 - 3m at 29.52 g/t Au from 434m, including 0.5m at 127 g/t Au
 - 7.5m at 15.2 g/t Au from 565.5m, including 2.5m at 37.8 g/t Au
 - 5.5m at 10.8 g/t Au from 584.5m, including 1m at 41.7 g/t Au

M5 Deposit

- ✓ Drilling at M5 demonstrated its strong grade at depth which requires further infill drilling
- ✓ High-grade results received from M5:
 - 8m at 17.5 g/t Au from 452m including 1m at 116 g/t Au and 1m at 17.4 g/t Au

Corporate

- ✓ Macquarie Bank exercises options, raising \$5.7 million
- ✓ \$27.4m cash at bank and no debt

September 2017 Quarter Summary

- ✓ 8,894m drilled
- ✓ \$4.6m Exploration and Development Expenditure
- ✓ \$0.5m Administration Costs
- ✓ \$27.4m cash at bank at 30 September 2017

December 2017 Quarter Activities

- ✓ Report updated resources for M1 South and M5 deposits
- ✓ Commencement of 2017-18 field season including extensive drilling and exploration programs
- ✓ Continue with Feasibility study and progress permitting updates

Sanbrado Gold Project

During the quarter, West African completed an infill and extensional drilling program aimed at expanding and improving the category of mineral resources for the M1 South and M5 deposits. The Company has maintained momentum throughout the wet-season by keeping three rigs drilling on a double shift basis. Exploration drilling will ramp-up again in the December Quarter, with up to six rigs working at M1, M5 and other targets on the Sanbrado mining licence and surrounding exploration licences.

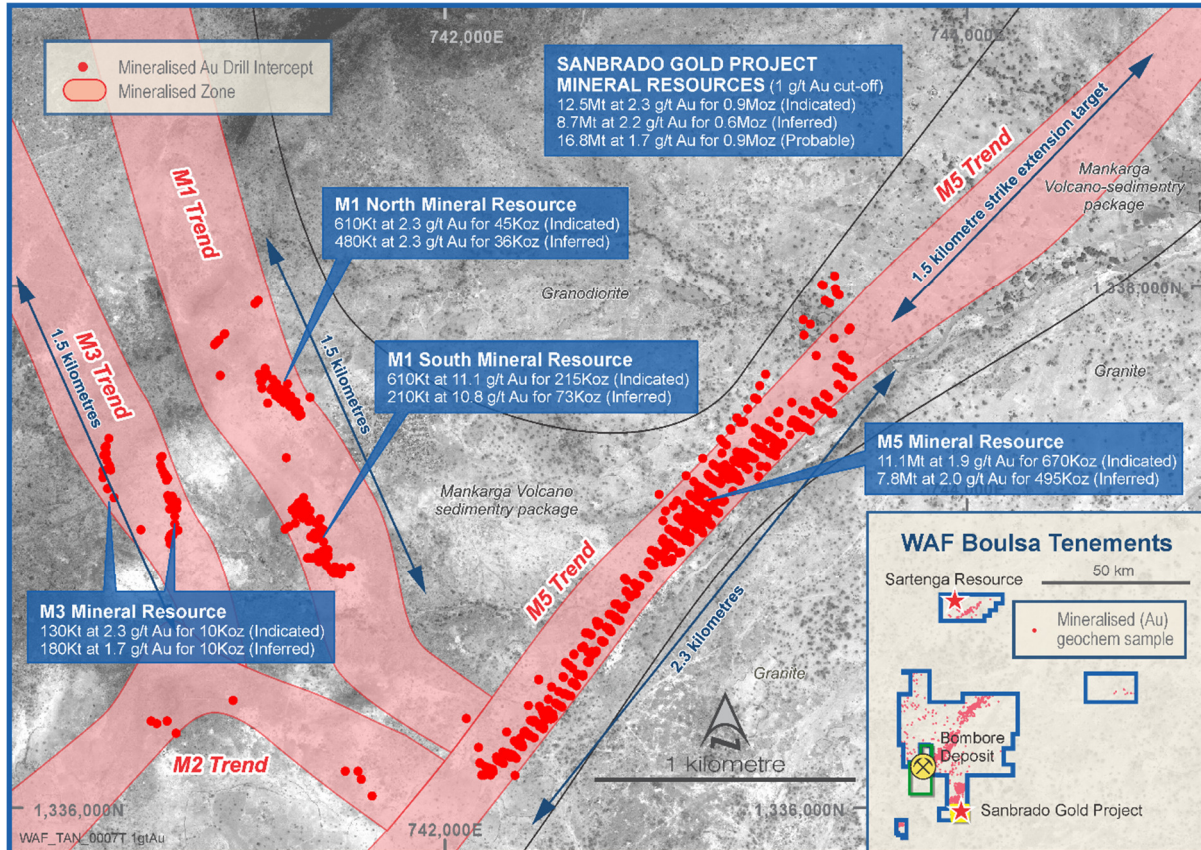


Figure 1: Sanbrado Gold Project – Mineralised Trends and Prospect Locations

M1 South Drilling

Infill drilling at M1 South is being carried-out using wedge holes, with TAN17-DD110A-WD1 and TAN17-DD111-WD1 confirming the continuity of the high-grade gold mineralisation at M1 South. Significant results from infill drilling included:

- ✓ TAN17-DD110A-WD1: 4m at 21.45 g/t Au from 421.5m, including 0.5m at 79.7 g/t Au
- ✓ TAN17-DD110A-WD1: 3m at 29.52 g/t Au from 434m, including 0.5m at 127 g/t Au
- ✓ TAN17-DD111-WD1: 4m at 11.02 g/t Au from 404.5m, including 0.5m at 47 g/t Au
- ✓ TAN17-DD111-WD1: 3m at 14.49 g/t Au from 417m, including 0.5m at 73.9 g/t Au
- ✓ TAN17-DD111-WD1: 16.5m at 14.78 g/t Au from 446.5m, including 2.5m at 79.9 g/t Au and 0.5m at 320 g/t Au

Drilling along strike targeting additional shoots returned mixed results. Further work remains to be done on the geological model in this area of the deposit. Significant results included:

- ✓ TAN17-DD135 1.5m at 91.76 g/t Au from 155m, including 0.5m at 215.6 g/t Au

- ✓ TAN17-DD140 1m at 8.52 g/t Au from 115m
- ✓ TAN17-DD140 3m at 2.62 g/t Au from 262m
- ✓ TAN17-DD141 3.5m at 15.79 g/t Au from 347m, including 0.5m at 64 g/t Au
- ✓ TAN17-DD144 5.5m at 5.81 g/t Au from 174m
- ✓ TAN17-DD146 2.5m at 3.03 g/t Au from 179.5m.

Post-quarter end deep drilling at M1 South intercepted high-grade mineralisation demonstrating the M1 South structure remains wide open at depth and along strike to the northwest (Figure 2). TAN17-DD162 on section SE400 is the deepest result to date taking mineralisation 450m below surface. TAN17-DD165 intercepted high-grade mineralisation as well 25m along strike to the northwest on section SE375. Significant results from recent drilling included:

- ✓ TAN17-DD162: 5.5m at 10.78 g/t Au from 584.5m, including 1m at 41.7 g/t Au
- ✓ TAN17-DD162: 2m at 9.02 g/t Au from 611.5m
- ✓ TAN17-DD163: 1m at 7.58 g/t Au from 502m
- ✓ TAN17-DD163: 3m at 9.68 g/t Au from 579.5m
- ✓ TAN17-DD164A: 1.5m at 14.11 g/t Au from 547m
- ✓ TAN17-DD165: 0.5m at 19.9 g/t Au from 548.5m
- ✓ TAN17-DD165: 7.5m at 15.22 g/t Au from 565.5m, including 2.5m at 37.8 g/t Au.

Deep diamond drilling completed during the quarter will have a positive impact on the upcoming M1 South resource estimate. Infill drilling has confirmed the high-grade nature of the main shoot at M1 South and has provided further confidence for the geological model. Extensional drilling has been successful in intercepting new mineralisation at depth, which is now more than double the depth since the February 2017 resource estimate.

M5 Drilling

Infill and extensional drilling completed at M5 during the quarter demonstrated that the M5 system is showing strong grade at depth and further drilling is warranted.

Drill hole TAN17-DD156A on section SW650 returned strong results of 8m at 17.5 g/t Au from 452m, including 1m at 116 g/t Au and 1m at 17.4 g/t Au. This result is located more than 70m down-dip of TAN17-DD102 which returned 77m at 5.3 g/t Au including 27m at 12.26 g/t Au and 14m at 22.47 g/t Au.

Significant results from the drilling at M5 included:

- ✓ TAN17-DD131: 7m at 1.91 g/t Au from 273m and 6m at 2.17 g/t Au from 323m
- ✓ TAN17-DD132: 5m at 2.73 g/t Au from 376m
- ✓ TAN17-DD136: 3m at 4.98 g/t Au from 233m
- ✓ TAN17-DD142: 8m at 1.87 g/t Au from 379mTAN17-DD143: 21m at 2.30 g/t Au from 514m, including 2m at 4.6 g/t Au
- ✓ TAN17-DD148: 15m at 1.09 g/t Au from 454m
- ✓ TAN17-DD149A: 10m at 1.80 g/t Au from 447m
- ✓ TAN17-DD156A: 8m at 17.5 g/t Au from 452m, including 1m at 116 g/t Au and 1m at 17.4 g/t Au.

The elevated grades exhibited at M5 to date in 2017 drilling are expected to have a positive impact on M5 open pit reserves, and in extending the open-pit depth in the southern portion of the M5 deposit.

These reserves will be included in the updated DFS scheduled for completion in mid-2018.

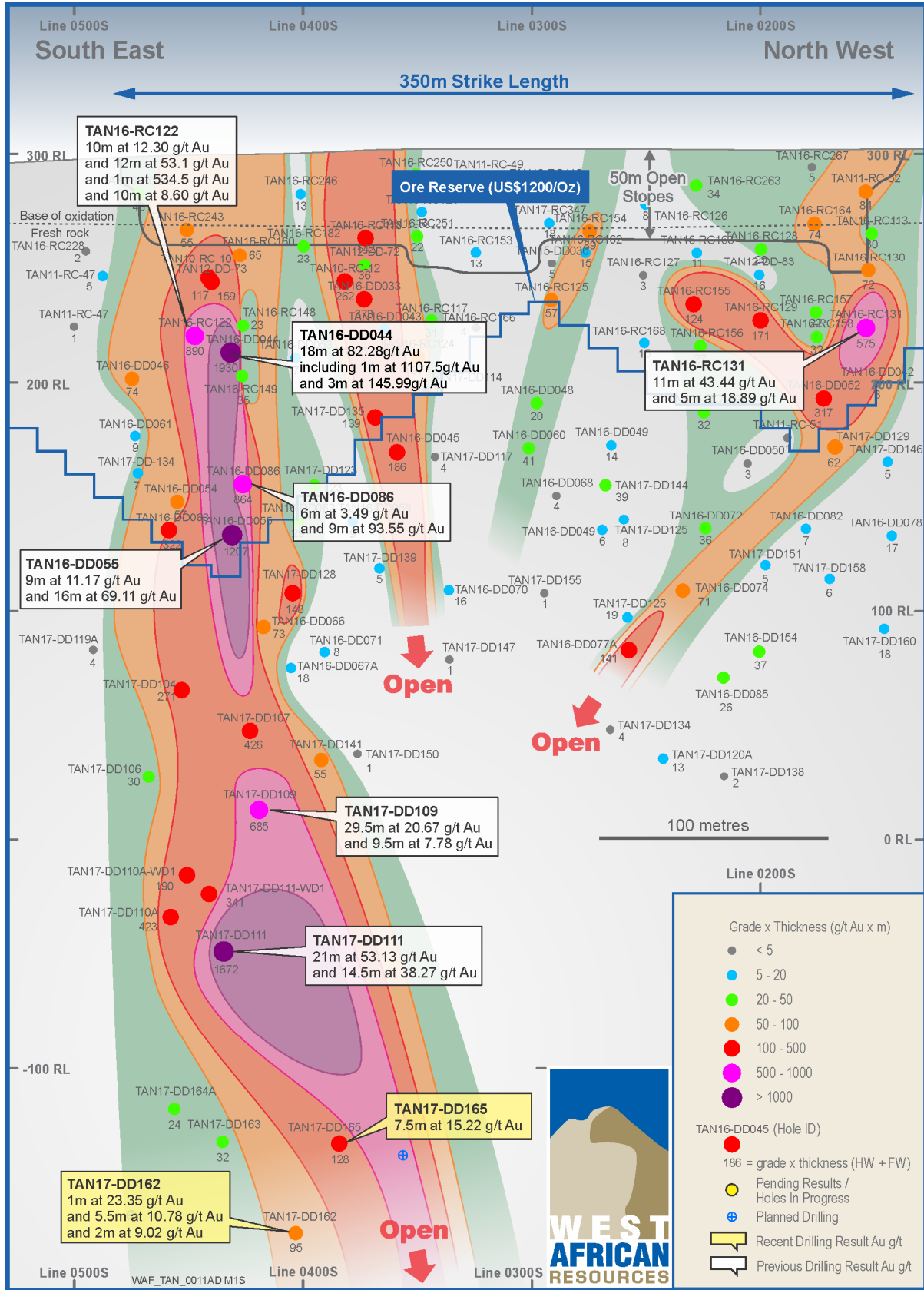


Figure 2: Sanbrado Gold Project – M1 South Long-section

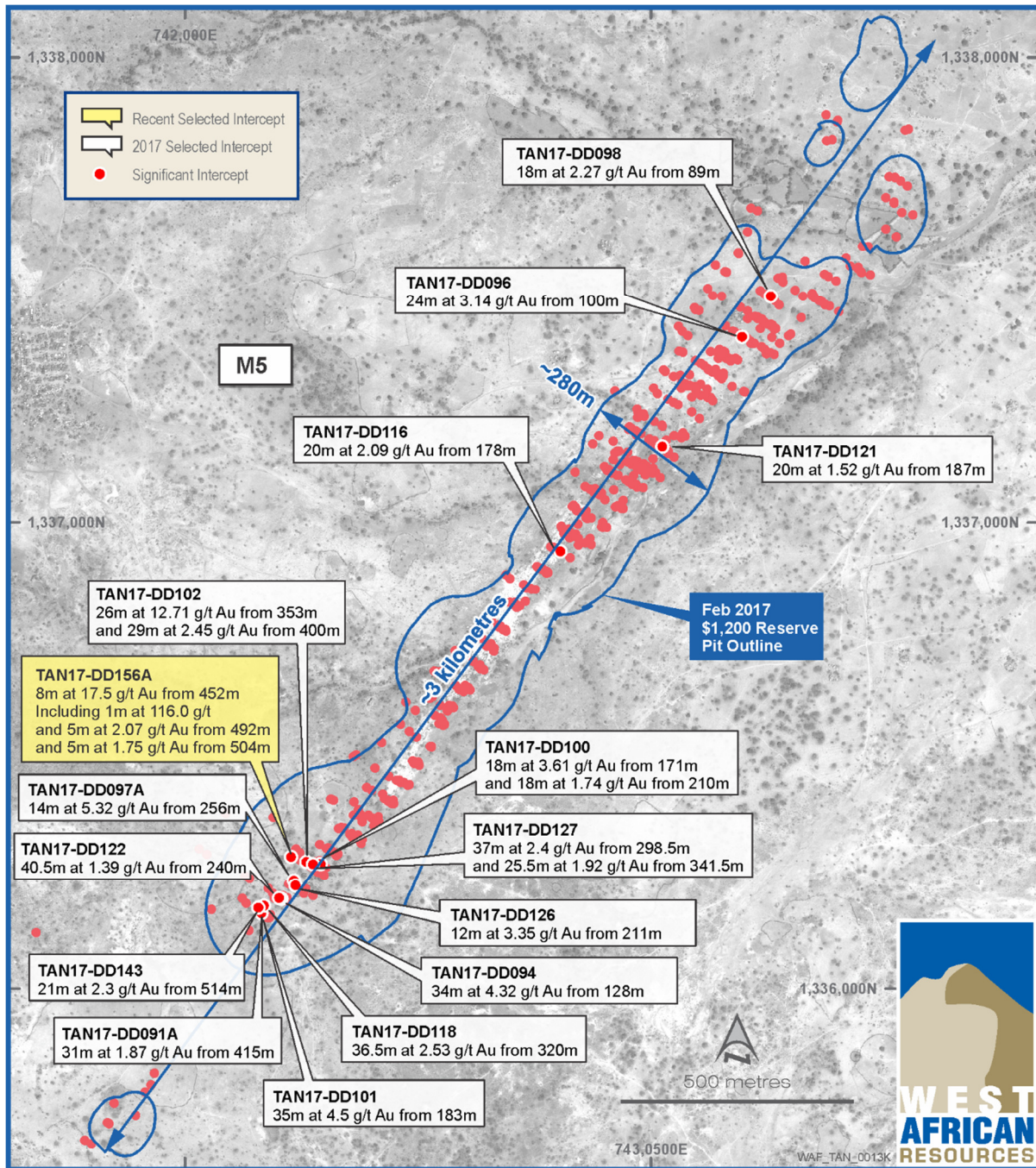


Figure 3: Sanbrado Gold Project – M5 Exploration Summary Plan

Geophysical Ground Survey Completed

During the quarter, West African also completed ground magnetic and IP geophysical surveys covering the M1, M3 and southern M5 areas. Processing of this data is underway and expected to be completed by early-November.

Outlook

West African is targeting to announce updated mineral resource estimates for the M1 and M5 deposits by the end of October 2017. Further exploration and drilling updates will be made in early November, once data from the geophysical surveys and a structural study have been reviewed. The Company will accelerate drilling again with at least six drill rigs from early November, for the duration of the 2017-18

field season. The Company expects to release an additional resource update in Q2 2018 ahead of completing an updated Feasibility Study in mid-2018.

Corporate

Macquarie Bank exercises options

During the quarter, the Commodity Markets and Finance Division of Macquarie Bank Limited (Macquarie) exercised 40,545,224 unlisted options (Options) at A\$0.14. This added \$5.7m to the Company's cash balance. The Options related to a US\$5 million loan facility, which West African transacted in December 2014 and repaid in August 2016.

Substantial holdings

After exercising its options, Macquarie Group Limited became a substantial holder of West African on 23 August, with 40,560,224 shares or 7%.

Sprott Asset Management LP became a substantial holder of West African on 24 July with 32,895,427 shares or a 6.1% holding. However as of 1 August, Sprott no longer exercised control or direction over 25,407,380 shares it previously managed.

Conference participation

During the quarter, West African presented at the following conferences and events:

- Diggers and Dealers, Kalgoorlie, WA – August 2017
- Africa Down Under, Perth, WA – September 2017
- Precious Metals Summit, Colorado, USA – September 2017
- Denver Gold Forum, Colorado, USA – September 2017

Video presentations from the recent conferences can be accessed at <http://www.westafricanresources.com/category/presentation/>.

As at 30 September 2017, West African had \$27.4 million cash at bank.

Other Projects

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

Further information is available at www.westafricanresources.com

For further information, contact:

Richard Hyde
Managing Director
Ph: 08 9481 7344
Email: info@westafricanresources.com

Nathan Ryan
Investor Relations
Ph: 0420 582 887

Summary of Tenements in Burkina Faso at 30 September 2017

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	Wura Resources Pty Ltd SARL	100%	No 2017-143/MMC/SG/DGCM	11/09/17	01/03/18	EL	36	Namentenga Province
Goudré	Wura Resources Pty Ltd SARL	100%	No 2017-144 /MMC/SG/DGCM	11/09/17	23/03/18	EL	250	Zounweogo Province
Manesse	Tanlouka SARL	100%	N2017/014/MEMC/SG/DGCMIM	13/01/17	13/01/20	EL	90,35	Ganzourgou Province
Sartenga (1)	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 (3)	Wura Resources Pty Ltd SARL	100%	No 2016 16-140/MEMC/SG/DGCMIM	14/07/17		EL	172.4	Ganzourgou, Oubritenga Provinces
Vedaga (3)	Wura Resources Pty Ltd SARL	100%	No 17 - 104/MMC/SG/DGCM	25/07/17		EL	157.9	Gourma, Kouritenga Provinces
Zam (2)	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	Wura Resources Pty Ltd SARL	100%	No 2017-145/MMC/SG/DGCM	1/03/15	1/03/18	EL	23.46	Ganzourgou Province
Sanbrado	Somisa SA (SOCIETE DES MINES DE SANBRADO SA)	90%	No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEV CC	13/03/17	12/03/24	ML	26	Ganzourgou Province
<p>(1) An application for an exceptional renewal has been applied for on Sartenga</p> <p>(2) The Zam permit was reapplied for under a new permis de recherche entitled Bollé. Invitation to pay for the application has been received, and payment has been made. Granting of the Bollé permit is pending.</p> <p>(3) A second renewal application has been submitted</p>								

Qualified/Competent Person's Statement

Information in this announcement that relates to exploration results 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 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.

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 and on profile of Channel Resources Ltd (now a subsidiary of the Company) on 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.