

Press Release

30 April 2018

MARCH 2018 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 31 March 2018.

Highlights

Sanbrado Gold Project

- ✓ Updated feasibility study on track for completion in Q2 2018

M1 South

- ✓ High-grade results from depth at M1 South included:
 - TAN17-DD174A 14m at 39.33 g/t Au from 448.5m including 0.5m at 860 g/t Au
 - TAN17-DD179 1.5m at 194.47 g/t Au from 414.5m including 0.5m at 440 g/t Au
 - TAN17-DD179 13m at 5.26 g/t Au from 425.5m
 - TAN17-DD179 12.5m at 17.3 g/t Au from 464.5m including 0.5m at 151 g/t Au
 - TAN17-DD179-WD1 8.5m at 7.4 g/t Au from 403.5m
 - TAN17-DD179-WD1 6m at 25.95 g/t Au from 419.5m including 0.5m at 220 g/t Au
 - TAN18-DD189: 11m at 11.2 g/t from 654 and 5.5m at 26.4 g/t Au from 675.5m¹
 - TAN18-DD196: 3.5m at 14.5 g/t from 693 and 1m at 9.2 g/t Au 705.5m¹
- ✓ Drilling program completed targeting upgrade of Inferred resources at 300m to 500m depth
- ✓ Four drill rigs currently on-site double shifting, infilling and extending mineralisation
- ✓ M1 South remains fertile and open at depth with significant results returned from +500m in TAN18-DD189 and TAN18-DD196

Metallurgical Test Work

- ✓ Excellent metallurgical test work results from M1 South - average recoveries of 96.8%
- ✓ Gravity recoveries of up to 66%, average 44%
- ✓ Rapid leach times - leaching completed within 24 hours for all samples
- ✓ Updated M1 South recoveries to be significantly higher across the grade range

M5 Deposit

- ✓ Deep drilling at M5 returns 11m at 4.5 g/t Au within 26m at 3.0g/t Au from 454m
- ✓ Infill diamond drilling at M5 returns:
 - TAN17-DD180: 20m at 2.2g/t Au from 216m
 - TAN17-DD182: 18m at 2.2g/t Au from 259m
 - TAN18-DD185: 22m at 2.4g/t Au from 115m
 - TAN18-DD186: 23m at 7.2g/t Au from 102m
 - TAN18-DD188: 14m at 7.7g/t Au from 90m

1: Final results following gravimetric analysis check assays

- ✓ 4 drill rigs currently infilling and extending mineralisation at M1 and M5
- ✓ Resource update and feasibility study on track for completion Q2 2018
- ✓ Funded to complete all work programs with \$15.8m cash at bank

March 2018 Quarter Summary

- ✓ Total meters: 19,316.44, from 130 drill holes
- ✓ AC: 24 holes, 437 m
- ✓ RC: 80 holes, 10,647 m
- ✓ DDH: 26 holes, 8,232.44 m
- ✓ \$4.6m Exploration and Development Expenditure
- ✓ \$1.0m Administration Costs
- ✓ \$15.8m cash at bank at 31 March 2018

June 2018 Quarter Plans

- ✓ Resource update
- ✓ Significantly improved Feasibility Study due for completion

Sanbrado Gold Project

M1 South Drilling

Drilling at M1 South during the quarter targeted infill of Inferred Resources 350-500m below surface on at least 25m x 25m pattern. This aimed to upgrade Inferred material to Indicated category which will be included in the underground mine schedule to be incorporated in the Feasibility Study due for completion in mid-2018. This drilling program has provided essential structural information and was completed prior to recommencing extensional drilling at +500m below surface (TAN18-DD189 TAN18-DD196).

Drilling demonstrated excellent continuity of high grade gold mineralisation in areas of previously sparsely drilled Inferred Resources.

Notable results included:

- TAN17-DD174A intercepted **14m at 39.33 g/t Au from 448.5m** including **0.5m at 860 g/t Au**.
- TAN17-DD179 intercepted **1.5m at 194.47 g/t Au from 414.5m** including **0.5m at 440 g/t Au** and **12.5m at 17.3 g/t Au** from 464.5m including **0.5m at 151 g/t Au**.

Given the grade and tenor of recent results, it is expected that Inferred Resources will be upgraded in terms of both category and grade.

Drilling at M1 South also targeted vertical extensions of high-grade mineralisation at more than 550 vertical metres below surface, aiming to extend mineralisation at depth and demonstrate that M1 South remains an open fertile high-grade gold system, as each previous step-down program has done since early 2016.

WAF intercepted visible gold mineralisation from the first of these holes, which was drilled 80m down dip of TAN17-DD166B which returned 13.5m at 18.21 g/t Au from 575m including 1m at 131.9 g/t Au and 2.5m at 43.97 g/t Au from 614m including 1m at 83.9 g/t Au.

In April, further results included TAN18-DD189 which intercepted **11m at 11.2 g/t from 654m and 5.5m at 26.4 g/t Au including 0.5m at 240g/t Au from 675m**. This result is approximately 90m down plunge of TAN17-DD166B which returned 13.5m at 18.2 g/t Au and 2.5m at 44 g/t Au. Results have been recently upgraded to reflect check gravimetric assays.

In addition, TAN18-DD196 intercepted **3.5m at 14.5 g/t from 693 and 1m at 9.2 g/t Au 705.5m**, 20m to the southeast of TAN18-DD189 indicating the high shoot remains wide open at depth and along strike to the northwest. Further drilling is in progress.

Results from TAN18-DD189 and TAN18-DD196 will extend Inferred Resources at depth, however also requires additional infill drilling before inclusion in any future mine plans. The results however demonstrated there is a high likelihood that the underground mine life at M1 South will be extended beyond what will be outlined in the upcoming Feasibility Study and that drilling at depth remains a high priority in the Company's exploration strategy.

Work on the updated Feasibility Study is nearing completion and will incorporate over 300 vertical metres of additional high-grade mineralisation, concurrent open pit and underground mining. This is designed to bring forward cashflow over the early years of the project life and improved metallurgical recoveries. The updated study will be a significant improvement over the February 2017 open-pit feasibility study.

Metallurgical Test Work

WAF continued a metallurgical test work program as part of its update of the February 2017 open pit feasibility study. The 2017 FS indicated that improved gold recoveries from the M1 South deposit may be derived from finer grinding. The 2017 FS proposed a 90µm grind size for all ore types in a single stage crush and a single stage grind (SAG) comminution circuit. The study update will propose a two-stage grinding SABC circuit enabling greater operational flexibility and the ability to grind ore finer than 90µm if required.

Test work undertaken since completion of the 2017 FS indicates that 90µm or coarser is an optimal grind size for M5 mineralisation. However, there is a significant economic benefit in grinding the higher grade M1 South mineralisation to at least 75µm.

Thirteen high-grade composites were selected from several contiguous intervals from four diamond core drill holes through the M1 South high-grade zone (TAN16-DD055, TAN16-DD086, TAN17-DD109 and TAN17-DD110A). The composites presented a range of potential head grades. Dilution material was included to represent the blend of feed that a processing facility may treat once in operation. One 146 g/t Au composite (HG-109-C) was also included to assess variability in the metallurgical response of extremely high-grade gold ore.

All composites were ground to 80% passing 75 µm and subjected to gravity recovery and amalgamation methods to recover free gold. The amalgam tail and the gravity tail were then recombined and leached in agitated vessels at 40% solids w/w with oxygen sparging. Leach conditions were undertaken at a pH of 10.5 and an initial NaCN concentration of 500 mg/L. All tests were terminated after 48 hours of leaching.

High total extractions were achieved for all samples. Gravity test work results showed a significant proportion of gravity recoverable gold is present in M1 South mineralisation. Reagent consumptions were low and support the 2016-17 test work completed on lower head grade samples. Results showed an average gravity recovery of 44.2%, with a maximum of 66.2%. Average total extraction was 96.8% with a maximum of 98.4% from a sample which returned a calculated head grade of 7.3 g/t Au.

Recovery values for M1 South mineralisation are expected to be >96% for head grades of >5 g/t Au. This is significantly higher than recoveries derived from the 2016-17 test work programs which were estimated in the 90% to 96% range for samples grading 5 to 30 g/t Au, with recoveries capped at 96% for >30 g/t Au material.

M5 Drilling

Drilling at M5 targeted higher grade mineralisation in the southern portion of the deposit on 25m sections. Higher grade mineralisation is interpreted to occur around the intersection of the M1 and M5 structures.

WAF reported significant results from this drilling which included:

- ✓ TAN17-DD180: 20m at 2.2g/t Au from 216m including 9m at 3.9 g/t Au
- ✓ TAN17-DD182: 18m at 2.2g/t Au from 259m
- ✓ TAN18-DD185: 22m at 2.4g/t Au from 115m including 2m at 12.8 g/t Au
- ✓ TAN18-DD185: 10m at 1.7g/t Au from 145m
- ✓ TAN18-DD186: 23m at 7.2g/t Au from 102m including 14m at 11.3 g/t Au
- ✓ TAN18-DD188: 14m at 7.7g/t Au from 90m including 8m at 12.6 g/t Au

Significant mineralisation exists beneath the proposed open pit which has underground mining potential, however further drilling and studies are required.

Deep drilling in late 2017 returned 77m at 5.3g/t Au including 27m at 12.3 g/t Au from 352m in TAN17-DD102 and 8m at 17.5 g/t Au, including 1m at 116 g/t Au from 452m TAN17-DD156A. Both intercepts are located beneath the proposed M5 open pit reserve. TAN18-DD183 drilled 50m along strike of TAN17-DD156A at a similar vertical depth has returned significant mineralisation with 26m at 3.0g/t Au from 454m, including 11m at 4.5 g/t Au.

Sanbrado Gold Project Receives Environmental Approval

Post quarter-end the Company announced that the Burkina Faso Ministry of the Environment, Green Economy and Climate Change had approved the updated Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP) for the Sanbrado Gold Project. The Sanbrado Gold Project will be operated to both Burkinabé and internationally recognised environmental and social standards, in particular the Performance Standards of the International Finance Corporation (IFC). West African engaged highly experienced independent consultants to work alongside the Company's Corporate Social Responsibility (CSR) team to deliver the ESIA and RAP to IFC standards including BEGE, a Burkinabe environmental consultancy, and international consultancy Knight Piésold. The updated ESIA reflects the change in process from heap leach to carbon in leach extraction, and addition of underground mining to the overall mine plan, and is the penultimate stage of the permitting process with the updated Mining Licence expected in mid-2018.

Outlook

WAF expects to continue its drilling programs in Q2 2018, with a resource update and much improved feasibility study update for the Sanbrado Project also due for completion in the quarter.

Corporate

Exercise and Expiry of Options

During the quarter, 2.5 million vested options were exercised at price of 14.5 cents and 2.5 million ordinary shares issued.

A further 2.5 million unvested options with an exercise price of 14.5 cents expired on 20 February 2018. The options did not vest as the performance criteria had not been met by the vesting date.

As at 31 March 2018, West African had \$15.8 million cash at bank.

Other Projects

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

Further information is available at www.westafricanresources.com

For further information, contact:

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Summary of Tenements in Burkina Faso at 31 March 2018

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 (2)	Wura Resources Pty Ltd SARL	100%	No 2017-143/MMC/SG/DGCM	11/09/2017	1/03/2018	EL	36	Ganzourgou Province
Goudré (2)	Wura Resources Pty Ltd SARL	100%	No 2017-144 /MMC/SG/DGCM	11/09/2017	23/03/2018	EL	175	Ganzourgou Province
Manesse	Tanlouka SARL	100%	N2017/014/MEMC/SG/DGCMIM	13/01/2017	13/01/2020	EL	90,35	Ganzourgou Province
Sartenga (1)	West African Resources Development SARL	100%	No 2015 000074/MME/SG/DGMG	15/10/2014	4/08/2017	EL	130.7	Namentenga Province
Sondo Sud	West African Resources Development SARL	100%	No 2015 000-154/MME/SG/DGCM	5/06/2015	1/12/2018	EL	18.3	Ganzourgou Province
Toghin	Wura Resources Pty Ltd SARL	100%	No 17 - 182/MMC/SG/DGCM	18/07/2017	17/07/2020	EL	166	Ganzourgou, Provinces
Vedaga	Wura Resources Pty Ltd SARL	100%	No 17 - 232/MMC/SG/DGCM	18/07/2017	17/07/2020	EL	154.7	Gnagna, Kouritenga Provinces
Bollé	Wura Resources Pty Ltd SARL	100%	No 17 – 223//MMC/SG/DGCM	21/11/2017	20/11/2020	EL	205.5	Ganzourgou Province
Zam Sud(2)	Wura Resources Pty Ltd SARL	100%	No 2017-145/MMC/SG/DGCM	1/03/2015	1/03/2018	EL	23.46	Ganzourgou Province
Sanbrado	Somisa SA (SOCIETE DES MINES DE SANBRADO SA)	90%	No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEV CC	13/03/2017	12/03/2024	ML	26	Ganzourgou Province
(1) An application for an exceptional renewal has been applied for the Sartenga permit. (2) An application for a second renewal has been lodged								

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 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.