



Press Release

22 January 2019

DECEMBER 2018 QUARTERLY REPORT

Gold developer West African Resources Limited (ASX, TSXV: WAF) is pleased to report progress on its Sanbrado Gold Project ("Sanbrado"), Burkina Faso, for the quarter ending 31 December 2018.

Highlights

Project Development Summary

- ✓ Underground mining contract awarded to Byrnegut
- ✓ Mill package awarded to Outotec, order placed for 4MW SAG and ball mills
- ✓ EPCM contract for Sanbrado awarded to Lycopodium
- ✓ Earthworks, camp and box cut for underground access commenced by WAF construction team
- ✓ Further Key hires completed for construction, operations and security teams

M1 South Diamond Drilling

- ✓ 1km diamond hole intercepted extensive visible gold returning **25m at 15.03 g/t Au**
- ✓ Intercept located 220m vertical beneath existing Probable Ore Reserves, confirms potential to extend M1 South underground mine life past 4.5 years
- ✓ Parallel high-grade zone at M1 South intercepted 300m below surface, 180m east of main zone **2m at 138.4 g/t Au and 5.5m at 15.5 g/t Au**
- ✓ Infill drilling returns **21.5m at 15.3 g/t and 14.5m at 19.9 g/t Au**

Corporate Summary

- ✓ West African fully funded through to gold production in 2020 at Sanbrado
- ✓ US\$200 million finance facility secured with Taurus Funds Management Pty Ltd
- ✓ Fully underwritten institutional Share Placement completed raising A\$43.2 million
- ✓ Share Purchase Plan offer for up to A\$5 million enabling retail shareholders to participate in Sanbrado project funding closes January 25, 2019
- ✓ Updated security protocols and procedures for staff and contractors in Burkina Faso

December 2018 Quarter Summary

- ✓ 5,656m drilled
- ✓ A\$7.8m exploration and mine development expenditure
- ✓ A\$4.2m administration costs (including costs associated with project finance raising - debt and equity)
- ✓ A\$66.4m cash at bank at 31 December 2018

March 2019 Quarter Plans

- ✓ Completion of feasibility study optimisation and update
- ✓ Exploration drilling near surface targets in trucking distance to Sanbrado
- ✓ Award of open pit mining contract
- ✓ Completion of stage 1 camp (120 rooms), admin building, clinic and temporary power station
- ✓ Major mechanical and electrical equipment procurement
- ✓ Structural steel and platework fabrication commencement

Sanbrado Gold Project

Project Development

Mill Award

During the quarter WAF selected Outotec to supply a 4MW semi-autogenous grinding (SAG) mill and a 4MW ball mill, principally due to extensive experience with grinding mills especially in the size range required for Sanbrado. Manufacture of the SAG and ball mills, and associated equipment, has commenced with completion scheduled for Q3 2019.



Outotec is a global mineral processing company that has extensive experience manufacturing and delivering more than 200 grinding mills to sites worldwide over the past 20 years, including more than 40 in West Africa. Outotec’s recent mill deliveries in West Africa include Endeavour Mining’s Ity (Côte d’Ivoire) and Hounde (Burkina Faso) gold projects and the Toro Gold’s Mako gold project (Senegal).

Underground Mining Contract

During the quarter the Company awarded the underground mining contract to highly experienced mining services contractor Byrncut Burkina Faso SARL (Byrncut), part of the Byrncut group of companies. The contract amount is some US\$110M over five years. The underground mining contract is a key operational contract for Sanbrado and its award followed the completion of a competitive tender process and extensive due diligence process examining safety, experience and capabilities. West African and Byrncut will also enter into a deferred payment plan of up to US\$10m.

The M1 South underground will kick-off WAF's mining development at Sanbrado with portal establishment on track to commence in March 2019. Works under the Underground Mining Services Contract, which has an initial term of 5 years, include:

- Underground portal establishment for M1 South
- Decline and level development (7km)
- Ore driving (2km & 0.2Mt) and stope production (1.3Mt)
- Raise drilling
- Cemented rock back fill

ByrneCut Offshore currently employs over 1,200 people with operations in the Democratic Republic of the Congo, Mali, Burkina Faso, Saudi Arabia and Tanzania. The ByrneCut group has a A\$1.5Bn annual turnover and 3,500 employees worldwide.

EPCM contract

During the quarter West African announced it had awarded the engineering, procurement, construction management (EPCM) contract to Australian engineering company Lycopodium (ASX: LYL) following a competitive tender process. The companies signed a Letter of Intent during the quarter relating to the engineering and procurement (EP) portions for a new 2 million tonne per annum (Mtpa) carbon-in-leach (CIL) treatment facility and other supporting infrastructure to be constructed at Sanbrado. Detailed design and procurement of mechanical equipment has commenced, with process plant construction scheduled to commence in Q2 2019.

Lycopodium is an Australian headquartered engineering and project management consultancy that has completed the construction of more than a dozen gold development projects in West Africa since 2009. It has a successful track record in Burkina Faso, recently delivering EPCM projects at the 3Mtpa Hounde and 4Mtpa Karma Upgrade gold projects for Endeavour Mining (TSX: EDV), 3Mtpa Natougou gold project for Semafo (TSX: SMF), 4Mtpa Bissa and 8Mtpa Bouly gold projects for Nordgold and currently building the 2.5Mtpa Wahgnion gold project for Teranga Gold Corp. (TSX: TGZ).

Key Recruitment

During the quarter the Company recruited further experienced candidates to key positions for WAF's construction and operations teams for Sanbrado. All new employees have previous gold mining or construction experience in Burkina Faso and are multi-lingual. The following key expat positions have been filled:

December Quarter Key Hires

- ✓ Underground Mine Manager
- ✓ Chief Mine Surveyor
- ✓ Financial Controller - Ouagadougou
- ✓ HR Manager - Ouagadougou
- ✓ Chief of Security
- ✓ Earthworks Senior Supervisor

September Quarter Key Hires

- ✓ Chief Development Officer
- ✓ General Manager - Ouagadougou
- ✓ Construction Manager
- ✓ Earthworks Manager
- ✓ Contracts Manager
- ✓ Safety and First Aid Officer/Registered Nurse

Early Construction Works

West African's Owners team commenced early construction works on the Sanbrado project site during the December quarter including:

- ✓ Box cut excavation for underground access
- ✓ Stage one of the camp construction – 120 rooms of a total of 280 rooms
- ✓ Footings and block work medical clinic, cafeteria and administration buildings
- ✓ Clearing, grubbing and waste stripping of the M5 stage 1 pit area
- ✓ Clearing and grubbing of the Water Storage Facility (WSF), Tailing Storage Facility (TSF) and process plant site
- ✓ Survey and line marking of the pipeline route from the Nakambe river to site (21km)



Photo 3: Stage 1 Camp Area



Photo 4: M1 South Box Cut



Photo 5: M5 Stage 1 Pit Area



Photo 6: TSF and WSF Area

All early works are being managed by the Company's highly experienced construction team and is expected to deliver both cost and schedule benefits. More photos and videos of the Sanbrado build can be found on the company's website <http://www.westafricanresources.com/gallery>.

Feasibility Study Optimisation

The Company will deliver a further FS update by the end of Q1 2019 incorporating updated resources and reserves, and an improved mine schedule based on higher plant throughput. The study will also include the optimised process plant flowsheet for Sanbrado incorporating the increased size and power of SAG and ball mills. The improved process plant will maintain a minimum feed rate of 250tph (2Mtpa) of fresh rock, up from 200tph (1.6Mtpa) envisaged in the June 2018 Feasibility Study. Further, the Outotec mill package will deliver a higher throughput than nameplate when processing blended oxide and fresh material.

Optimisation of the mine schedule and plant design will incorporate this larger mill package and improved project economics by delivering more gold in the early years of mine operation from an accelerated mine schedule, with relatively little change in the processing plant capital requirements.

M1 South Drilling Program

During quarter infill and step-down drilling was completed. TAN18-DD228 intercepted extensive high-grade gold more than 220m beneath existing Probable Reserves at M1 South. Table 1 shows individual 0.5m assays through the entire mineralised zone in TAN18-DD228. Also, photos 1 and 2 show high grade visible gold for samples that returned **155 g/t Au** and **188 g/t Au**.

A long-section through the M1 South deposit (Figure 1) shows the mid-point of the high-grade gold intercept in TAN18-DD228 at approximately 700m vertical below surface. The June Feasibility Study (FS) (ASX/TSXV: 22/6/18) proposed open-pit mining will occur down to 120m vertical and underground mining will be occur from 120m below surface to approximately 470m below surface over 4.5 years. Drilling completed since June 2018 has continued to intercept high grade mineralisation which has been extended more than 220m beneath underground reserves, with significant results including:

- TAN18-DD196: 8m at 7.0 g/t from 693 including 1.5m at 21.6 g/t Au
- TAN18-DD189: 11m at 11.2 g/t from 654 and 6m at 24.4 g/t Au from 675m
- TAN18-DD214A: 0.5m at 520 g/t Au from 578m
- TAN18-DD214A: 23m at 7.3 g/t Au from 617m including 4m at 24.4 g/t Au
- TAN18-DD189-WD1: 10m at 8.1 g/t Au from 646.5m, including 0.5m at 61.7 g/t Au
- TAN18-DD196-WD2: 10.5m at 8.8 g/t Au from 648m, including 0.5m at 138 g/t Au
- TAN18-DD214A-WD1: 21.5m at 15.3 g/t Au from 614m, including 0.5m at 115 g/t Au
- TAN18-DD214A-WD2: 14.5m at 19.9 g/t Au from 595.5m, including 1m at 219 g/t Au
- TAN18-DD228: 25m at 15 g/t Au from 862m including 5.5m at 40.4 g/t, 1.5m at 26.02 g/t Au from 879m and 0.5m at 71.80 g/t Au from 886m

Mineralisation intercepted in TAN18-DD228 has the potential to extend the current 4.5 year underground mine schedule by more than 3 years, assuming the vertical advance of underground mining remains consistent with upper levels and that further infill drilling is successful. A location plan, summary long-section and cross-section through M1 South are presented as Figures 1, 2 and 3. Photos 7 and 8 show visible gold intercepted in TAN18-DD228. A summary of significant intercepts is presented in Table 2 (2 g/t Au Cut Off) and Table 3 (30 g/t Au Cut Off) for recent drilling.

Figure 1: Sanbrado Gold Project Layout

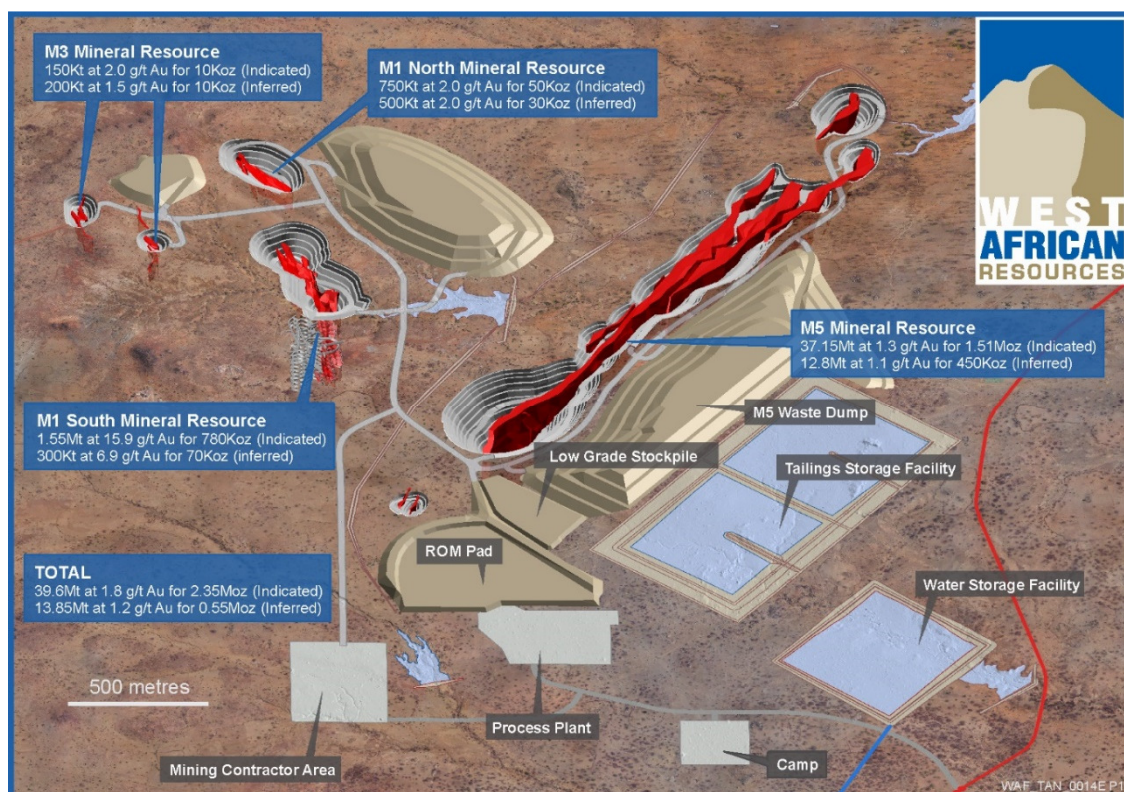


Figure 2: M1 South Long-section

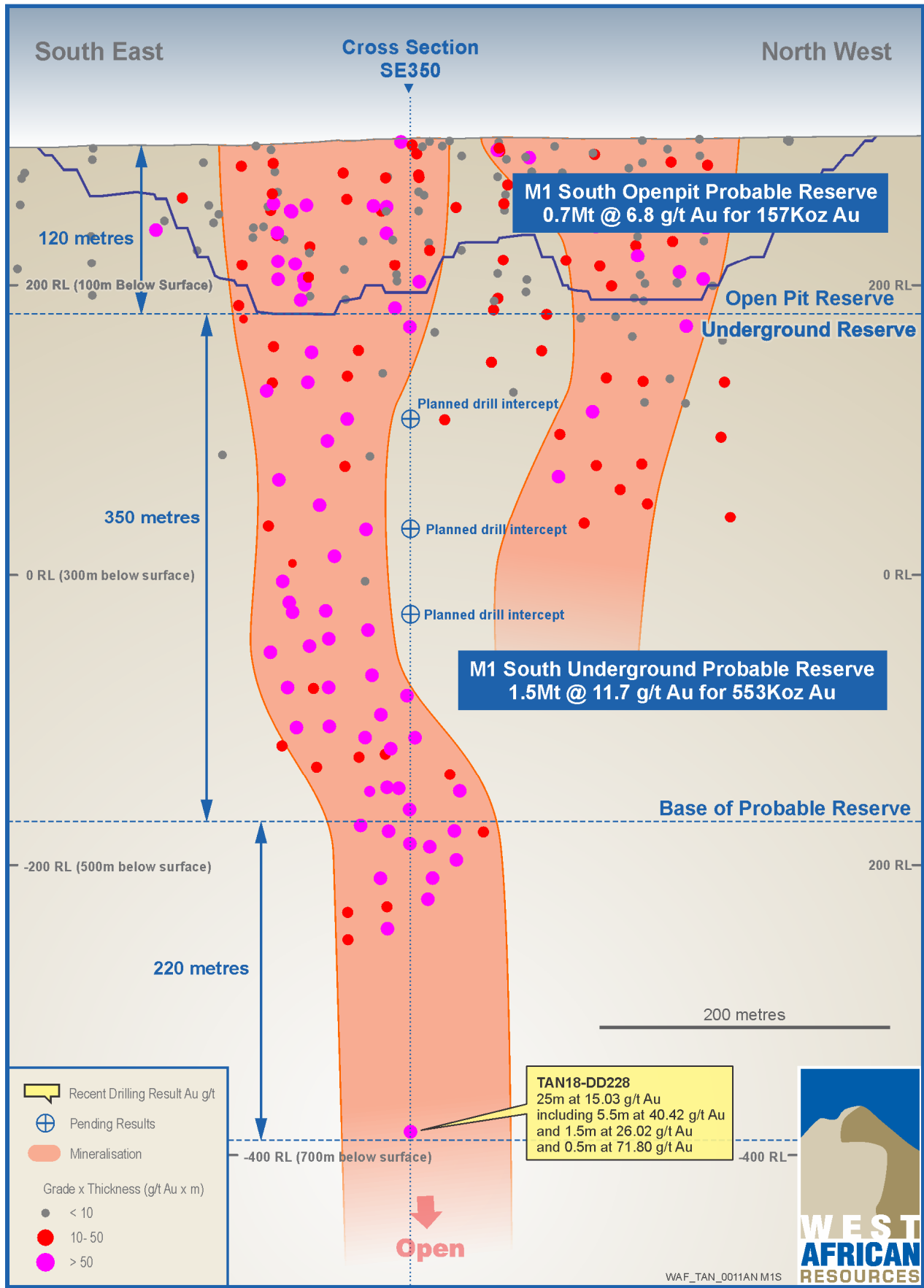


Figure 3: M1 South Cross-section SE0350

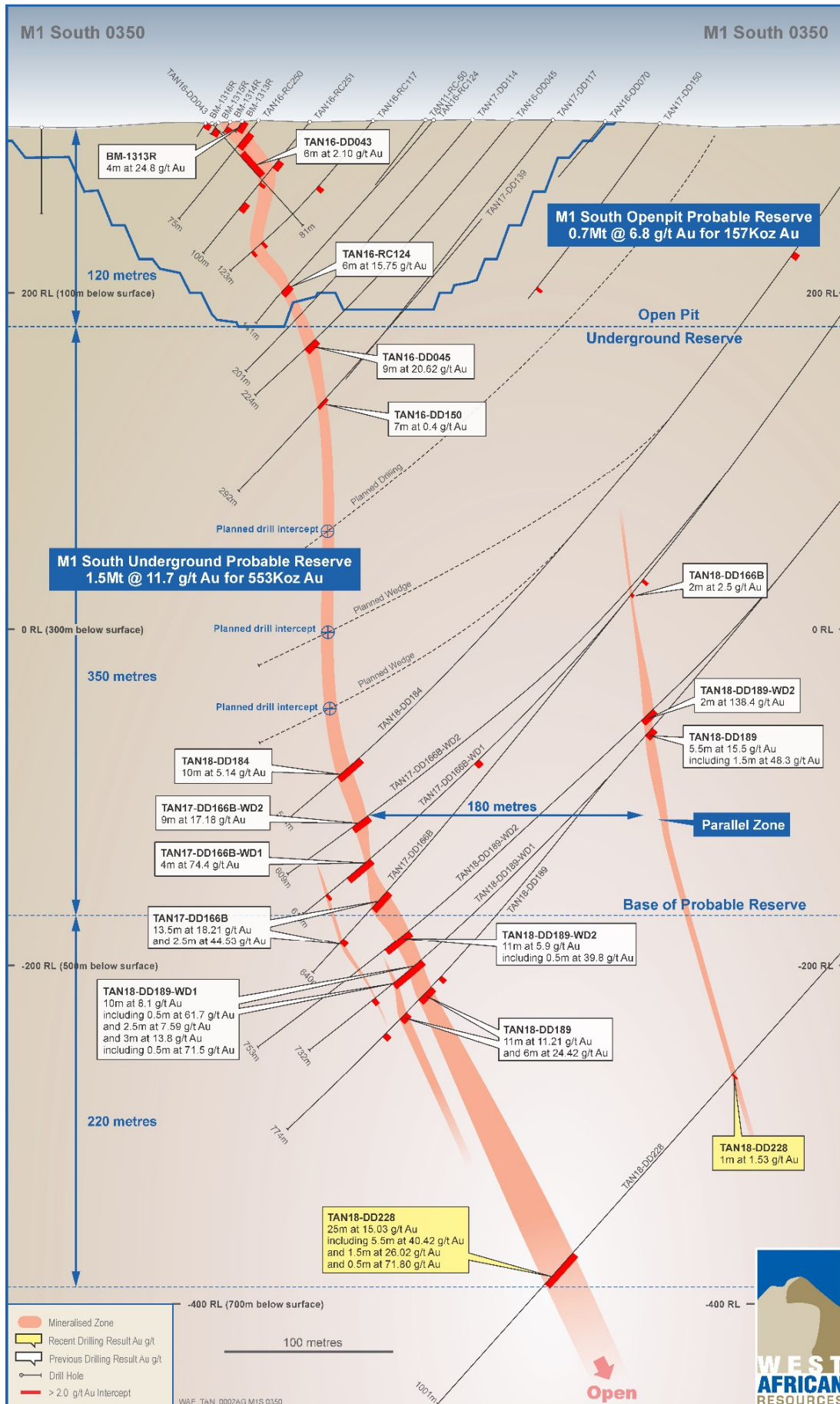


Table 1: M1 South: TAN18-DD228 1km hole Main Zone 862m to 887m							
From (m)	To (m)	Sample ID	Au g/t	From (m)	To (m)	Sample ID	Au g/t
860	860.5	310747	0.03	880	880.5	310794	34.00
860.5	861	310748	0.01	880.5	881	310795	6.49
861	861.5	310749	0.03	881	881.5	310796	0.61
861.5	862	310750	0.78	881.5	882	310797	0.20
862	862.5	310751	2.53	882	882.5	310798	0.61
862.5	863	310752	1.04	882.5	883	310799	0.32
863	863.5	310753	0.27	883	883.5	310802	0.26
863.5	864	310755	31.80	883.5	884	310803	0.83
864	864.5	310756	0.98	884	884.5	310804	13.90
864.5	865	310757	1.14	884.5	885	310805	1.66
865	865.5	310758	155.00	885	885.5	310807	0.44
865.5	866	310759	13.90	885.5	886	310808	5.40
866	866.5	310762	4.99	886	886.5	310809	71.80
866.5	867	310763	0.32	886.5	887	310810	2.14
867	867.5	310764	7.90	887	887.5	310811	1.29
867.5	868	310765	4.73	887.5	888	310812	0.57
868	868.5	310766	188.00	888	888.5	310813	0.28
868.5	869	310767	35.90	888.5	889	310814	0.17
869	869.5	310768	2.15	889	889.5	310815	0.03
869.5	870	310769	6.72	889.5	890	310816	0.04
870	870.5	310771	17.80	890	890.5	310817	0.03
870.5	871	310772	4.28	890.5	891	310818	0.03
871	871.5	310773	5.09	891	891.5	310819	0.02
871.5	872	310774	3.29	891.5	892	310822	0.03
872	872.5	310775	1.18	892	892.5	310823	0.33
872.5	873	310776	12.00	892.5	893	310824	0.40
873	873.5	310777	25.90	893	893.5	310825	0.01
873.5	874	310778	12.00	893.5	894	310826	1.08
874	874.5	310779	3.23	894	894.5	310827	0.91
874.5	875	310782	5.25	894.5	895	310828	0.06
875	875.5	310783	15.90	895	895.5	310829	1.09
875.5	876	310784	2.28	895.5	896	310830	0.53
876	876.5	310785	0.20	896	896.5	310831	0.21
876.5	877	310786	0.28	896.5	897	310832	0.03
877	877.5	310787	1.27	897	897.5	310833	0.01
877.5	878	310788	0.36	897.5	898	310834	0.02
878	878.5	310789	0.64	898	898.5	310836	0.01
878.5	879	310790	0.29	898.5	899	310837	0.01
879	879.5	310792	41.60	899	899.5	310838	0.01
879.5	880	310793	2.47	899.5	900	310839	0.00

Photo 7: TAN18-DD228 Visible gold at 865.5m **155 g/t Au**

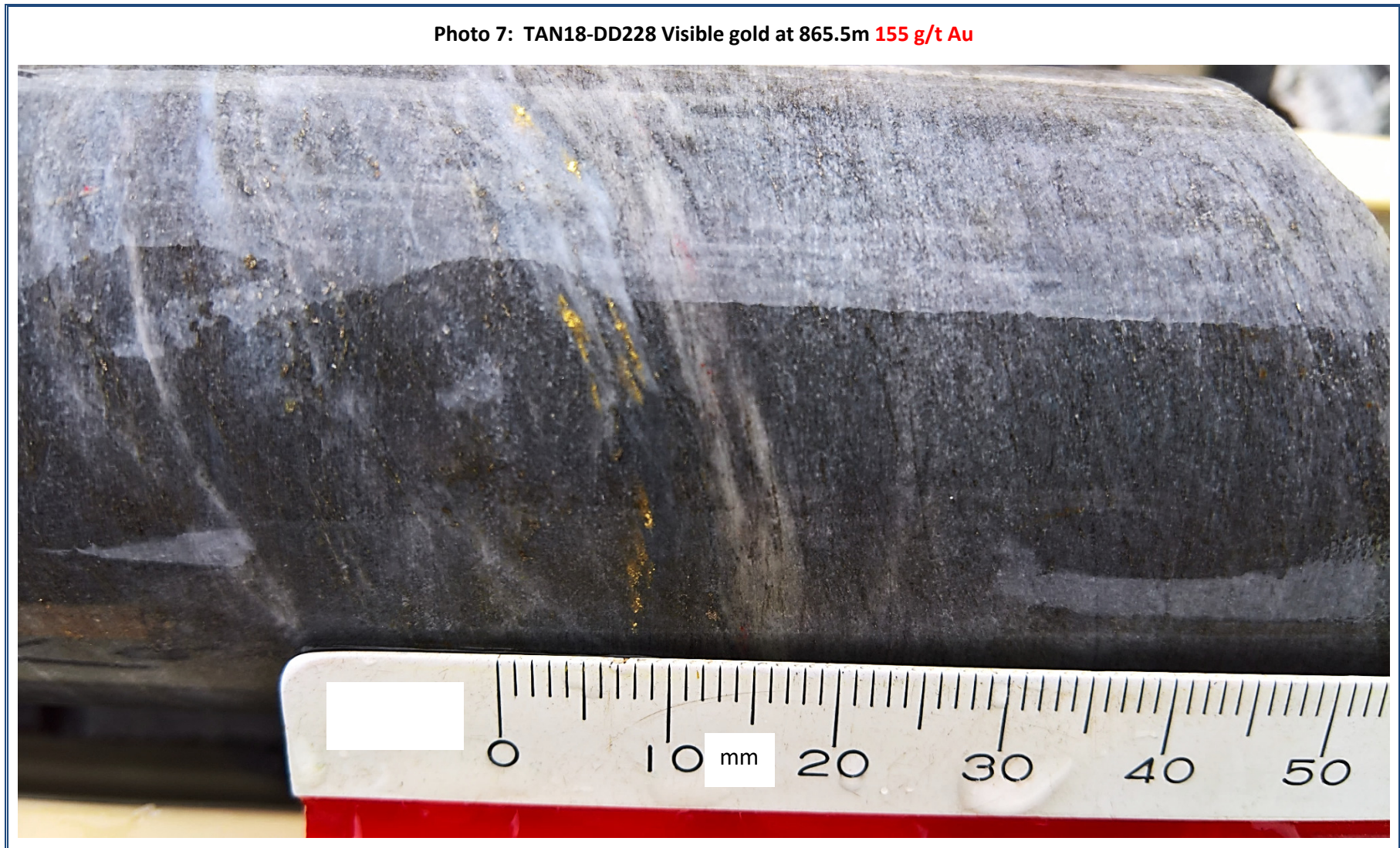
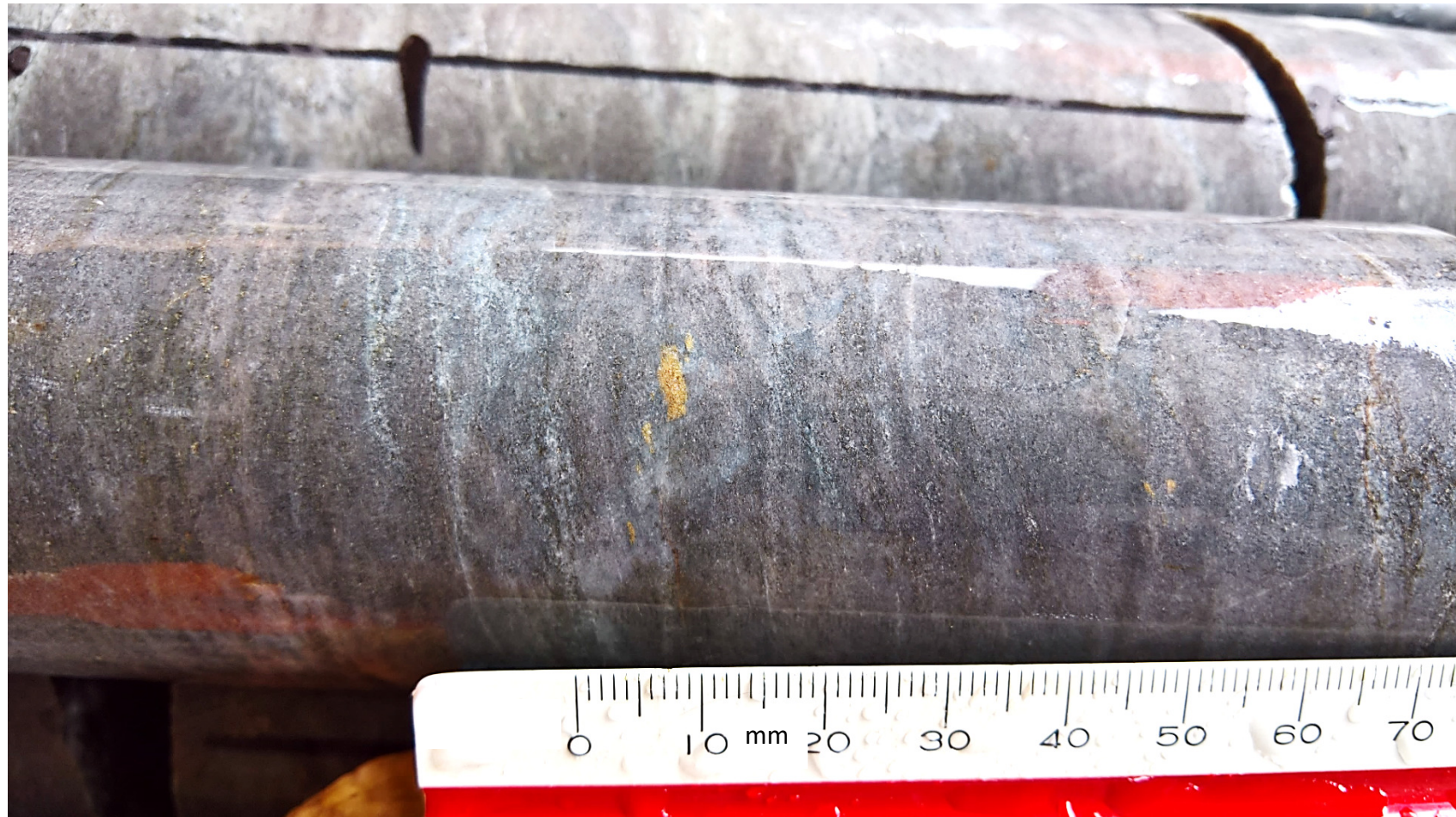


Photo 8: TAN18-DD228 Visible gold at 868.5m **188 g/t Au**



Corporate

West African Fully Funded to First Gold Production in 2020

In December, West African announced a financing package for Sanbrado comprising a US\$200 million (A\$278 million) finance facility with Taurus Funds Management Pty Ltd (Taurus) and a fully underwritten placement of A\$43.2m. Taurus completed its technical and legal due diligence over the Project during the December quarter and subsequently provided a credit approved offer for finance. Key terms of the Debt Facility are:

- Fixed interest rate of 7.75% per annum on drawn amounts, payable quarterly in arrears.
- Quarterly repayments commencing 30 June 2021, with final repayment 31 December 2024.
- Early repayment allowed at any time without penalty.
- No mandatory gold hedging required.
- West African will enter into an offtake agreement for 1.25 million ounces of Sanbrado gold production, pursuant to which the Company will receive the prevailing spot price subject to an agreed quotation period. The Company retains a right to buy back the offtake at any time on agreed terms.
- Conditions precedent to drawdown include execution and delivery of the Debt Facility documents, lodging of security documents and other conditions customary for a facility of this nature.
- First drawdown of the Debt Facility is expected to be available by the end of the Q1 2019.

The award of the debt mandate to Taurus followed a five-month competitive selection process conducted in conjunction with the Company's independent financial advisor, Orimco Pty Ltd. West African received 14 proposals ranging from US\$124 million to US\$215 million from banks, debt funds and royalty companies.

Taurus is a privately-owned mining finance fund that provides project development and acquisition finance to emerging mining and metals companies. Taurus has significant mining finance experience in West Africa and has recently provided debt facilities for two other significant new gold projects in the West African region.

Fully Underwritten Placement for A\$43.2m

In addition to the Debt Facility, West African completed an Underwritten Placement to eligible sophisticated, professional and other institutional investors to raise approximately A\$43.2 million. The Offer Price was underwritten at A\$0.25 per share. The Placement was completed in a single tranche of 172.7 million new shares completed under West African's existing 25% placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A. Euroz Securities Limited and Sprott Capital Partners, a division of Sprott Private Wealth LP, together were the Joint Lead Managers, Underwriters and Bookrunners to the Placement.

Share Purchase Plan for Retail Shareholders

West African is also undertaking a non-underwritten Share Purchase Plan (SPP) to facilitate retail shareholder participation of up to A\$15,000 per eligible shareholder at the Offer Price (A\$0.25), subject to an overall cap of A\$5.0 million (or 20.0 million shares).

A SPP offer document was lodged with the ASX and sent to shareholders on 14 December 2018. The offer closes on 25 January 2019. The gross proceeds raised under the Equity Raising and the Debt Facility will be used to fund:

- Sanbrado development costs;
- Pre-production mining costs;
- Project financing costs including interest, charges and Offer costs;
- Burkina Faso taxes associated with Project construction;
- Exploration; and
- Corporate costs including working capital.

Change of Financial Year End

In November, West African announced its Financial Year End would change from 30 June to 31 December. The change will bring the financial year end of the Company into alignment with the financial year end of its operational subsidiaries in Burkina Faso, resulting in administrative efficiency gains for group reporting. The Company will transition to the new financial year immediately, and intends to release its financial statements for the transition year, the six months ended 31 December 2018, on or before 28 March 2019.

Results of AGM

At the Annual General Meeting of WAF Shareholders on 30 November 2018, all resolutions put to the meeting were carried by the requisite majority. Resolutions were as follows:

1. Adoption of Remuneration Report
2. Election of Ian Kerr as a Director
3. Re-election of Mark Connelly as a Director
4. Approval of additional 10% Placement Capacity
5. Approval of Incentive Option and Performance Rights Plan
6. Issue of Incentive Options to Director Ian Kerr
7. Issue of Incentive Options to Director Mark Connelly
8. Issue of Options in Lieu of Director Fees – Mark Connelly
9. Issue of Options in Lieu of Director Fees – Ian Kerr
10. Issue of Options in Lieu of Director Fees – Simon Storm
11. Issue of Options to Director – Richard Hyde
12. Re-election of Richard Hyde as a Director
13. Re-election of Simon Storm as a Director
14. Appointment of Auditor.

Notice of Meeting

WAF has issued a Notice of a General Meeting of its Shareholders on 1 February 2019. The meeting will consider two resolutions:

- Resolution 1 – Ratification of previous share issue under ASX Listing Rule 7.1
- Resolution 2 – Ratification of previous share issue under ASX Listing Rule 7.1(a).

Expiry of Options

WAF advised during the quarter that 200,000 WAF options with an exercise price of \$0.145 expired on 1 December 2018.

Security and Government Update

At the end of the December quarter the Burkina Faso parliament voted to implement a state of emergency in the north and east of the country following repeated attacks by Islamic militants. While the Company's operations have not been affected to date, security protocols have been upgraded and steps have taken to further improve the safety of WAF's staff and contractors working in Burkina Faso.

After the quarter on Friday January 18th Burkina Faso Prime Minister Mr Paul Kaba Thieba announced his resignation from office along with his cabinet. On Monday January 21st Burkina Faso President Mr Roch Kaboré appointed Mr Christophe Dabiré Prime Minister. Mr Dabiré is a former Minister of Health (from 1992 to 1997), Minister of Secondary Education, Higher Education and Scientific Research (from 1997 to 2000) and has held the position of Commissioner in charge of Regional Market Department at the West African Economic and Monetary Union (UEMOA) since 2011.

Other Projects

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

Further information is available at www.westafricanresources.com

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About West African Resources

West African Resources Limited (ASX, TSXV: WAF) recently announced the results of its updated Feasibility Study for the Sanbrado Gold Project in Burkina Faso. The study envisages an initial 11-year mine life, including 4.5 years of underground mining, and showed a 76% increase in Probable Reserves to 1.6 million ounces (20.4Mt at 2.4g/t gold). The project will have average annual production over the first 5 years of mine life of 211,000 ounces gold and a 16-month post-tax pay back on US\$185 million pre-production capital costs. Project economics are robust, with AISC of US\$551/oz over first 5 years and US\$640 over life of mine. The project returns a pre-tax NPV5% of US\$567m (A\$754m) and pre-tax IRR of 62%, and Post-tax NPV5% of US\$405m (A\$540m) and post-tax IRR of 49%. Mineralisation is open at depth and along strike and therefore value add drilling on the project is ongoing, with further resource and reserve updates expected later in Q1 2019.

Table 2 M1 South Deposit Significant Intercepts 2 g/t Cut Off												
Hole ID	From	To	Interval	Au g/t	Dip	Azi	EOH	Easting	Northing	RL	Section	Prospect
TAN18-DD184	496.5	506.5	10	5.14	-55	230	544	741801	1337220	300	SE0375	M1 S
TAN18-DD187	378	378.5	0.5	2.64	-55	230	450	741748	1337138	297	SE0400	M1 S
TAN18-DD187	389.5	391.5	2	3.28								
TAN18-DD187	394.5	395	0.5	2.38								
TAN18-DD189	654	665	11	11.21	-57	230	774	741899	1337313	301	SE0375	M1 S
TAN18-DD189	675	681	6	24.42								
TAN18-DD189	695	695.5	0.5	19.90								
TAN18-DD196	676	676.5	0.5	17.90	-60	230	757	741916	1337294	301	SE0400	M1 S
TAN18-DD196	683.5	684	0.5	8.63								
TAN18-DD196	693	710	17	4.07								
TAN18-DD206	126	134	8	12.89	-52	225	183	741640	1336992	301	SE0425	M1 S

Table 2 M1 South Deposit Significant Intercepts 2 g/t Cut Off													
Hole ID	From	To	Interval	Au g/t	Dip	Azi	EOH	Easting	Northing	RL	Section	Prospect	
TAN18-DD206	142.5	157	14.5	27.93									
TAN18-DD206	170.5	172	1.5	22.10									
TAN18-DD209	423	423.5	0.5	2.40	-55	230	555	741834	1337121	298	SE0475	M1 S	
TAN18-DD209	425.5	426	0.5	2.64									
TAN18-DD209	440.5	444.5	4	25.72									
TAN18-DD209	456	456.5	0.5	2.04									
TAN18-DD209	482	496	14	7.82									
TAN18-DD214A	578	578.5	0.5	520.00	-62	230	766	741881	1337330	301	SE0350	M1 S	
TAN18-DD214A	617	640	23	7.33									
TAN18-DD214A	674	674.5	0.5	2.40									
TAN18-DD217A	603.5	610	6.5	6.83	-60	230	702	741862	1337345	302	SE0325	M1 S	
TAN18-DD216	681.5	683.5	2	5.13	-60	230	783	741930	1337278	301	SE0425	M1 S	
TAN18-DD216	689.5	690	0.5	2.47									
TAN18-DD216	705.5	714.5	9	3.02									
TAN18-DD189-WD1	646.5	656.5	10	8.14	-57	230	732	741899	1337313	301	SE0375	M1 S	
TAN18-DD189-WD1	666	668.5	2.5	7.59									
TAN18-DD189-WD1	682	685	3	13.82									
TAN18-DD189-WD2	449	451	2	138.4	-57	230	753	741899	1337313	301	SE0375	M1 S	
TAN18-DD189-WD2	639	650	11	5.94									
TAN18-DD189-WD2	656	657.5	1.5	2.81									
TAN18-DD189-WD2	675.5	676	0.5	33.7									
TAN18-DD196-WD1	656.5	668.5	12	3.4	-60	230	748	741916	1337294	301	SE0400	M1 S	
TAN18-DD196-WD1	684	684.5	0.5	2.61									
TAN18-DD196-WD1	690	690.5	0.5	192									
TAN18-DD196-WD2	637	638	1	18.08	-60	230	703	741916	1337294	301	SE0400	M1 S	
TAN18-DD196-WD2	646	646.5	0.5	3.81									
TAN18-DD196-WD2	648	658.5	10.5	8.83									
TAN18-DD196-WD2	667.5	668.5	1	36.85									
TAN18-DD214A-WD1	584	584.5	0.5	2.34	-62	230	703	741881	1337330	301	SE0350	M1 S	
TAN18-DD214A-WD1	586.5	587	0.5	3.85									
TAN18-DD214A-WD1	614	635.5	21.5	15.31									
TAN18-DD214A-WD2	595.5	610	14.5	19.88	-62	230	697	741881	1337330	301	SE0350	M1 S	
TAN18-DD228	862	887	25	15.03	-55	230	1000.8	742050	1337471	301.5	SE0350	M1 S	

Table 3 M1 South Deposit Significant Intercepts 30 g/t Cut Off													
Hole ID	From	To	Interval	Au g/t	Dip	Azi	EOH	Easting	Northing	RL	Section	Prospect	
TAN18-DD184	505.5	506	0.5	33.9	-55	230	544	741801	1337220		SE0375	M1S	
TAN18-DD189	455.5	457	1.5	48.31	-57	230	774	741899	1337313		SE0375	M1S	
TAN18-DD189	655	656	1	39.8									
TAN18-DD189	680.5	681	0.5	240									
TAN18-DD196	693.5	694	0.5	37.9	-60	230	757	741916	1337294		SE0400	M1S	
TAN18-DD206	132	132.5	0.5	183	-52	225	183	741640	1336992		SE0425	M1S	
TAN18-DD206	142.5	145.5	3	64.86									
TAN18-DD206	151	154.5	3.5	52.8									
TAN18-DD206	171	171.5	0.5	61.5									
TAN18-DD209	441	443.5	2.5	38.21	-55	230	555	741834	1337121		SE0475	M1S	
TAN18-DD209	482	482.5	0.5	55.8									
TAN18-DD209	487.5	488	0.5	57.9									
TAN18-DD209	495.5	496	0.5	37.9									
TAN18-DD214A	578	578.5	0.5	520	-62	230	766	741881	1337330		SE0350	M1S	
TAN18-DD214A	618.5	619	0.5	79.6									
TAN18-DD214A	624	624.5	0.5	33.9									
TAN18-DD214A	625	625.5	0.5	41.8									
TAN18-DD214A	639	639.5	0.5	36									
TAN18-DD216	705.5	706	0.5	37.8	-60	230	783	741930	1337278		SE0425	M1S	
TAN18-DD217A	609.5	610	0.5	35.7	-60	230	702	741862	1337345		SE0325	M1S	
TAN18-DD189-WD1	651.5	652	0.5	33.8	-57	230	732	741899	1337313		SE0375	M1S	
TAN18-DD189-WD1	653.5	654	0.5	61.7									
TAN18-DD189-WD1	684.5	685	0.5	71.5									
TAN18-DD189-WD2	449	451	2	138.4	-57	230	753	741899	1337313		SE0375	M1S	
TAN18-DD189-WD2	639	639.5	0.5	39.8									
TAN18-DD189-WD2	675.5	676	0.5	33.7									
TAN18-DD196-WD1	690	690.5	0.5	192	-60	230	748	741916	1337294		SE0400	M1S	
TAN18-DD196-WD2	657	657.5	0.5	138	-60	230	703	741916	1337294		SE0400	M1S	

Table 3 M1 South Deposit Significant Intercepts 30 g/t Cut Off												
Hole ID	From	To	Interval	Au g/t	Dip	Azi	EOH	Easting	Northing	RL	Section	Prospect
TAN18-DD196-WD2	667.5	668.5	1	36.85								
TAN18-DD214A-WD1	616	616.5	0.5	102	-62	230	703	741881	1337330		SE0350	M1S
TAN18-DD214A-WD1	620.5	621	0.5	115								
TAN18-DD214A-WD1	624	624.5	0.5	42								
TAN18-DD214A-WD1	630.5	631	0.5	87.9								
TAN18-DD214A-WD1	634.5	635	0.5	39.7								
TAN18-DD214A-WD2	600.5	601.5	1	219	-62	230	697	741881	1337330		SE0350	M1S
TAN18-DD214A-WD2	608	609	1	46.85								
TAN18-DD228	863.5	864	0.5	31.8	-55	230	1000.8	742050	1337471	301.5	SE0350	M1 S
TAN18-DD228	865	865.5	0.5	155								
TAN18-DD228	868	868.5	0.5	188								
TAN18-DD228	868.5	869	0.5	35.9								
TAN18-DD228	879	879.5	0.5	41.6								
TAN18-DD228	880	880.5	0.5	34								
TAN18-DD228	886	886.5	0.5	71.8								

- * denotes ending in mineralisation
- All holes are diamond holes.
- All reported intersections from the current 2018 program are assayed at 1m intervals for M5 and 0.5m for M1 where possible.
- Sample preparation and Fire Assay conducted by SGS Ouagadougou. Assayed by 50g fire assay with AAS finish. All samples >5 g/t Au are checked by 50g fire assay with gravimetric finish.
- Mineralised intervals for DD reported >2g/t Au with a maximum of 5 m of internal dilution of less than 2/t gold. No top cut applied.
- QA/QC protocol: we insert one blank, one standard and one duplicate for every 17 samples (3 QA/QC within every 20 samples).

Table 3: Sanbrado Gold Project June 2018 Resource								
Resource Area	Category	Cutoff (Au g/t)	Indicated Resource			Inferred Resource		
			Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
M1 South	O/P <120m	0.5	800,000	6.6	170,000	50,000	4.8	10,000
	U/G >120m	3.0	750,000	25.5	620,000	250,000	7.6	60,000
	Total	Combined	1,550,000	15.9	780,000	300,000	6.9	70,000
M5	O/P	0.5	37,150,000	1.3	1,510,000	12,800,000	1.1	450,000
M1 North	O/P	0.5	750,000	2.0	50,000	500,000	2.0	30,000
M3	O/P	0.5	150,000	2.0	10,000	200,000	1.5	10,000
Total		Combined	39,600,000	1.8	2,350,000	13,850,000	1.2	550,000

Table 4: Sanbrado Gold Project June 2018 Probable Ore Reserve				
Deposit	Strip Ratio	(Mt)	Au Grade (g/t)	Cont. Au (koz) ¹
M5 Open Pit	3.8	17.5	1.5	817
M1Sth Open Pit	22.6	0.7	6.8	157
M1Nth Open Pit	8.4	0.6	2.1	39
M3 Open Pit	6.1	0.1	1.8	8
Sub Total Open Pit	4.6	18.9	1.7	1,021
M1Sth Underground	-	1.5	11.7	553
Total		20.4	2.4	1,574

Note: Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Summary of Tenements in Burkina Faso at 31 December 2018								
Tenement Name	Registered Holder	% Held	Tenement Number	Grant Date	Expiry Date	Type	Area km2	Geographical Location
Damongto	Wura Resources Pty Ltd SARL	100%	No 2018-184/MMC/SG/DGCM	05/09/2018	1/03/2021	EL	26	Ganzourgou Province
Goudré	Wura Resources Pty Ltd SARL	100%	No 2018-186/MMC/SG/DGCM	05/09/2018	23/03/2021	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	West African Resources Development SARL	100%	No 2018-190/MMC/SG/DGMC	05/08/2017	04/08/2020	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	Wura Resources Pty Ltd SARL	100%	No 2018-183/MMC/SG/DGCM	05/09/2018	01/03/2021	EL	17.46	Ganzourgou Province
Sanbrado	Somisa SA (SOCIETE DES MINES DE SANBRADO SA)	90%	Décret No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEVCC Arrêté No 2018-139/MMC/SG/DGMG	13/03/2017	12/03/2024	ML	26	Ganzourgou Province

Qualified/Competent Person's 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 open pit ore reserves is based on, and fairly represents, information and supporting documentation prepared by Mr Stuart Cruickshanks, an independent specialist mining consultant. Mr Cruickshanks is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Cruickshanks 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 Cruickshanks 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 underground ore reserves is based on, and fairly represents, information and supporting documentation prepared by Mr Peter Wade, an independent specialist mining consultant. Mr Wade is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Wade 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 Wade 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.

Any other 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 CP as defined in JORC Code and a QP under National Instrument 43-101. Hyde has reviewed and approved the scientific and technical information and contents of

this presentation, and consents to the inclusion in this presentation of the statements based on his information in the form and context in which they appear.

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 Q4 2018 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. Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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 were disclosed in the ASX/TSXV announcement on 22nd June 2018. 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.