



Press Release

30 April 2019

MARCH 2019 QUARTERLY REPORT

Gold developer West African Resources Limited (ASX: WAF) is pleased to report progress on its Sanbrado Gold Project ("Sanbrado"), Burkina Faso, for the quarter ending 31 March 2019.

Highlights

Optimised Feasibility Completed

- ✓ Year 1 production 301,000oz gold from underground and open pit ores at AISC of US\$497/oz
- ✓ Average annual production increased to 217,000oz gold over first five years, and 153,000oz gold over current 10-year life of mine, M1 South underground mine life extended to 6.5 years
- ✓ Increase in Probable Reserves to 1.7 million ounces (21.6Mt at 2.4g/t gold)
- ✓ Reduction in post-tax pay back to 14 months on US\$186 million pre-production capital costs
- ✓ AISC of US\$563 (A\$793)/oz over first 5 years and US\$633 (A\$892)/oz over life of mine
- ✓ Pre-tax NPV5% increased to US\$612m (A\$861m) at pre-tax IRR of 82.8%
- ✓ Post-tax NPV5% increased to US\$444m (A\$626m) at post-tax IRR of 62.1%

Project Development Summary

- ✓ 60 camp rooms, medical clinic and admin building completed
- ✓ First concrete poured on site for CIL tank ring beams and mill foundations
- ✓ Completion of 1.5 million m3 water storage facility earthworks, 20km water pipeline commenced
- ✓ Mobilisation of Byrnegut personnel, underground mining fleet delivered to site
- ✓ Second blast of boxcut completed, excavation nearing completion
- ✓ Contracts for all key mechanical equipment awarded
- ✓ Further key hires completed for construction, operations and security teams
- ✓ Process plant structural steel and platework fabrication commenced

Drilling

- ✓ M1 South drilling results including 6.5m at 61.8 g/t Au including 3m at 132 g/t Au
- ✓ M5 drilling results including 14m at 12 g/t Au from 510m including 1m at 49.9 g/t Au

March 2019 Corporate Summary

- ✓ \$25.9m Project Expenditure
- ✓ \$1.5m Administration Costs
- ✓ \$37.2m cash at bank at 31 March 2019
- ✓ First debt draw of US\$75m from US\$200m facility completed April 2019
- ✓ Voluntary delisting from TSX-V completed

June 2019 Quarter Key Milestones

- ✓ Completion of 120 camp rooms, kitchen and mess
- ✓ Completion of water storage facility lining and 20km pipeline – ready to pump during wet season
- ✓ Award of open pit mining contract
- ✓ Completion of boxcut and commencement of M1 South decline

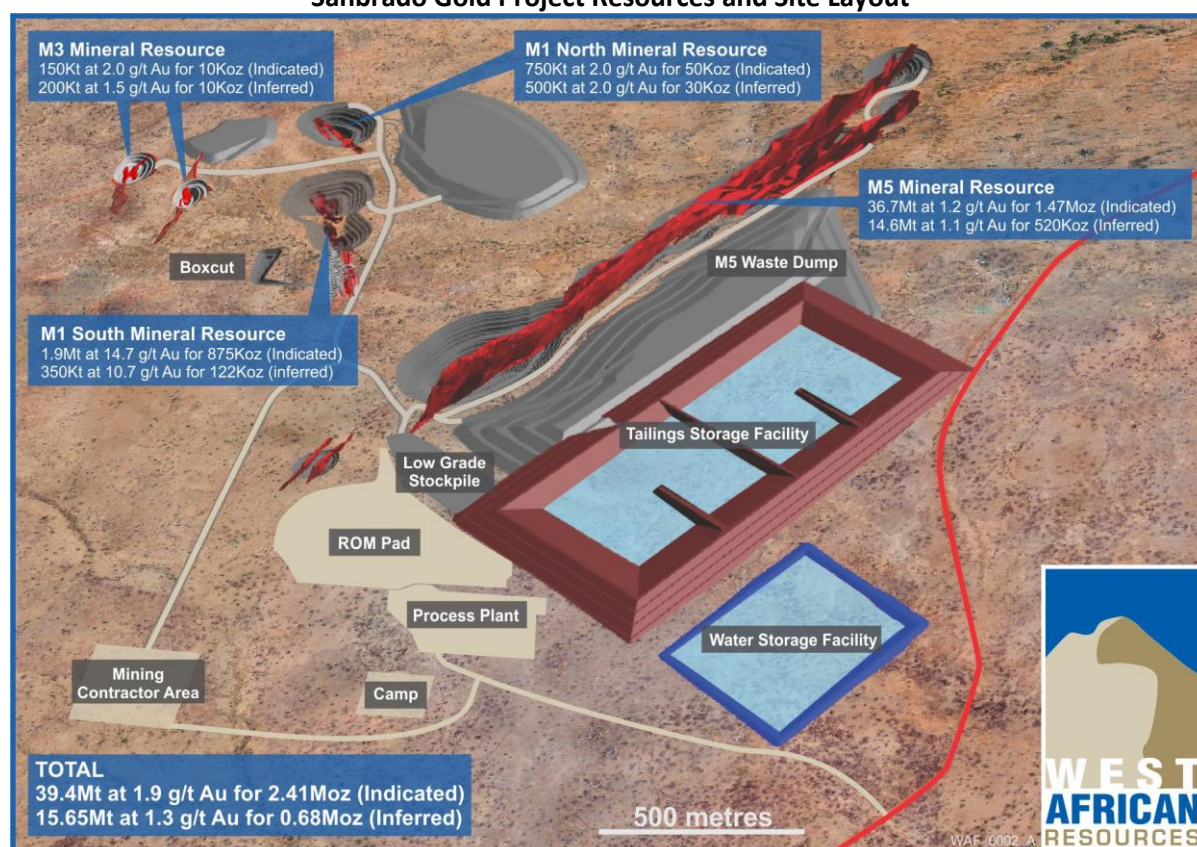
Optimised Feasibility Study

West African Resources (ASX: WAF) announced results of its optimised Feasibility Study for Sanbrado on 16 April 2019. The study envisages an initial 10-year mine life, including 6.5 years of underground mining, strong early cashflow and a rapid payback of capital. Year 1 production is some 301,000oz gold from underground and open pit ores at AISC of US\$497/oz. Details of the study results are tabled below.

Sanbrado Optimised Feasibility Study – Production and Financial Highlights	
Base case is stated on a 100% basis and gold price of US\$1300/oz	
Production Y1-5	Average 217,000oz/year
Production LOM	Average 153,000oz/year
Production Costs ^{1,2} Y1-5	Average Cash Costs of US\$523/oz (A\$737/oz) Average All-in Sustaining Costs (AISC) of US\$563/oz (A\$793/oz)
Production Costs LOM	Average Cash Costs of US\$582/oz (A\$820/oz) Average All-in Sustaining Costs (AISC) of US\$633/oz (A\$892)
IRR & Pay back	Post-tax IRR of 62% and 14 month pay back on pre-production capital
NPV	Pre-tax NPV5% of US\$612m(A\$862m Post-tax NPV5% of US\$444m / A\$625m
Capex	US\$186m (inclusive of all open-pit and underground pre-production mining & development costs, contingencies, duties & taxes)
Study Mine Life	10 years
Mineral Resource Estimate	39.4Mt at 1.9 g/t Au for 2.41Moz Au Ind. and 15.7Mt at 1.3 g/t Au for 0.68Moz Au Inf.
Probable Mineral Reserves ³	21.6Mt at 2.4 g/t gold containing 1.7 million ounces of gold
LOM Recoveries	92.9% recovering 1.53 million ounces of gold

1 USD: AUD exchange rate of 0.71, 2 Cash costs include all mining and processing costs, site administration, royalties, refining and site rehabilitation costs. AISC includes Cash costs, sustaining capital, closure costs but excludes head office corporate costs. 3 Based on Indicated Resources only, in-pit Inferred Resources treated as waste in the study mining schedule.

Figure 1
Sanbrado Gold Project Resources and Site Layout



Recent deep high-grade intercepts beneath current reserves have demonstrated the potential to extend gold reserves at Sanbrado. WAF aims to increase annual underground production post year 6 with additional infill and extensional drilling.

Sanbrado Gold Project Mineral Resource Estimates (MRE) were updated by independent resource consultants International Resource Solutions Pty Ltd (IRS) as part of this Study and reported in accordance with NI 43-101 standards and JORC (2012) guidelines. Four separate mineral resources were estimated for the Project: Mankarga 1 North (M1 North), Mankarga 1 South (M1 South), Mankarga 3 (M3) and Mankarga 5 (M5). The current Sanbrado Gold Project MRE is 39.4Mt at 1.9 g/t Au for 2.41Moz Au (Indicated), and 15.7Mt at 1.3 g/t Au for 0.68Moz Au (Inferred).

Sanbrado Gold Project ore reserves were updated to a Probable Ore Reserve of 21.6Mt at 2.4g/t Au for 1.65Moz of gold. The Project comprises several open pits, all within 1-2km of the plant site, and an underground mine accessed through a box-cut and portal immediately to the south west of the M1 South open pit. The plant comprises a conventional SABC milling circuit, gravity and carbon in leach processing with a nominal throughput capacity of 2.2Mtpa.

Underground mining is completed in Year 6 of gold production. Open-pit mining continues through until mid-way through Year 10 of production with processing carried out for a full 10 years. Mining and processing of the high grade M1 South Probable Ore Reserve is prioritised, generating significant early cashflow.

The estimated operating costs for the project highlight it as a conventional, low cost and high margin operation with LOM All in Sustaining Costs (AISC) of US\$633/oz. This is a result of high-grade ore from M1 South and the significant proportion of oxide and transition material in the mine schedule and the

free milling nature of all ore types (average LOM recovery of 92.9%), low reagent consumption and a high component of gravity recoverable gold.

Lycopodium Minerals Pty Ltd (Lycopodium) in conjunction with the West African Resources development team completed capital cost estimates to assess the economics of the project and provide the initial control of capital expenditure. The estimated preproduction project capital cost is US\$186 million, inclusive of all open-pit and underground pre-production mining & development costs, contingencies, duties and taxes.

At the base case gold price of US\$1,300/oz and using a 5% discount rate, the project generates a pre-tax NPV of US\$612M and IRR of 83%, and a post-tax NPV of US\$444M and an IRR of 62%. Sanbrado has a post-tax payback period of 14 months following commissioning.

More detailed results from the optimised study are available in the ASX Announcement dated 16 April 2019.

Drilling and Exploration

M1 South

Drilling at M1 South focussed on reserve conversion at depth and infill drilling near the base of the planned M1 South open pit and crown pillar position for the underground mine. This drilling helped optimise the location of the crown pillar, and it confirmed the geological and mineralisation models for M1 South are robust. Results included:

- TAN17-DD178-WD1: 3.5m at 13.3 g/t Au from 545m, including 0.5m at 57.4 g/t Au
- TAN18-DD217A-WD1: 2m at 18.9 g/t Au from 415m, including 1m at 33.8 g/t Au
- TAN18-DD229: 1m at 9.1 g/t Au from 449m
- TAN18-DD230: 1m at 85.8 g/t Au from 164m, including 0.5m at 163 g/t Au
- TAN18-DD230: 3.5m at 41 g/t Au from 175m, including 3m at 46.9 g/t Au
- TAN18-DD232: 6.5m at 61.8 g/t Au from 258.5m, including 3m at 132 g/t Au, and 4m at 16.9 g/t Au from 287.5m, 5m at 3.7 g/t Au from 299m
- TAN18-DD232-WD1: 8m at 8.9 g/t Au from 257m, including 0.5m at 55 g/t Au.

M5 Drilling

Drilling at M5 targeted higher grade mineralisation in the southwestern portion of the deposit on 25m sections. Higher grade mineralisation is interpreted to occur around the intersection of the M1 and M5 structures. TAN18-DD222B was the deepest hole of the program and returned 14m at 12 g/t Au from 510m, including 1m at 49.9 g/t Au and 1m at 31.8 g/t Au. Mineralisation remains open at depth, plunging steeply to the southwest. Results during the quarter included:

- TAN18-DD203: 4m at 13.1 g/t Au from 238m, including 1m at 48 g/t Au
- TAN18-DD207: 13m at 2.6 g/t Au from 454m
- TAN18-DD208: 6m at 3.7 g/t Au from 354m
- TAN18-DD221A: 4m at 10.3 g/t Au from 404m, and 7m at 2.2 g/t Au from 416m
- TAN18-DD222B: 14m at 12 g/t Au from 510m, including 1m at 49.9 g/t Au and 1m at 31.8 g/t Au
- TAN18-DD225: 1m at 17.9 g/t Au from 253m.

Project Development

During the March Quarter West African's Owners team continued infrastructure construction works at Sanbrado. The project build is progressing to schedule staying on track for commercial gold production in Q3 2020 and remains on budget. The following key construction milestones for the quarter included:

- ✓ 60 camp rooms completed and occupied, a further 90 rooms now under construction
- ✓ Completion of medical clinic, cafeteria and administration buildings
- ✓ Potable water treatment plant, piping and pump installation completed
- ✓ Second blast of boxcut for underground access completed
- ✓ Underground mining fleet arrived on site
- ✓ Water Storage Facility (WSF) earthworks completed. HDPE lining placement commenced
- ✓ Clearing and grubbing of Tailing Storage Facility (TSF) area
- ✓ Waste stripping of the M5 stage 1 pit area continued, fill used to build WSF and TSF embankments
- ✓ Site prep of process plant area completed
- ✓ Foundations completed for CIL tank ring beams and mill completed
- ✓ First concrete pour for CIL tank ring beams and mill foundations completed
- ✓ Compensation and clearing of pipeline route (21km). Pipe laying commenced, 25% complete
- ✓ Engineering design of process plant (by Lycopodium) over 50% complete
- ✓ Structural steel and platework fabrication commenced

During the March Quarter the following contracts were awarded:

- ✓ Fabrication and erection of CIL tanks
- ✓ Mechanical equipment for process plant
- ✓ Structural steel and platework for process plant
- ✓ Civil works and concrete for plant site and other areas
- ✓ HDPE liner installation for WSF
- ✓ Housing construction for community relocation



Accommodation Blocks in Camp



Administration Building



Water Pipeline Trenching and Placement



1.5 million m³ Water Storage Facility (WSF)



WSF HDPE Liner Installation



Underground Access – Boxcut Nearing Completion



Underground Mining Fleet on Site



Process Plant Area



SAG Mill Foundation following First Concrete Pour



CIL Tank Ring Beams Following Concrete Pour

West African's directors, management and construction team have been involved with the successful financing, construction and commissioning of more than a dozen gold mines in West Africa over the last 15 years. More photos and videos of the Sanbrado build can be found on the company's website <http://www.westafricanresources.com/gallery>.

Key Recruitment

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

March 2019 Quarter Key Hires

- ✓ Chief Medical Officer
- ✓ Environmental Manager
- ✓ SMP Supervisor
- ✓ Electrical Supervisor
- ✓ Civils Supervisor
- ✓ Security Superintendent

Corporate

First \$75 million drawn down under Taurus facility

In early April 2019, WAF announced it had satisfied the conditions precedent for its first drawdown under the US\$200 million secured finance facility (Facility) with Taurus Funds Management Pty Ltd (Taurus) and drew down its first US\$75 million under the facility for the construction of Sanbrado.

Subsequent drawdowns under the Facility remain subject to satisfaction of customary conditions precedent.

West African delists from TSX-V exchange

During the quarter, WAF announced it had applied for a voluntary delisting of its ordinary shares from trading on the TSX Venture Exchange ("TSXV"). TSXV confirmed this delisting and the Company's shares ceased trading on the exchange after the close of trading on 8 March 2019.

No changes occurred to the quotation and trading of WAF shares on the Australian Securities Exchange ("ASX") and its shares remain available for trading on the ASX under the code WAF.

WAF decided to delist from the TSX-V due to several factors, including the limited trading volume of WAF's shares on the TSXV over a sustained period. As a result, the Board considered the regulatory and other costs associated with maintaining the TSXV listing were unnecessary.

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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Summary of tenements in Burkina Faso at 31 March 2019

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 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
Manessé	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
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/MEEV CC Arrêté No 2018-139/MMC/SG/DGMG	13/03/2017	12/03/2024	ML	25.9	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 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.