



## **West African Resources COVID19 Update**

West African Resources Limited ('West African' or the 'Company', ASX: WAF) provides an update on its response to the global Coronavirus (COVID19) pandemic.

The Company's mining activities and gold production currently remain unaffected.

There have been no cases of COVID19 infection reported by any of the Company's employees or contractors operating at the Sanbrado Gold Project ('Sanbrado') nor by residents of host communities located adjacent to the project area.

West African's highest priority is the health and safety of its employees, contractors and stakeholders and acknowledges that keeping Sanbrado operational is important for employment, delivering benefits to our host community and the economy of Burkina Faso.

### **Key Points**

- No impact on mining and gold production at Sanbrado Gold Project
- No confirmed cases of COVID19 at Sanbrado or in the immediate project area
- Strict measures imposed at Sanbrado reducing movement of people and increased sanitation to prevent the spread of COVID19
- Freight exempt from government lockdown measures, regular shipments of key consumables and fuel being received at site supporting continuous gold production
- Gold shipments occurring via charter flights to operating refineries in Europe, supported by a collaborative approach between government authorities and gold producers in the region
- WAF's site management team includes key people that worked through the Ebola crisis in Guinea in 2014-15

West African Executive Chairman Richard Hyde commented:

*"Open-pit and underground mining and gold production has been uninterrupted at Sanbrado since our maiden gold pour on the 18th of March, and I would sincerely like to thank our in-country staff and contractors, and their families at home, for their cooperation, support and dedication during this challenging period.*

*"I would also like to thank the government authorities in Burkina Faso and other gold producers in the region for their collaborative approach to resolving issues that have arisen due to the global COVID19 pandemic.*

*"Challenging times can bring out the best in people, and that is certainly happening within our team at Sanbrado."*

## **Operational Update**

The Company has made comprehensive operational changes to maintain gold production in response to the developing COVID19 situation since our last market update, and following our maiden gold pour on March 18, 2020.

### ***Health and Safety***

At the time of reporting there have been no cases of COVID19 infection reported by any of the Company's employees or contractors operating at Sanbrado nor by residents of host communities living adjacent to the project area.

The Company has been adhering to guidelines set out by the Western Australian Department of Health since early February 2020 and has continued to update procedures as the COVID19 situation has unfolded. The Company's CSR team has been working with our host community providing updates and educational material to minimise the potential impact of COVID19 on our local communities.

The Sanbrado site has been locked down with movement of people significantly reduced and only permitted by the direct approval of the Mine Manager. High risk personnel have been identified and demobilised from site. All mine staff and contractors are now being housed on site. All people entering and leaving site are subject to a health assessment, including a temperature check. Social distancing on site is being observed where possible. Additional handwashing and hand sanitiser stations have been set-up around the site and camp areas to improve hygiene.

WAF medical staff will implement an isolation policy and testing for anyone suspected of being COVID19 positive. Site management have prepared an isolation block in camp for any suspected cases and we have qualified medical personnel and medical supplies on site to deal with any COVID19 cases. Staff and contractors on site are also adhering to additional strict health and safety protocols. WAF's site management team includes key people that worked through the Ebola crisis in Guinea in 2014-15.

### ***Government Response***

On March 21, 2020 authorities in Burkina Faso announced the closure of its land and air borders, imposed a 7pm to 5am curfew, and closed schools to prevent the spread of COVID19. On March 27, authorities declared a state of health emergency, imposing further restrictions including:

- Social distancing measures.
- Cities and townships where a positive COVID-19 case has occurred placed under a 14-day quarantine period, with entry into or exit from such locations strictly prohibited.
- Two-week extension to currently imposed closure of all schools and other institutions of learning, moving the new re-opening date to April 14.
- Automatic two-week extension of any currently imposed COVID19-related restrictions that may expire during the state of health emergency.

All restrictions are subject to amendment at short notice. Importantly, cargo and humanitarian transport has been exempted from government restrictions. The Company has been working collaboratively with government authorities in the country arrange shipment of key consumables and fuel to site.

### ***Logistics and Supply Chain***

Supply and delivery of key consumables has not been affected by the measures introduced by the Burkina Faso authorities on March 21. Site continues to receive regular deliveries of diesel and HFO, as well as other key consumables. As reported by the Company on March 19, most key spares, reagents and consumables were purchased as 'first fills' prior to the start of production at Sanbrado.

The Company has been collaborating with other gold producers in the region regarding supply of key consumables and gold shipments. The Company will be joining gold shipment charters in the near future. Recent charters have been successful in delivering doré to operating gold refineries in Europe since the suspension of commercial flights on March 21.

### **Staff and Contractors**

Most personnel working at Sanbrado are Burkinabe (95%) with the remainder being expatriate from a number of different countries. On site staff requirements have been critically reviewed and reduced to essential personnel only. National rosters have been changed to 21 days on 21 days off to reduce movement of people. It is currently not possible to rotate expatriate staff due to the measures imposed by the authorities of Burkina Faso. The health and morale of site staff and contractors are being assessed regularly and the Company remains in discussion with the authorities regarding rotation of key staff to maintain operations at Sanbrado.

### **Mining**

There has been no impact to mining at Sanbrado to date. Open pit mining continues in M5 and M1 South areas. Preparations are underway to open up the northern extension of M5. This area will provide the opportunity for more operational flexibility providing lower strip ratio, free dig ore supply and better equipment utilisation. Current ROM stocks stand at approximately 313Kt grading 1.3 g/t Au, including low grade ore.

Underground mining has also continued unaffected. The first crosscut through mineralisation was completed last week on the 2120 Level (180mbsl) which defined both the hanging wall and footwall of the M1 South mineralised zone. Face and wall assays have been higher than estimated in the resource model, with higher grades associated with zones where visible gold was observed, these returned grades of +30g/t Au. Strike driving has commenced in the 2120 ODS, with abundant visible gold also present in the first few development faces (driving along strike). Assays from these face samples are pending. Raisebore drilling is complete and shot-creting is also near completion. Overall ground conditions are very good. Surface ventilation fans are scheduled to arrive into port in Abidjan in early April. Meanwhile existing ventilation fans have been relocated underground away from the portal. Processing of underground development ore is expected to commence in the coming days.

### **Processing**

The process plant has been operational since Sunday 8th March and ore processing commenced straight away on double shift. The plant is running over nameplate capacity and processed 126,000t in the first 16 days of operation (including planned shutdowns). The first 23.9 kg of gold was poured on Wednesday March 18. A second gold pour of 70.1 kg occurred Thursday March 26. Information compiled for the metallurgical balance indicates a plant recovery of 92.2%. The plant is now fully commissioned and regular gold pours are expected weekly going forward.

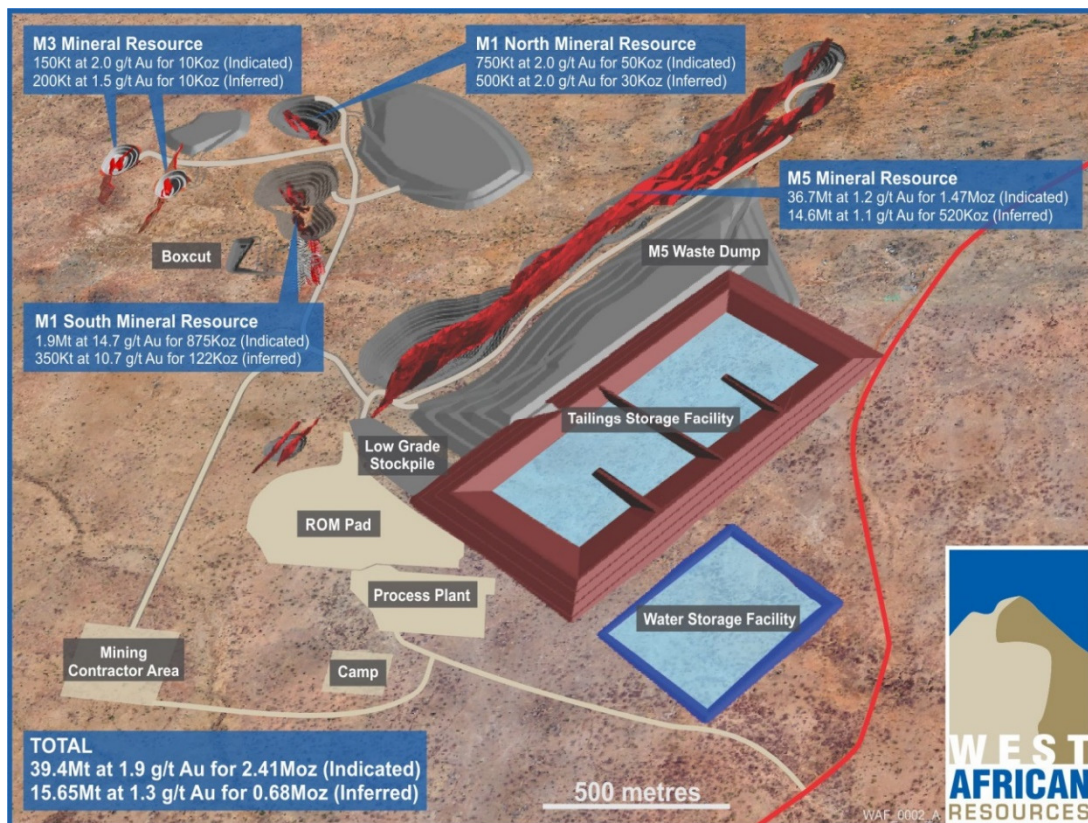
**Summary**

The Company's operating environment is both challenging and dynamic. While we have responded well to the challenges presented to the Company so far, our performance cannot be guaranteed over the longer term. We will update the market as new information comes to hand, and we will continue to do our best to keep our people safe and healthy, and keep the Sanbrado Gold Project operating.

**About West African Resources**

West African Resources Limited (ASX: WAF) announced the results of its updated Feasibility Study for the Sanbrado Gold Project in Burkina Faso in an announcement titled "West African to produce 300Koz gold in Year 1 at Sanbrado" on 16 April 2019. The study envisages an initial 10-year mine life, including 6.5 years of underground mining, with Probable Reserves to 1.7 million ounces (21.6Mt at 2.4g/t gold). The project will have average annual production over the first 5 years of mine life of 217,000 ounces gold and a 14-month post-tax pay back on US\$186 million pre-production capital costs. Project economics are robust, with All-In Sustaining Costs (AISC) of <US\$600/oz over first 5 years and US\$650 over life of mine. Year 1 production is anticipated to be over 300,000oz gold from underground and open pit ores, at AISC of less than US\$500/oz. West African poured first gold at Sanbrado on the 19<sup>th</sup> of March 2020, ahead of schedule and under budget.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement titled "West African to produce 300Koz gold in Year 1 at Sanbrado" on 16 April 2019 and that all material assumptions and technical parameters underpinning the estimates of forecast financial information derived from the production targets, and the resource estimate, as outlined in that announcement, continue to apply and have not materially changed.





**Competent Persons Statement**

Information in this announcement that relates to exploration results and exploration targets is based on, and fairly represents, information and supporting documentation prepared 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 (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 Hyde 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 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 employee of the Company. 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.

**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 website [www.westafricanresources.com](http://www.westafricanresources.com), financial statements and other filings all of which are filed on the ASX.