

## Press Release

17<sup>th</sup> June 2015



### New gold zone returns up to 13g/t Au in auger drilling

Gold developer West African Resources Limited (ASX, TSXV: WAF) is pleased to announce high-grade results from auger drilling from a new zone at its Tanlouka Gold Project, Burkina Faso.

#### Highlights

- ✓ New gold zone (named M3) discovered 2km from proposed low-cost oxide starter project
- ✓ High grade auger results up to 13g/t Au
- ✓ Follow up RC drilling imminent

Managing Director Richard Hyde commented:

“Auger drilling has discovered a new zone less than 2km northwest from the proposed oxide starter pit. High-grade auger results up to 13g/t Au were returned, within an anomalous trend over 1.3km. The new zone, named M3, trends parallel to the M1 prospect. Follow-up RC drilling is planned to commence shortly.

“Infill auger drilling at the M2 prospect has also returned high-grade auger results up to 5g/t Au within a 1km east-west trend. Follow-up RC drilling is underway.

“Both of these areas are located close to the proposed starter pit, therefore any significant results from follow-up drilling has the potential to upgrade the economics of the oxide heap leach starter project.”

Auger drilling at the Tanlouka Gold Project has delivered high-grade results 2km northwest of the M5 Mineral Resource and proposed oxide starter pit (Figure 1). Significant high-grade auger assays, with a peak result of **12,772 ppb Au (12.77g/t Au)**, were returned from a new zone 500m west of and parallel to the M1 prospect. Results occur over a 1.3km mineralised trend. Follow-up RC drilling is imminent.

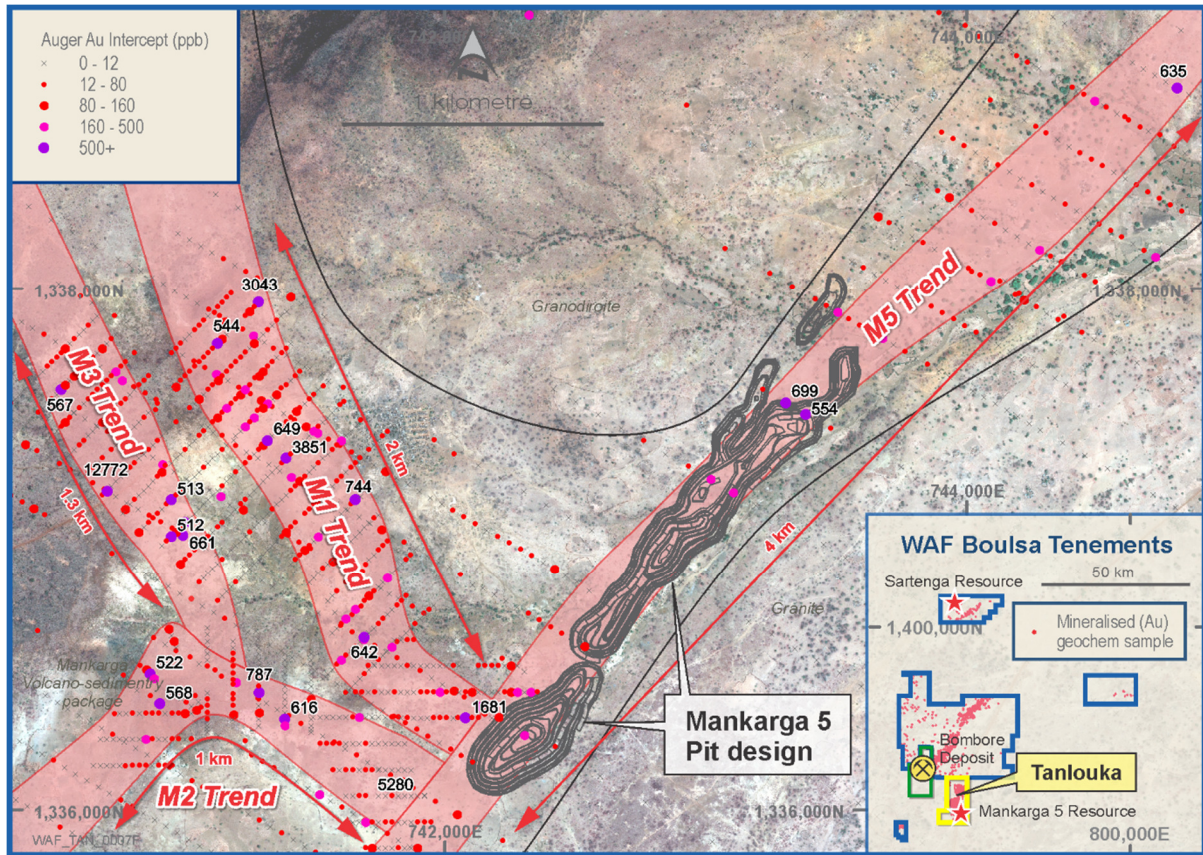
Infill auger drilling was also completed over the historic M2 prospect. M2 is located 800m west of the southern end of the proposed starter pit. Recent mapping by WAF geologists indicate that mineralisation occurs over a 1km east-west arcuate zone within weathered diorite, coincident with historic artisanal workings. A peak of **5,280ppb Au (5.28g/t Au)** was returned. Follow-up RC drilling is in progress.

Finally, auger drilling on the M1 trend was extended to the south to cover potential north-northwest structures intersecting the north-northeast M5 trend in the southern pit area (Figure 1). A peak result of **1,681ppb Au (1.68g/t Au)** was returned adjacent to the proposed pit, along with a number of +50ppb samples.

The heavy rains have been hampering our current drilling programs on the project, however the Company intends to complete first-pass drilling over the new areas before halting work. Follow-up

drilling around the M1-M5 intersection is planned for October, following the wet season. Significant results from the auger drilling programs are presented below in Table 1 and shown in Figure 1.

**Figure 1: Mankarga 1 & 5 Summary Plan**



**Table 1: Mankarga 1 Significant Results from Auger Drilling**

Hole	From	To	Int	Au ppb	Au g/t	Dip	Azi	East	North	RL	Prospect
TLA3862	3	6	3	5.28	5,280	-90	0	741721	1336047	292	M2
TLA3935	3	6	3	0.62	616	-90	0	741386	1336341	299	M2
TLA3942	2	5	3	0.79	787	-90	0	741286	1336441	303	M2
TLA3995	2	5	3	0.52	522	-90	0	740868	1336512	308	M2
TLA4090	4	7	3	0.57	567	-90	0	740524	1337608	303	M3
<b>TLA4160</b>	<b>5</b>	<b>8</b>	<b>3</b>	<b>12.77</b>	<b>12,772</b>	<b>-90</b>	<b>0</b>	<b>740701</b>	<b>1337361</b>	<b>306</b>	<b>M3</b>
TLA4215	5	8	3	0.51	513	-90	0	740949	1337184	299	M3
TLA4242	5	8	3	0.60	596	-90	0	741002	1337096	298	M3
TLA4245	7	10	3	0.51	512	-90	0	740949	1337043	297	M3
<b>TLA4348</b>	<b>4</b>	<b>7</b>	<b>3</b>	<b>1.68</b>	<b>1,681</b>	<b>-90</b>	<b>0</b>	<b>742081</b>	<b>1336344</b>	<b>291</b>	<b>MK1/5</b>

The company is fully funded by Macquarie Bank (**ASX, TSXV: 22/12/14**) to complete a Feasibility Study for a heap leach starter project by Q3 of this year, which will incorporate any positive results from ongoing exploration programs. Follow-up RC drilling is in progress and results will be reported as they are received by the company.

**2015 PFS Highlights**

West African Resources Limited completed an updated Pre-Feasibility Study report for an oxide heap leach starter project on its Mankarga 5 Gold Project, Burkina Faso in May 2015 (ASX, TSXV: 15/5/15, 29/5/2015). It was prepared in accordance with the requirements of both the Australian 2012 JORC Code and Canadian NI 43-101. The report is filed on SEDAR and on the Company's website. A summary of the base case is stated below assuming a 100% project at a gold price of \$1,300/oz. All amounts are in US dollars.

- Production of 69,000oz pa for first 3 years, 49,000oz pa for life of mine, 7 year life of mine
- Cash costs \$428/oz for 3 years, \$635/oz life of mine
- All-in cash costs of \$538/oz for 3 years, \$749/oz life of mine
- Pre-tax IRR of 63% with 14-month payback, post-tax IRR of 50% with 16-month payback
- Pre-tax cash flow of \$146m, post-tax cash flow of \$118m after initial and sustaining capital costs
- Pre-tax NPV5% of \$117m, Post-tax NPV5% of \$86m
- Probable Ore reserve of 440,000oz, life of mine strip ratio 2:1
- Potential to upgrade in-pit Inferred Resources currently treated as waste in mining schedule
- Nearby drill ready oxide targets with potential to add to the base case

Mankarga5 April 2015 Resource							
	Cut-off (Au g/t)	Indicated Resource			Inferred Resource		
		Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
Oxide	0.5	7,200,000	1.2	273,000	800,000	0.8	20,000
	1	3,100,000	1.8	180,000	200,000	1.2	7,000
Transitional	0.5	2,300,000	1.2	89,000	500,000	0.9	13,000
	1	1,000,000	1.9	60,000	200,000	1.3	6,000
Fresh	0.5	9,500,000	1.2	377,000	39,100,000	1.0	1,320,000
	1	4,200,000	1.9	256,000	14,800,000	1.6	778,000
Total	0.5	19,000,000	1.2	736,000	40,400,000	1.0	1,350,000
	1	8,400,000	1.8	495,000	15,200,000	1.6	791,000

Mankarga5 May 2015 Ore Reserve															
Category	Strongly Oxidised			Moderately Oxidised			Transition			Fresh			Total		
	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz
Probable	3.0	1.10	96	5.4	1.04	183	1.3	1.46	63	1.5	2.11	98	11.2	1.22	440

**Cautionary Note:**

Mineral Resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral

resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

Production targets for the proposed heap leach starter project referred to in this announcement were first released to the ASX and TSXV on 23 February 2015. They are preliminary and there is no certainty that the production targets, or the forecast financial information derived from the production targets, will be realised. All material assumptions underpinning production targets or forecast financial information derived from production targets continue to apply and have not materially changed.

#### **Competent Person's Statement**

Information in this announcement that relates to exploration results, exploration targets or mineral resources is based on information compiled by Mr Richard Hyde, a Director, who is a Member of The Australian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Hyde has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and a Qualified Person under National Instrument 43-101. Mr Hyde consents to the inclusion in this announcement of the statements based on his information in the form and context in which they appear.

#### **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 may be deemed "forward looking". All statements in this news release, other than statements of historical fact, that address events or developments that West African expects to occur, are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond West African's ability to control or predict. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. In the case of West African, these facts include their anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralization that will be encountered if a mineral property is developed.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: 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 materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information.



West African's forward-looking information is based on the reasonable beliefs, expectations and opinions of their respective management on the date the statements are made and West African does not assume any obligation to update forward looking information if circumstances or management's beliefs, expectations or opinions change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking information. For a complete discussion with respect to West African, please refer to West African's financial statements and related MD&A, all of which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).

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.

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
<b>Sampling Technique</b>	<p>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p>The M1, M2, M3 and M5 areas have been drilled by auger techniques. The drill spacing is being in-filled to a nominal 100m x 25m grid spacing on northwest-southeast, southwest-northeast or north-south lines. Samples are taken from a 3m composite at the end of hole. Hole depths range from 1 to 12m vertical depth.</p> <p>Samples were despatched to BIGS in Ouagadougou for sample preparation, where they were crushed and dried to produce a sub sample for 0.5kg bottle roll analysis with AAS finish.</p>
<b>Drilling</b>	<p>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</p>	<p>Auger drilling was completed for geochemical samples. Holes were vertical and drilled between 1m and 12m, with an average of 5.5m.</p>
<b>Drill Sample Recovery</b>	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<p>Sample recoveries are not applicable to auger drilling. Samples are only used for exploration purposes and are not used in resource estimation.</p>
<b>Logging</b>	<p>Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc.) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>Logging of auger chips are recorded lithology, mineralogy, mineralisation, weathering, alteration, colour and other features of the samples.</p>
<b>Sub-Sampling Technique and Sample Preparation</b>	<p>If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>Auger samples were collected on the rig using a scoop. All samples were dry.</p> <p>The sample preparation for all samples follows industry best practice. BIGS in Ouagadougou for sample preparation, where they were crushed and dried sub sample for analysis.</p> <p>Field QC procedures involve the use of certified reference material as assay standards and blanks. The insertion rate of these averaged 1:20.</p>

<b>Quality of Assay Data and Laboratory Tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <p>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</p>	<p>The laboratory used a bottle roll for with an AAS finish for gold analysis.</p> <p>No geophysical tools were used to determine any element concentrations used in this report.</p> <p>Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in house procedures.</p> <p>Certified reference materials, having a good range of values, were inserted blindly and randomly. Results highlight that sample assay values are accurate and that contamination has been contained.</p> <p>Repeat or duplicate analysis for samples shows that the precision of samples is within acceptable limits.</p> <p>Sample preparation conducted and fire assay performed by BIGS SARL.</p>
<b>Verification of Sampling and Assaying</b>	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes The verification of significant intersections by either independent or alternative company personnel.</p> <p>Discuss any adjustment to assay data</p>	<p>WAF's QP R. Hyde has verified significant results from auger drilling.</p> <p>Primary data was collected using a set of company standard Excel™ templates on Toughbook™ laptop computers using lookup codes. The information was validated on-site by the Company's database technicians and then merged and validated into a final Access™ database by the company's database manager.</p>
<b>Location of Data points</b>	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used Quality and adequacy of topographic control</p>	<p>All drill holes have been located by DGPS in UTM grid WGS84 Z30N.</p> <p>No dh surveys are take for auger drilling.</p> <p>DGPS was used for topographic control.</p>
<b>Data Spacing and Distribution</b>	<p>Data spacing for reporting of Exploration Results</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied</p>	<p>The nominal drill hole spacing is 25m (northeast) by 100m (northwest) which is appropriate for exploration purposes.</p>
<b>Orientation of Data in Relation to Geological Structure</b>	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>Not relevant.</p>
<b>Sample Security</b>	<p>The measures taken to ensure sample security</p>	<p>Chain of custody is managed by WAF</p> <p>Samples are stored on site and delivered by WAF personnel to BIGS Ouagadougou for sample preparation.</p> <p>Whilst in storage, they are kept under guard in a locked yard. Tracking sheets are used track the progress of batches of samples</p>
<b>Audits or reviews</b>	<p>The results of any audits or reviews of sampling techniques and data.</p>	<p>WAF personnel and consultants have completed numerous site visits and data reviews since acquiring the project in 2014. No material issues were noted. A technical reports are located on WAF's website.</p>

Section 2 Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
<b>Mineral Tenement and Land Tenure Status</b>	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Boulsa Project tenements covers over 3,700km <sup>2</sup> , granting the holders the right to explore for gold. The tenements have been acquired by either direct grant to WAF or its subsidiaries or by contractual agreements with tenement holders. Apart from the Tanlouka Agreement where Tanlouka SARL holds a 90% interest, all other vendor agreements provide WAF with the right to obtain an ultimate interest of 100%. All licences, permits and claims are granted for gold. All fees have been paid, and the permits are valid and up to date with the Burkinabe authorities. The payment of gross production royalties are provided for by the Mining Code and the amount of royalty to be paid for ranges from 3% (<US\$1000), 4% (\$1000-1300) and 5% (>\$1300).
<b>Exploration Done by Other Parties</b>	Acknowledgment and appraisal of exploration by other parties.	Very little exploration has been carried out over greater project the tenement prior to WAF's involvement which commenced in 2008, with the exception of the Tanlouka Permit. The area comprising the Tanlouka Permit has been held by Channel Resources Ltd since the early 1990's. Work recommenced in earnest on the Tanlouka Permit in 2010. WAF acquired Channel Resources Ltd on January 17th 2014. Available historic records and data were reviewed by both WAF during Due Diligence prior to the acquisition.
<b>Geology</b>	Deposit type, geological setting and style of mineralisation.	The Boulsa Project straddles some 70km strike length of the Manga-Sebba greenstone belt, which bifurcates and trends northeast and east-northeast respectively from southern-central Burkina Faso into Niger over some 450km. The south-eastern portion of the project area covers the southern extension of the Fada N'Gourma Belt. Lithologies comprise volcano-plutonic bodies including amphibolised basalts with amphibolites, andesites and basalts, rhyolites and rhyodacites, brecciated tuffs, and gabbroic bodies including pyroxenite and serpentinite. Gold mineralisation in the project area is mesothermal orogenic in origin and structurally controlled. The project also contains shear hosted porphyry related copper-gold-molybdenum mineralisation on the Sartenga Permit which is believed to be unique in West Africa."
<b>Drill hole Information</b>	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>o easting and northing of the drill hole collar</li> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	Not relevant for auger drilling as holes are generally very short and give an indication of mineralisation at depth and will be followed-up with RC and diamond drilling in due course. None of the information in this release will be used to compile a Mineral Resource.
<b>Data aggregation methods</b>	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	All samples represent a 3m end of hole composite, where possible.

<b>Relationship between mineralisation widths and intercept lengths</b>	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The orientation of the mineralised zone has been inferred from geophysical and geological interpretation.
<b>Diagrams</b>	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	The appropriate plans and sections have been included in the body of this document.
<b>Balanced reporting</b>	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Not applicable to reporting of auger results.
<b>Other substantive exploration data</b>	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Preliminary metallurgical test work has been completed, with excellent results. Gold recoveries exceed 95% from oxide bottle roll tests, exceed 92% for sulphide bottle roll tests and a significant proportion of the gold is recoverable by gravity concentration. Additional metallurgical test work is being completed.
<b>Further work</b>	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Follow-up drilling is planned and is ongoing, aimed at defining the source of the anomalies discussed in this report. A figure showing proposed work programs is included in the body of this report.