

Press Release

23rd June 2016



West African progresses permitting and feasibility studies for Tanlouka Gold Project

Gold developer West African Resources Limited (ASX, TSXV: WAF) is pleased to provide a permitting and feasibility update for its 100%-owned Tanlouka Gold Project, Burkina Faso.

Highlights

- **Favourable opinion by National Commission of Mines for Mining Licence application**
- **Metallurgical test work drilling program nearing completion**
- **Feasibility study commenced – funded by \$12.5m oversubscribed institutional capital raising**

Managing Director Richard Hyde commented:

“The Company has presented the project to the National Commission of Mines and received favourable opinion for the mining licence application. We will present the environmental and social impact assessment for the project to the Ministry of Environment, Green Economy and Climate Change in July 2016. This presentation is the final step in the permitting process before a decision can be made to grant the mining licence, which is expected during Q3 2016.

“Metallurgical test work drilling is nearly complete, with core to be packed and airfreighted to ALS Ammtec in Perth by the end of June.

“Resource drilling is currently focussing on open-pitabile mineralisation at M1 South and North ahead of a maiden resource at M1 in Q3 2016.”

Permitting

WAF personnel presented the Tanlouka Gold Project (TGP) to the Burkina Faso National Commission of Mines¹ (NCM) on 10th May 2016. The NCM reviewed the projects’ technical and economic feasibility and advised WAF they will issue a favourable opinion in respect of the Company's application for a commercial mining permit.

Currently the National Bureau of Environmental Assessments² (BUNEE) is reviewing the environment and social impact assessment (ESIA) and relocation action plan (RAP) for the Tanlouka Gold Project. This includes field based investigations and community consultation meetings. WAF's final presentation to the Ministry of Environment, Green Economy and Climate Change³ will take place in July for a final decision on the environmental and social feasibility of the TGP. This represents the final step of the permitting process for the project and we expect the mining permit to be granted during the course of the third quarter of 2016.

Members of the WAF board and management recently had an audience with His Excellency the President of Burkina Faso, Mr. Roch Christian Marc Kabore. WAF personnel presented the Company and the Tanlouka Gold Project to the President. During the audience the technical aspects of the project were discussed as well as the social and economic benefits for the Ganzourgou region and for Burkina Faso.

1 Ministère de l'environnement, de l'économie verte et du changement climatique

2 Bureau National des Evaluations Environnementales

2 Commission Nationale des Mines



Photo 1: President of Burkina Faso and WAF Managing Director Richard Hyde

Drilling

The Company will continue to drill throughout 2016. We currently have three rigs in operation at M1 (2 diamond rigs and 1 multipurpose RC/diamond rig). The focus is to complete drilling on 25m centres through M1 South and North down to 150m vertical by the end of the current Quarter. This will enable the Company to better understand structural controls of high grade ore shoot mineralisation. Deeper diamond drilling will be completed during the wet season (July-September) targeting down plunge extensions of high grade mineralisation at M1 South and M5 Southwest.

Exploration drilling will resume following the impending wet season. Targets include:

- the M1 mineralised corridor southeast, towards the intersection of the M5 mineralisation;
- the M1 mineralised corridor to the northeast; and
- Follow-up oxide results at depth at the M3 prospect, where best drilling to date returned 32m at 5.02 g/t Au. (ASX/TSXV: 8/9/2016)



Photo 2: Tanlouka Gold Project - Diamond drilling at M1 South

Mineral Resources

While drilling will continue during 2016 the Company will cut-off data to input for the next Mineral Resource estimation studies at the end of the current Quarter. It is expected that resource estimation work will be completed during early Q3 which will provide maiden resources for the M1 and M3 prospects, and a resource update for M5 deposit later in the quarter. This work will focus on open-pit-able mineralisation. As indicated above, drilling will continue throughout the year with a further resource update to be completed towards the end of the year. It is expected that this update will include deeper drilling targeting the underground potential of M1 and the southwestern portion of the M5 deposit.

Metallurgical Test Work

Much of the metallurgical test work program complete for our previous heap leach PFS is applicable to the CIL feasibility study. The Company has already completed two PQ and two HQ metallurgical test work holes at M1. Two further PQ holes in the southwestern portion of the M5 deposit are in progress. All core will be logged and airfreighted to ALS Ammtec in Perth to be incorporated into the CIL test work program by the end of June. While various throughput rates are being considered the design criteria for the CIL plant will likely include a conventional crushing and milling circuit, and gravity recovery circuits.

Feasibility Study

The process of selecting the location of key infrastructure for the mine site has commenced. The preliminary locations for the CIL plant, the crusher and stockpiles, the tailings storage facility, waste storage facilities and the water abstraction and storage system have been outlined and initial site selection has been carried out on the ground. A detailed drone survey of these areas is scheduled to

commence before the end of June. This information will be used to finalise the location of these key infrastructure sites.



Photo 3: Tanlouka Gold Project - Site layout discussions during June 2016

Timeline

An updated timeline for the project is below. It is the Company's goal to have the project permitted with a completed DFS for a CIL project by the end of 2016 calendar year. An updated presentation is located at <http://www.westafricanresources.com/category/presentation/>

	2015				2016				2017	
Work Program	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Drilling & Resources										
M1 deposit								•		
M3 deposit								•		
M5 deposit								•		
Resource Estimation	✓						•	•		
Definitive Feasibility Study										
Metallurgical Test work	✓							•		
Engineering, Layout and Design	✓							•		
Permit Approvals - CIL Update							•	•		
Project Financing										•

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.

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.