



Press Release

10 August 2016

WAF Raises \$21 million to Accelerate Development of Tanlouka Gold Project and Strengthen Balance Sheet

Highlights

- Placement raises \$21 million from existing shareholders and leading institutional investors
- Funds raised will ensure WAF can continue to rapidly progress its 100% owned Tanlouka Gold Project and fully repay its debt facility with Macquarie Bank ahead of maturity date
- Placement will also be applied to fund further resource and exploration drilling, and the completion of a Definitive Feasibility Study (DFS)
- DFS is on track for completion in Q4 2016
- Post completion of the placement WAF will have \$30m cash at bank

West African Resources Limited (ASX, TSXV: WAF or the “Company”) is pleased to announce that it has received commitments to raise approximately A\$21 million through a placement of 70 million shares at a price of A\$0.30 per share (“Placement”).

Hartleys Limited is Lead Broker to the Placement, with Clarus Securities Inc. acting as Co-Manager.

The Placement at \$0.30 cents per share represents a discount of 7% to WAF’s 5-day VWAP.

WAF’s balance sheet is strengthened by the Placement, which allows for the early repayment of a US\$5 million debt facility with Macquarie Bank. The Placement also provides the Company with the capacity to accelerate exploration and resource drilling at the Company’s Tanlouka Gold Project, and completion of the Definitive Feasibility Study on the project.

In addition, the Placement proceeds will be used to commence early civil works, in readiness for development of the 100% owned Tanlouka Gold Project. This work includes the construction of a camp facility, ablutions and water storage facility amongst other items.

Managing Director Richard Hyde commented:

“West African is now in a position to repay the Macquarie Bank debt facility, and focus on finalising the DFS at Tanlouka. We will accelerate the drilling programs with the aim of including further high grade mineralisation in the next resource update.

“We now have an extremely strong register of quality institutions from Australia, Canada and the UK.

The Placement will be completed in one tranche, within the Company's issuance capacity pursuant to ASX Listing Rules 7.1 and 7.1A. As WAF has a secondary listing on the TSX-V exchange, the Issue will be conditional upon the approval of the TSX-V, which the Company anticipates to receive shortly.

For further information contact:

Richard Hyde

Managing Director

info@westafricanresources.com

Ph: +61 8 9481 7344

Nathan Ryan

NWR Communications

nathan.ryan@nwrcommunications.com.au

M: +61 420 582 887

Forward Looking Information

This announcement contains "forward-looking information" within the meaning of applicable Canadian and Australian securities legislation. 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. Specific forward-looking statements and forward-looking information includes statements regarding completing a feasibility study by the end of 2016; being granted a mining permit by the end of 2016, and receipt of metallurgical test results by Q4 2016.

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 certain assumptions, 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.

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: inherent 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 or statements.

This announcement also contains references to estimates of mineral resources. 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, 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, among other things: fluctuations in commodity prices; results of drilling; results of metallurgical testing and other studies; changes to proposed mining operations, including dilution; the evaluation of mine plans subsequent to the date of any estimates; and the possible failure to receive required permits, approvals and licences. Estimations of mineral resources should not be construed or considered as an estimate of the ultimate amount of material that may be mined, should a mine ever be developed.

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 and risks associated with forward-looking information and forward-looking statements, please refer to West African's financial statements and related MD&A, all of which are filed on SEDAR at www.sedar.com.

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