West African Resources Limited
ACN 121 539 375

Principal Office
14 Southbourne Street
Scarborough 6019
Western Australia

Phone + 61 8 9481 7344
Fax + 61 8 9481 7355
Email info@westafricanresources.com
Web www.westafricanresources.com

6 June 2016

COMPLETION OF $12.5M PLACEMENT AND APPENDIX 3B

West African Resources Limited is pleased to announce that it has completed the placement of 70,200,000 fully paid ordinary shares ("Shares") to domestic and international institutional and sophisticated investors ("Placement"). The shares are to be allotted on 6 June 2016.

The Placement was undertaken at an issue price of $0.125 per new Share and is the final step in the $12.5m capital raising process originally announced to the market on 15 April 2016.

The funds raised are being applied towards an aggressive drilling programme at the recent high grade gold discovery at the M1 prospect within the Company's Tanlouka Gold Project in Burkina Faso. Activities include exploration drilling as well as resource definition drilling to establish a maiden resource at M1. In parallel with the drilling programmes, the Company has commenced a Definitive Feasibility Study based on a larger-scale CIL development scenario at the Tanlouka Gold Project.

Attached please find a copy of the Appendix 3B.

Simon Storm
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

WEST AFRICAN RESOURCES LIMITED

ABN

70 121 539 375

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary Shares (WAF) and unlisted options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	70,200,000 ordinary shares 7,000,000 unlisted options
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	**5,000,000 unlisted options** – exercise price 8.45 cents, expiry 6 June 2019 **1,000,000 unlisted options** – exercise price 10.0 cents, expiry 3 June 2019, vesting on first production of gold from the Tanlouka Gold project in Burkina Faso. **1,000,000 unlisted options** – exercise price 15.0 cents, expiry 3 June 2019, vesting on first production of gold from the Tanlouka Gold project in Burkina Faso.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	Ordinary shares - $0.125 Unlisted options - Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	**Ordinary share issue** - Ongoing exploration and development of the Company's 100% owned Tanlouka Gold Project in Burkina Faso, as well as for general working capital purposes. **Unlisted options** – 5,000,000 advisory options to broker, 1,000,000 options to Mark Connelly (approved at shareholder meeting 27 May 2016) and 1,000,000 options issued under employee share option plan.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	18 November 2015
6c	Number of +securities issued without security holder approval under rule 7.1	

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	-
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Ordinary Shares - 70,200,000 Unlisted Options – 6,000,000 Date of Meeting – 27 May 2016
6f	Number of securities issued under an exception in rule 7.2	Unlisted Options – 1,000,000
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	-
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	-
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	rule 7.1 61,330,988 rule 7.1A 40,887,325 Total 102,218,313
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	6 June 2016

8 Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)

Number	+Class
408,873,253 (WAF)	Ordinary shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	4,107,149 (WAFAQ)	Options with an exercise price of 40 cents expiring 17 Jan 2017
		14,918,508 (WAFAY)	Warrants with an exercise price of 40 cents expiring 17 Jan 2017
		827,500 (WAFAZ)	West African Replacement Options with exercise prices of between 42 cents and $1.66 expiring between 23 Mar 15 and 26 Jul 17
		40,545,224 (WAFAZ)	Options with an exercise price of 14 cents expiring 30 Sep 2017
		5,750,000 (WAFAA)	Options with an exercise price of 14.5 cents expiring 20 Feb 2018
		500,000 (WAFAZ)	Options with an exercise price of 10.0 cents expiring 18 Aug 2018
		2,000,000 (WAFAZ)	Options with an exercise price of 14.5 cents expiring 1 Dec 2018
		5,000,000 (WAFAZ)	Options with an exercise price of 8.45 cents expiring 22 Dec 2018
		5,000,000	Options with an exercise price of 8.45 cents expiring 6 June 2019
		1,000,000	Options with an exercise price of 10.0 cents expiring 3 June 2019
		1,000,000	Options with an exercise price of 15.0 cents expiring 3 June 2019

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	n/a

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	n/a
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	-
39	Class of +securities for which quotation is sought	-

+ See chapter 19 for defined terms.

40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	-
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	-

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)	-	-

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ....Date 6 June 2016
Company Secretary

Print name: **Simon Storm**

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	270,301,498
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	 4,669,214 133,902,541
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
"A"	408,873,253

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	61,330,988
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	
"C"	-
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	61,330,988
Subtract "C" *Note: number must be same as shown in Step 3*	-
Total ["A" x 0.15] – "C"	61,330,988 *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	408,873,253
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	40,887,325
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	-
"E"	-

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	40,887,325
Subtract "E" *Note: number must be same as shown in Step 3*	-
Total ["A" x 0.10] – "E"	40,887,325 *Note: this is the remaining placement capacity under rule 7.1A*