

## **MARCH 2020 QUARTERLY REPORT**

### **West African Resources Ltd - ASX's newest unhedged gold producer**

Gold mining company West African Resources Limited (ASX: WAF) is pleased to report progress on its Sanbrado Gold Operations ("Sanbrado"), Burkina Faso, for the quarter ending 31 March 2020.

#### **Sanbrado Gold Project - Development**

- ✓ All construction works complete - 10 weeks ahead of schedule and US\$20M under budget
- ✓ 17MW Power station complete and operational
- ✓ Over 3 million hours worked LTI free

#### **Sanbrado Gold Project - Operations**

- ✓ 4,778 oz of gold poured during March
- ✓ Process plant fully commissioned and operational
- ✓ Open pit and underground mining tracking to schedule and budget
- ✓ First underground ore mined

#### **March 2020 Financial Summary**

- ✓ \$41.1M project expenditure in the quarter
- ✓ \$0.5M administration costs
- ✓ \$81.5M cash and \$12.5M gold at 31 March 2020
- ✓ US\$200m Taurus finance facility fully drawn

#### **June 2020 Quarter Plans**

- ✓ Execute the mining plan and maintain steady mill performance
- ✓ Continue underground ore development and advancing decline
- ✓ Commence gold sales



**Photo 1: Sanbrado Process Plant by Night**

## Sanbrado Gold Operation

During the quarter the Company achieved a number of significant milestones including completing commissioning of the Sanbrado processing plant, pouring first gold, mining first underground development ore and passing the 3 million hours worked mark LTI free. The site management team have done an exceptional job ramping up the operation while dealing with the impact of the global COVID-19 pandemic on the Company's operation.

At the time of reporting the Company's mining activities and gold production remain unaffected. There have been no confirmed cases of COVID-19 infection reported by any of the Company's employees or contractors operating at the Sanbrado Gold Operation ('Sanbrado') nor by residents of host communities located adjacent to the project area.

### Project Development

During the March quarter construction and commissioning activities were completed in all areas, 10 weeks ahead of the updated DFS schedule (ASX: 18/4/19) and 6 months ahead of the original schedule from the 2018 feasibility study (ASX: 22/6/18). The project was also delivered \$20M under budget in comparison to the 2019 DFS capital cost estimate.

The 2019 feasibility study had proposed a third party owned power station, however during the tendering process WAF changed this approach and opted to build and own the 17MW power station outright, incurring an additional \$18M, bringing the overall project cost in line with the 2019 feasibility capital estimate.

By the end of March, the process plant mill throughput was meeting nameplate capacity and the 17MW power station was complete and operational.

During the quarter, construction of the second stage of the tailing storage facility commenced. Drainage work also continued around the site with key diversions and sediment control structures excavated in preparation for the 2020 wet season.

The Company would like to thank WAF's Owners Team and key contractors and consultants; ECG, Outotec, Lycopodium, Knight Piesold, Enikon, EERIE BF, PSS, Kanazoe and Sogea Satom for their hard work and dedication through the Sanbrado build. Over 3 million hours were worked on the project LTI free, which is a credit to WAF's OHS team and the professionalism of the key contractors and consultants involved with the build process.



Photo 2: WAF team on site with first gold bars



Photo 3: Danny Kotzee (Construction Manager) and Matthew Wilcox (Chief Development Officer)



Photo 4: Lyndon Hopkins (Exec Director & COO) and Richard Hyde (Exec Chairman & CEO)



Photo 5: Vince Morel (GM Exploration) and Abdou Guire (Senior Geologist)

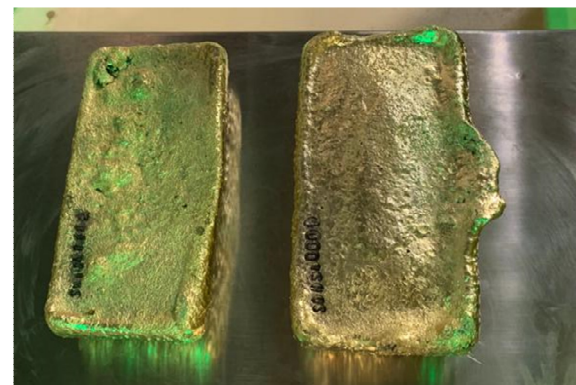


Photo 6: First gold bars

## Operations

### Open-pit Mining

Open pit mining continued in M5 and M1 South areas during the quarter. Preparations are underway to open up the northern extension of M5. This area will provide the opportunity for more operational flexibility, including a lower strip ratio, free dig ore supply and better equipment utilisation. ROM stocks at quarter-end were approximately 313Kt grading 1.3 g/t Au, including low grade ore.

### Underground Mining

Underground mining has also continued during the quarter. The first crosscut through mineralisation was completed in March 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 development faces (driving along strike).

During the quarter, grade control drilling commenced, covering off the first stoping panels to be mined of the M1 South underground reserve. Drilling has clearly defined hangingwall and footwall contact zones, which will enable more accurate stope definition. Results have reported within acceptable limits in comparison with the 2019 Mineral Resource Estimate. Select results from the underground grade control drilling greater than 100 g/t Au x meters are shown in Table 1 and Figure 1.

Hole ID	From	To	Interval	Au g/t	Au g/t x m	North	East	RL
M1SGC-0015	107.5	121	13.5	10.6	143	1336901.7	741597.7	2146.2
M1SGC-0016	122.1	134.5	12.4	20.5	254	1336908.7	741607.8	2137.4
M1SGC-0018A	125.5	134.5	9	19.3	174	1336929.2	741593.9	2123.6
M1SGC-0019A	102	116	14	12.9	180	1336932.0	741572.3	2134.6
M1SGC-0023	145.5	154	8.5	25.8	219	1336919.6	741578.4	2116.7
M1SGC-0023	112	123	11	12.5	138	1336932.4	741600.1	2099.4
M1SGC-0026	93	100.5	7.5	15.6	117	1336937.3	741550.9	2135.1
M1SGC-0028B	96.5	104.5	8	17.7	142	1336930.5	741557.1	2131.0
M1SGC-0029	105.5	123	17.5	26.8	469	1336926.0	741575.3	2125.0
M1SGC-0032	149	156	7	39.5	276	1336903.6	741606.9	2087.1
M1SGC-0032A	156	160	4	47.1	188	1336914.8	741614.4	2090.1
M1SGC-0033	127	140	13	64.1	833	1336901.9	741614.4	2128.9
M1SGC-0034	126.5	134.5	8	23.2	186	1336901.2	741600.1	2110.9
M1SGC-0039	93.5	107	13.5	133.1	1797	1336933.4	741574.5	2100.6

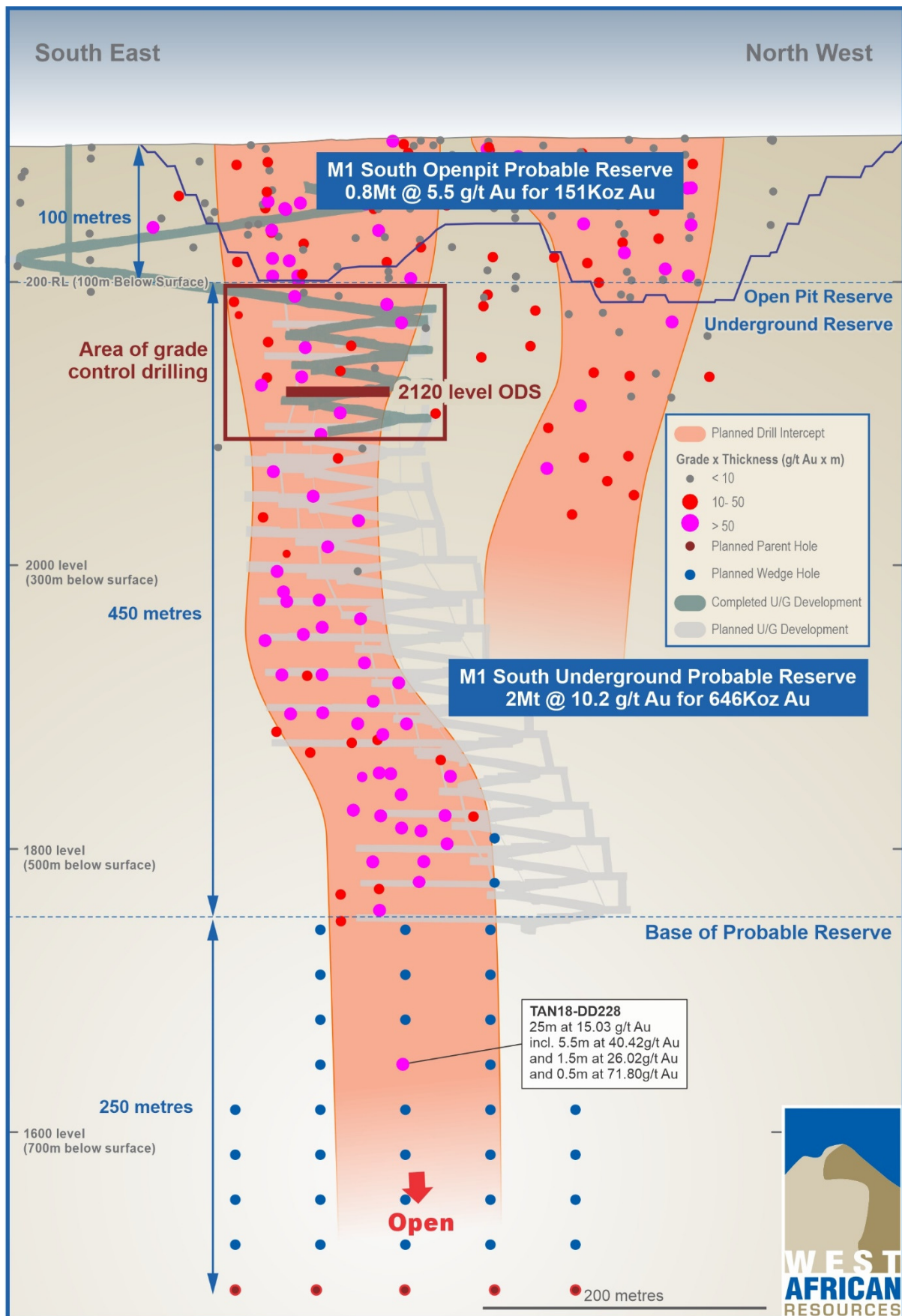
Raisebore drilling and shotcreting was also completed during the quarter. Overall ground conditions are very good. Surface ventilation fans are expected to arrive on site by the end of April and will be installed during the June quarter.

### Processing

The process plant has been operational since Sunday 8th March. The plant processed 200Kt of oxide open-pit material grading 1.3 g/t Au, during the month including periods of scheduled shutdown for maintenance. A total of 148.6 kg of gold (4778.7 troy ounces) was poured during the quarter. Information compiled for the metallurgical balance indicates a plant recovery of 92%. Following the end of the quarter the first ore from the M1 South underground was processed.



Figure 1: M1 South Underground development and Grade Control Drilling



COVID-19 Response

During the quarter the Company has made comprehensive safety and logistical changes to maintain gold production in response to the developing COVID-19 global pandemic.

*Health and Safety*

At the time of reporting there have been no cases of COVID-19 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 COVID-19 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 COVID-19 on our local communities.

The Sanbrado site has self-quarantined with all mine staff and contractors now being housed on site. Movement of people in and out of site is strictly controlled and only permitted by the direct approval of the Mine Manager. Personnel considered high risk (ie with existing health conditions) have been identified and demobilised from site. All people entering and leaving site are subject to a health assessment, including a temperature check. Social distancing on site is being observed. Additional handwashing and hand sanitiser stations have been set-up around the site to improve hygiene.

WAF medical staff will implement an isolation policy and testing for anyone suspected of being COVID-19 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 COVID-19 cases. Staff and contractors on site are also implementing additional health and safety protocols related to their work procedures to further reduce the risk. 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 the country's land and air borders, imposed a 7pm to 5am curfew, and closed schools to prevent the spread of COVID-19. 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 28.
- Automatic two-week extension of any currently imposed COVID-19-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 interrupted 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 exports, including joining gold shipment charters for delivering doré to operating gold refineries in Europe.

*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 and control the movement of people into site. 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.

Exploration

Plans to commence deep drilling at M1 South beneath existing reserves were postponed during the quarter due to concerns regarding COVID-19 and restrictions put in place to limit the movement of people in the region by the Burkina government. The Company intends to commence this drilling program as soon as the situation improves.

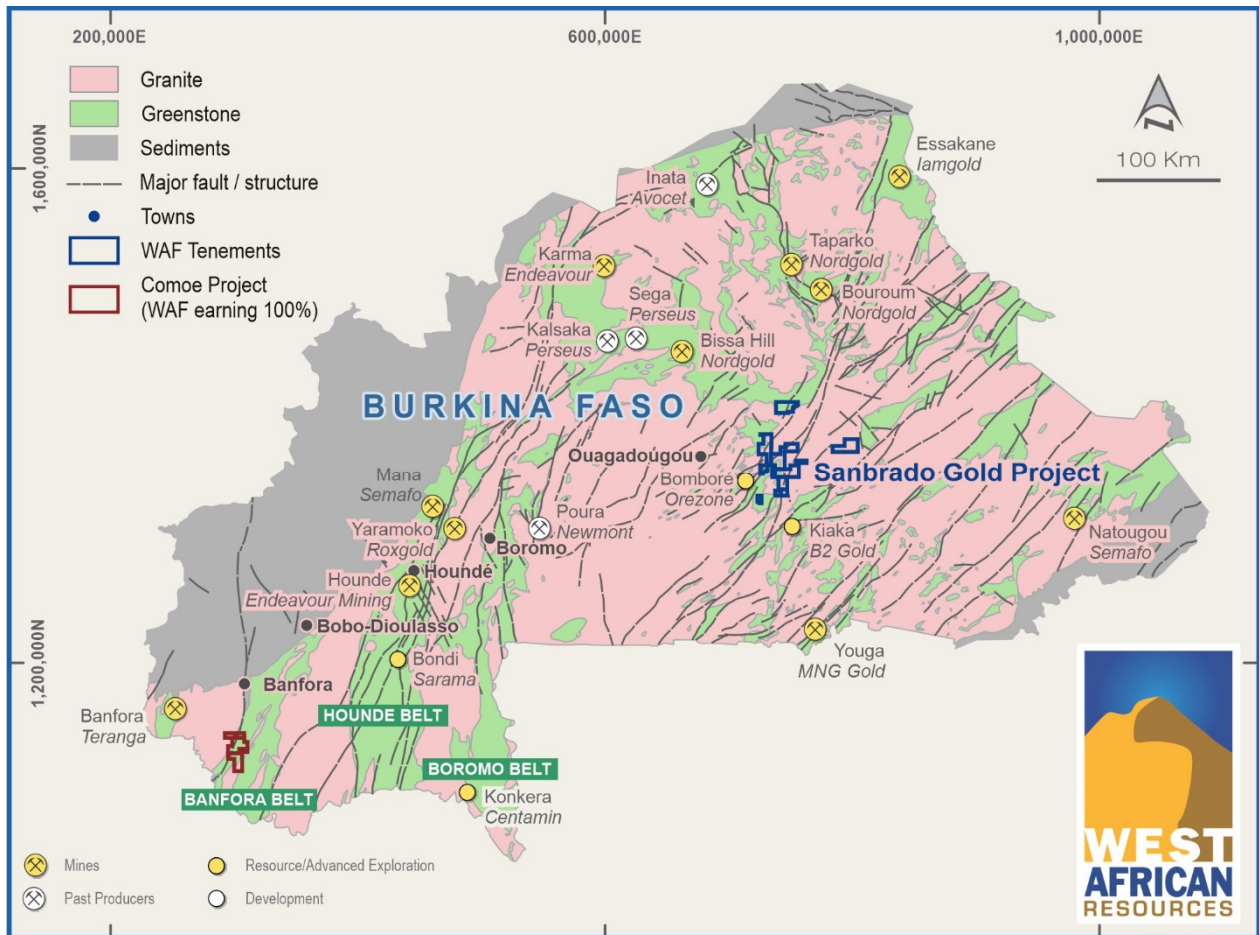
**Corporate**

During the quarter, the Company presented to investors at the 121 Conference in Cape Town, South Africa and the Euroz Conference at Rottneest Island, Western Australia.

**Other Projects**Comoe Gold Project

During the quarter the Company entered into agreements to acquire three exploration permits covering 333km<sup>2</sup> in the Comoe region of southwest Burkina Faso (Comoe Gold Project). The Comoe Gold Project is located on the Birimian Banfora greenstone belt, 430km southwest of the capital Ouagadougou. The Banfora greenstone belt has been lightly explored to date in Burkina Faso, but contains significant deposits including Barrick's +10Moz gold Tongon deposit in Cote d'Ivoire.

The Comoe Gold Project covers a classic granite-greenstone geological setting and is comprised mainly of sediments, volcanics and granites. More than twenty artisanal sites have been logged by WAF geologists during field visits earlier this year, five of which are more than 200m in strike length. Gold mineralisation in the project area is generally associated with quartz veins in parallel zones. Artisanal sites trend roughly northeast and occur in mineralised corridors over 15km in length. The Company is reviewing historical data and plans to commence more detailed mapping and auger drilling later this year, when the COVID-19 situation improves.



No work was completed during the quarter on the Company's other projects.

This announcement is authorised for release by Mr Richard Hyde, Executive Chairman and CEO.

Further information is available at [www.westafricanresources.com](http://www.westafricanresources.com)

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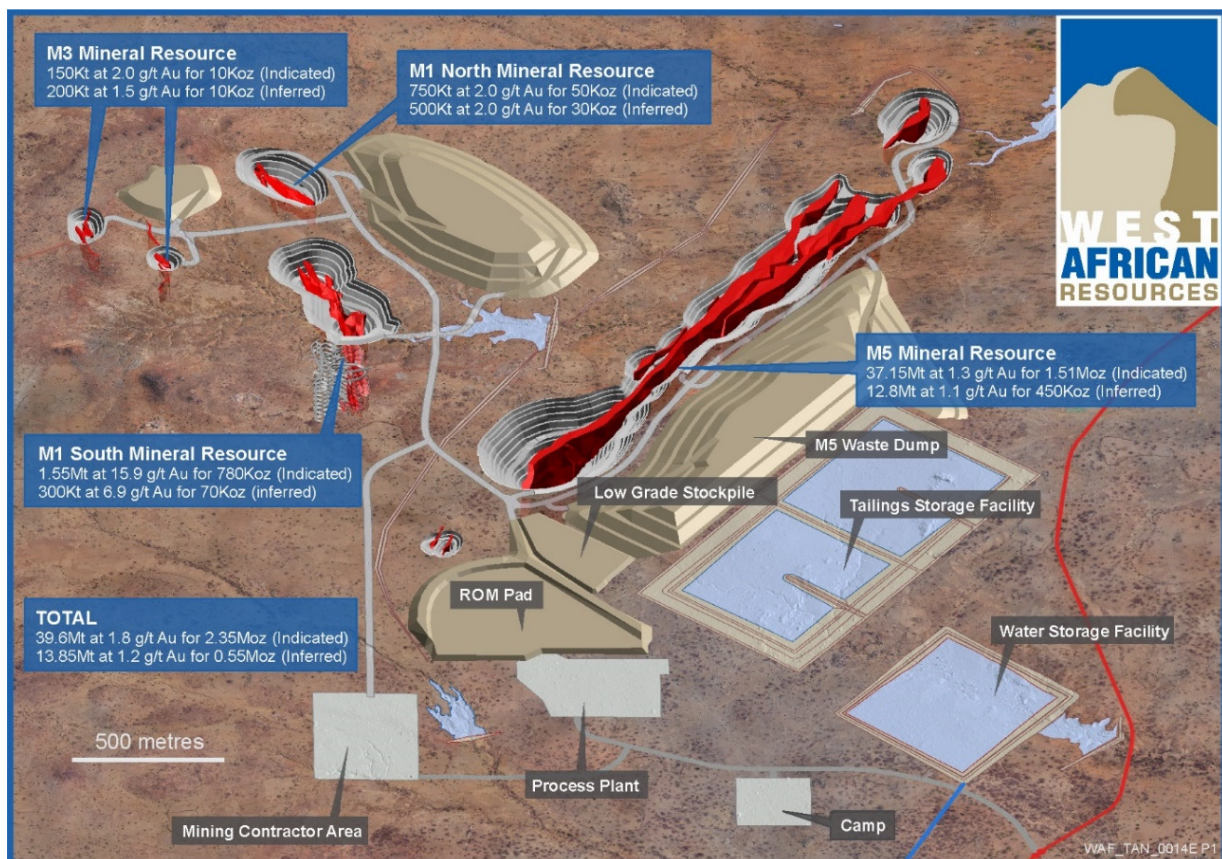
## Summary of Tenements in Burkina Faso at 31 March 2020

Summary of Tenements in Burkina Faso								
Tenement Name	Registered Holder	% Held	Tenement Number	Grant Date	Expiry Date	Tenement Type	Tenement Area km2	Geographical Location
Damongto	Wura Resources Pty Ltd SARL	100%	No 2018-184/MMC/SG/DGCM	05/09/2018	1/03/2021	EL	26	Ganzourgou Province
Goudré	Wura Resources Pty Ltd SARL	100%	No 2018-186/MMC/SG/DGCM	05/09/2018	23/03/2021	EL	175	Ganzourgou Province
Manessé*	Tanlouka SARL	100%	N2017/014/MEMC/SG/DGCMIM	13/01/2017	13/01/2020	EL	90,35	Ganzourgou Province
Sartenga	West African Resources Development SARL	100%	No 2018-190/MMC/SG/DGMC	05/08/2017	04/08/2020	EL	130.7	Namentenga Province
Toghin ****	Wura Resources Pty Ltd SARL	100%	No 17 - 182/MMC/SG/DGCM	18/07/2017	17/07/2020	EL	166	Ganzourgou, Provinces
Vedaga **	Wura Resources Pty Ltd SARL	100%	No 17 - 232/MMC/SG/DGCM	18/07/2017	17/07/2020	EL	154.7	Gnagna, Kouritenga Provinces
Bollé	Wura Resources Pty Ltd SARL	100%	No 17 – 223//MMC/SG/DGCM	21/11/2017	20/11/2020	EL	205.5	Ganzourgou Province
Zam Sud	Wura Resources Pty Ltd SARL	100%	No 2018-183/MMC/SG/DGCM	05/09/2018	01/03/2021	EL	17.46	Ganzourgou Province
Diakora***	Jean Donessoune	100%	No 2017-140/MMC/SG/DGCM	07/09/2017	06/09/2020	EL	58.66	Comoe Province
Dounougou***	Jean Donessoune	100%	No 2017-139/MMC/SG/DGCM	07/09/2017	06/09/2020	EL	132.57	Comoe Province
Tieradeni I***	Jean Donessoune	100%	No 2017-138/MMC/SG/DGCM	07/09/2017	06/09/2020	EL	141.5	Comoe Province
Sanbrado	Somisa SA (SOCIETE DES MINES DE SANBRADO SA)	90%	Décret No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEVCC Arrêté No 2018-139/MMC/SG/DGMG	13/03/2017	12/03/2024	ML	25.9	Ganzourgou Province
*Manesse permit is under renewal **Vedaga permit has been relinquished ***Toghin permit in the process of being relinquished ****Diakora, Dounougou and Tieradeni permits; WAF earning 100%								

## 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.



**Qualified/Competent Person's Statement**

Information in this announcement that relates to exploration results, exploration targets or 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, a fulltime 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.

Any other 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 CP as defined in JORC Code and a QP under National Instrument 43-101. Hyde has reviewed and approved the scientific and technical information and contents of this presentation, and consents to the inclusion in this presentation 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 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 financial statements and other filings all of which are filed on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Production Targets**

The information and production target presented in this announcement is based on a feasibility study for the Sanbrado Gold Project, Burkina Faso ("Feasibility Study").

The Company has concluded that it has a reasonable basis for providing the forward-looking statements (including the production targets) included in this announcement. The detailed reasons for that conclusion are outlined throughout this announcement and all material assumptions, including the JORC modifying factors, upon which the forecast financial information is based were disclosed in the ASX announcement on 16 April 2019. This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules.

100% of the production target referred to in this announcement is based on Probable Reserves category.

The stated production target is based on the Company's current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish further confidence that this target will be met.

The Company believes it has a reasonable basis to expect to be able to fund and develop the Sanbrado Gold Project for the reasons set out above. However, there is no certainty that the Company can raise funding when required.