

Press Release

15 April 2016



\$12.5 Million Raised in Heavily Oversubscribed Placement to Fully Fund Aggressive Drilling Programmes and Feasibility Studies

Highlights

- Placement raises up to \$12.5 million from international and domestic institutional and sophisticated investors including a cornerstone investment of \$4 million from a leading North American institutional precious metals investor
- The placement is being completed in two tranches and was heavily oversubscribed
- Funds raised will be applied to aggressive exploration drilling and resource drill out of the M1 high grade gold discovery and a Definitive Feasibility Study of its 100% owned Tanlouka Gold Project, Burkina Faso
- Drilling at Tanlouka in progress , further results are imminent

Gold development company West African Resources Limited (ASX, TSXV: WAF) is pleased to announce that it has received commitments to raise up to \$12.5 million through a placement of up to 100 million shares at a price of \$0.125 per share ("**Placement**").

The Company received overwhelming demand from international and domestic institutional investors, as well as strong support from a large number of existing shareholders. Among the new institutional investors is a leading North American institution with a leading position in the precious metals sector, which has committed to subscribe \$4 million in the Placement. This cornerstone investor will invest \$1 million in the first tranche of the Placement, with \$3 million invested in a second tranche, subject to shareholder approval. This will result in an ultimate shareholding of approximately 7.8% upon completion of the Placement

The funds raised will be applied towards an aggressive drilling programme at the recent ultra high grade gold discovery at the M1 prospect within the Company's Tanlouka Gold Project in Burkina Faso. Activities will include exploration drilling as well as resource definition drilling to establish a maiden resource at M1. In parallel with the drilling programme, planned to continue throughout 2016, the Company will be undertaking a Definitive Feasibility Study based on a larger-scale CIL development scenario at the Tanlouka Gold Project.

Managing Director Richard Hyde commented:

"West African is at an exciting stage, with the significant upgrading of our Tanlouka Gold Project following the recent discovery of high grade gold mineralisation at M1. The M1 area provides access to high grade, shallow gold mineralisation, which is expected to greatly enhance project economics when combined with the predominantly oxide mineralisation from M5 deposit. The impact of the inclusion of the M1

mineralisation into a study mine plan will now be rapidly assessed, with a Definitive Feasibility Study commencing immediately to assess a CIL development case at Tanlouka.

I am very pleased to welcome new institutional shareholders to the Company, and thank our existing shareholders that participated in the capital raising for their continued support. The overwhelming demand in the capital raising is a great reflection of the success delivered by our small but dedicated team, and the outstanding potential of the Tanlouka Gold Project to evolve into a world-class gold development.”

Hartleys Limited is Lead Broker to the Placement which is being completed in two tranches, with 29.8 million shares issued in a first tranche within the Company’s capacity pursuant to ASX Listing Rules 7.1 and 7.1A, and up to a further 70.2 million shares will be issued in a second tranche subject to shareholder approval at a meeting scheduled to occur in late May 2016.

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