



Press Release

25 October 2019

SEPTEMBER 2019 QUARTERLY REPORT

Gold developer West African Resources Limited (ASX: WAF) is pleased to report progress on its Sanbrado Gold Project (“Sanbrado”), Burkina Faso, for the quarter ending 30 September 2019.

Highlights

Sanbrado Gold Project

Project Development

- ✓ First gold pour on track for mid-2020 on time and on budget
- ✓ Ausdrill appointed as preferred tenderer for open-pit mining at Sanbrado
- ✓ All major components for the ball and SAG mill are on site and installation has commenced
- ✓ All seven CIL tanks have passed hydrotesting
- ✓ Structural steel installation has commenced for the process plant
- ✓ Over 1.4 gigalitres of water was pumped from the Nakambe river to the water storage facility
- ✓ Underground decline laterally advanced 511m to a total of 591m to date

Grade Control Drilling

During the Sept Quarter, the surface grade control drilling program was completed on;

- ✓ M1 South - 118 holes for 10,482m RC
- ✓ M5 South - 202 holes for 9,615m RC
- ✓ Modelling of the surface grade control data for both pits has been completed in preparation for open pit ore mining. The new drilling reconciles well with the corresponding areas of the April 2019 open pit ore reserves, with no material changes to the early production schedule anticipated.

Corporate

- ✓ Managing Director Richard Hyde transitioned to Executive Chairman and CEO
- ✓ COO Lyndon Hopkins appointed as Executive Director, joining the WAF Board
- ✓ Mining industry executives Rod Leonard and Nigel Spicer appointed Independent Non-Executive Directors
- ✓ Management appointments included Luke Holden as General Manager – Operations, Stuart Cruickshanks as General Manager – Technical Services and Todd Giltay as General Manager – Finance
- ✓ WAF added to the S&P/ASX 300 index

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September 2019 Quarter Summary

- ✓ \$61.1m project expenditure in the quarter
- ✓ \$0.15m Administration costs
- ✓ \$60.7m cash at bank at 30 September 2019
- ✓ US\$110m drawn under US\$200m Taurus finance facility

December 2019 Quarter Plans

- ✓ Underground grade control diamond drilling at M1 south is scheduled to commence in preparation for ore development
- ✓ Structural and mechanical installation of the mill and process plant is planned to be largely completed
- ✓ Electrical and instrumentation installation is planned to commence
- ✓ Open pit contractor is scheduled to mobilise equipment and begin mining operations

Sanbrado Gold Project

Project Development

Open Pit Mining Contract

During the quarter, West African appointed Ausdrill Limited's (ASX: ASL) wholly-owned subsidiary African Mining Services Ltd ('AMS'), as preferred tenderer for the open-pit mining contract for the Sanbrado Gold Project. This was the final major operational contract for Sanbrado.

Scope of works under the US\$170M, five-year contract would include site preparation, drill and blast, load and haul, and maintenance works. Mobilisation activities are expected to commence in November 2019 ahead of open-pit mining commencement in January 2020.

Process Plant and Infrastructure Construction

At the end of the period the Sanbrado process plant and infrastructure was approximately 70 percent complete, with the CIL tanks completed, structural steel and mill erection commencing, process plant concrete nearing completion, and all major mill components on site.

Award of all construction contracts is complete and detailed engineering is completed. Only minor procurement activities continue.

Construction on the process plant is progressing well, with all 7 CIL tanks successfully hydrotested, SAG and ball mill components on site partially erected, and civil work is complete with the exception of the ROM bin vault and the gold room. WAF has been able to accelerate the construction schedule and now forecasts to pour first gold by June 2020.

West African's 270-person camp and associated infrastructure is complete.

The water storage facility was holding over 1.4 gigalitres of water at the end of the period, which satisfies water requirements for commissioning and steady state operations.

Comparative photos showing Sanbrado construction progress are provided below.

June 2019 Quarter Photos

General site layout. 2M m3 WSF in background



September 2019 Quarter Photos

Plant area as at end of September 2019



Process plant area. CIL tanks, milling and thickener areas



Plant area as at end of September 2019



500m x 500m lined 1.5M m3 WSF. Pumping in progress



500m x 500m lined 1.5M m3 WSF. Pumping completed



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June 2019 Quarter Photos, continued

Reclaim tunnel and pebble crusher pad.



September 2019 Quarter Photos

Reclaim tunnel and pebble crusher pad



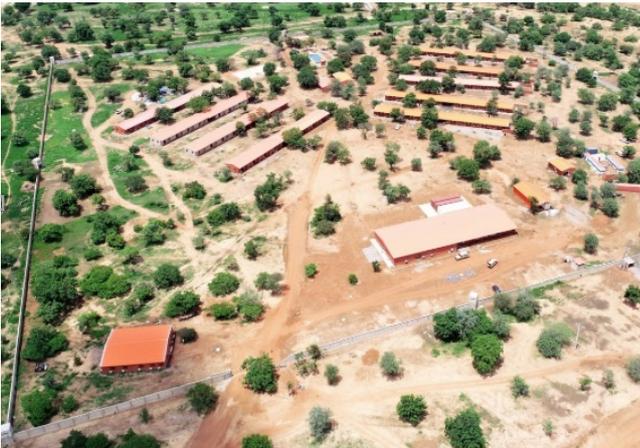
Power station, HFO storage area



Power station, HFO storage area



Sanbrado camp, mess and kitchen



Sanbrado camp, mess and kitchen – completed.



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Decline being advanced at M1 South.



Drilling and Exploration

M1 South

A total surface grade control program of 415 RC holes for 12,793m was completed during the quarter.

M5 Drilling

A total surface grade control program of 315 RC holes for 9,628m was completed during the quarter.

Modelling of the M5 south and M1 south surface grade control data has been completed in preparation of initial open pit ore mining. The new drilling reconciles well with the corresponding areas of the April 2019 open pit ore reserves, with no material changes to the early production schedule anticipated.

Corporate

Board Changes

In September, WAF announced several changes to its Board and Management as it prepares for mid-2020 gold production at Sanbrado.

Richard Hyde has transitioned to the role of Executive Chairman. Mr Hyde will continue as full-time CEO, on the same employment terms, leading the management team and guiding the strategic direction of the Company.

Lyndon Hopkins joined the Board as Executive Director. Mr Hopkins has been the Company's Chief Operating Officer since December 2016 and will continue to carry out these responsibilities. Mr Hopkins is a geologist with more than 30 years' experience in gold exploration, development and production. He has been involved with numerous successful gold operations in Australia and West Africa.

Rod Leonard and Nigel Spicer joined the Board as Independent Non-Executive Directors. Mr Leonard is one of the founding Directors of Lycopodium (ASX: LYL) and served as an Executive Director of Lycopodium Limited from 2004 to 2019. He has more than 40 years' experience in the operation and project development of major projects in North and South America, Africa, Asia and Australia.

Mr Spicer is a Mining Engineer with more than 40 years' experience in mining and has held operational and executive management positions with mining companies in Africa, UK, Australia, Indonesia, PNG, Brazil and Philippines.

Mark Connelly transitioned from Non-Executive Chairman to Non-Executive Director and Simon Storm continues as a Non-Executive Director.

Ian Kerr resigned from the Board to focus on other business opportunities.

Management appointments

Luke Holden was appointed General Manager - Operations, a site-based expatriate role responsible for managing the Sanbrado Gold Mine. Mr Holden is an accomplished operational manager with broad-based experience in gold mine and process management. He has more than 14 years' experience in site-based operational roles in West Africa and Australia. Mr Holden was most recently Director General of Nordgold's Taparko Gold Mine in Burkina Faso.

Stuart Cruickshanks was appointed General Manager – Technical Services, assuming responsibility for managing the technical aspects of the mining operations. Mr Cruickshanks is a Mining Engineer with more than 25 years' experience in the mining industry and has held operation and technical management roles with major and junior mining companies in Australia and Africa.

Todd Giltay was appointed General Manager – Finance to provide key support to the finance team and CFO Pdraig O'Donoghue. Mr Giltay has more than 17 years' experience working for Aurion, Placer Dome and Barrick.

WAF added to S&P/ASX 300

In early September, S&P Dow Jones Indices announced changes in the S&P/ASX indices, which saw WAF added to the S&P/ASX 300 index, effective at the open of trading on 23 September 2019. This change followed a review of the S&P/ASX 300 index hierarchy and the S&P/ASX All Australian indices.

Conferences and Events

During the quarter, WAF presented and exhibited at several major mining and investment events which included:

- Diggers and Dealers 2019, Kalgoorlie, WA
- Africa Down Under, Perth, WA
- Precious Metals Summit, Colorado, USA.

Other Projects

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

Further information is available at www.westafricanresources.com

For further information, contact:

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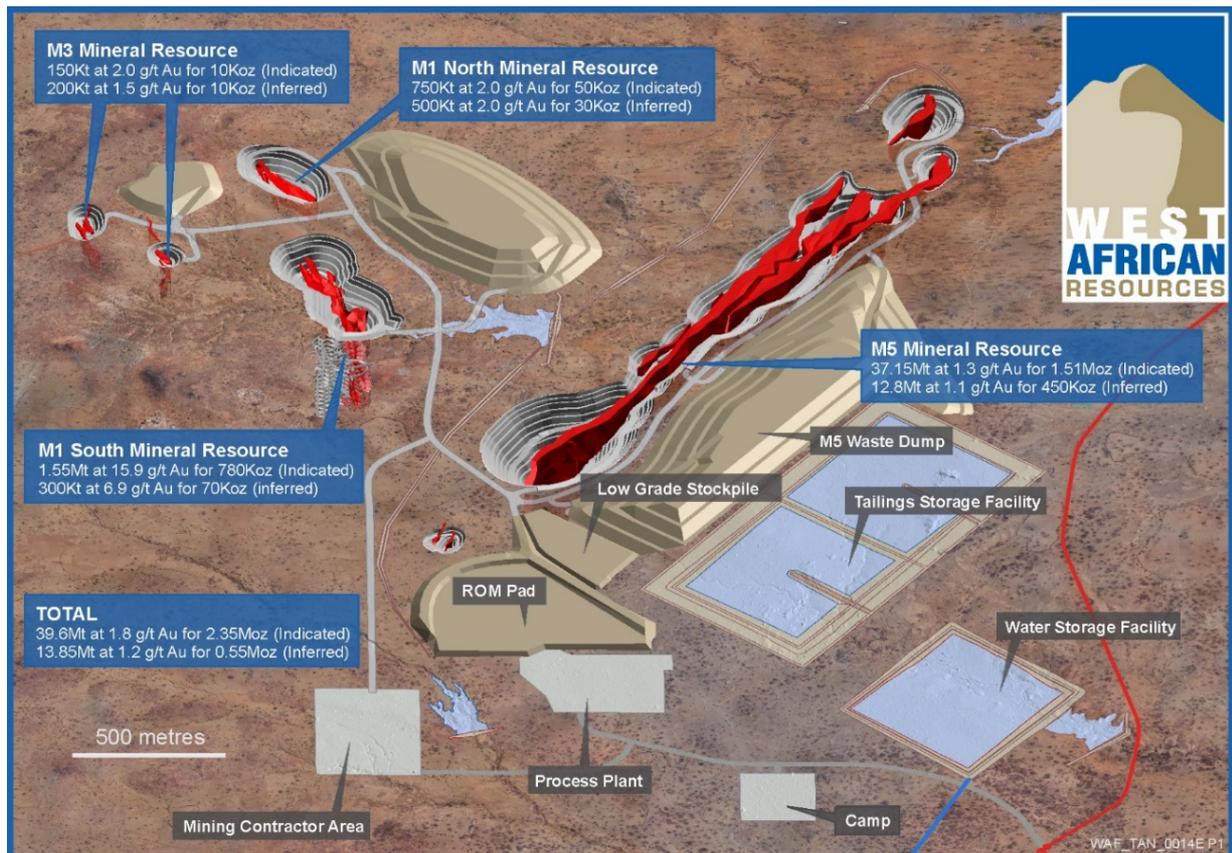
Summary of Tenements in Burkina Faso at 30 September 2019

| Summary of Tenements in Burkina Faso | | | | | | | | |
|--------------------------------------|--|--------|---|------------|-------------|---------------|-------------------------------|------------------------------|
| Tenement Name | Registered Holder | % Held | Tenement Number | Grant Date | Expiry Date | Tenement Type | Tenement Area km ² | Geographical Location |
| Damongto | Wura Resources Pty Ltd SARM | 100% | No 2018-184/MMC/SG/DGCM | 05/09/2018 | 1/03/2021 | EL | 26 | Ganzourgou Province |
| Goudré | Wura Resources Pty Ltd SARM | 100% | No 2018-186/MMC/SG/DGCM | 05/09/2018 | 23/03/2021 | EL | 175 | Ganzourgou Province |
| Manessé | Tanlouka SARM | 100% | N2017/014/MEMC/SG/DGCMIM | 13/01/2017 | 13/01/2020 | EL | 90,35 | Ganzourgou Province |
| Sartenga | West African Resources Development SARM | 100% | No 2018-190/MMC/SG/DGMC | 05/08/2017 | 04/08/2020 | EL | 130.7 | Namentenga Province |
| Toghin | Wura Resources Pty Ltd SARM | 100% | No 17 - 182/MMC/SG/DGCM | 18/07/2017 | 17/07/2020 | EL | 166 | Ganzourgou, Provinces |
| Vedaga | Wura Resources Pty Ltd SARM | 100% | No 17 - 232/MMC/SG/DGCM | 18/07/2017 | 17/07/2020 | EL | 154.7 | Gnagna, Kouritenga Provinces |
| Bollé | Wura Resources Pty Ltd SARM | 100% | No 17 – 223//MMC/SG/DGCM | 21/11/2017 | 20/11/2020 | EL | 205.5 | Ganzourgou Province |
| Zam Sud | Wura Resources Pty Ltd SARM | 100% | No 2018-183/MMC/SG/DGCM | 05/09/2018 | 01/03/2021 | EL | 17.46 | Ganzourgou Province |
| Sanbrado | Somisa SA (SOCIETE DES MINES DE SANBRADO SA) | 90% | Décret No 2017 – 104/PRES/PM/MEMC/MINEFID/MEEV CC Arrêté No 2018-139/MMC/SG/DGMG | 13/03/2017 | 12/03/2024 | ML | 25.9 | Ganzourgou Province |

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 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 All-In Sustaining Costs of less than US\$500/oz. West African is fully funded with construction underway and first gold pour scheduled in mid 2020.

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.



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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, an independent specialist mining consultant. 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.

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.