



West African Resources Limited

**ANNUAL INFORMATION FORM
FOR THE
SIX MONTHS ENDED 31 DECEMBER 2018**

Dated 28 March 2019

Unless the context otherwise requires, references in this Annual Information Form ("AIF") to the "Company" or "WAF" are references to West African Resources Limited and its subsidiaries.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This AIF contains "forward-looking information" within the meaning of applicable Canadian and Australian securities legislation, including information relating to the Company's future financial or operating performance that may be deemed "forward looking". All statements in this AIF, other than statements of historical fact, that address events or developments that the Company 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 the Company'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 this AIF, 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 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 AIF 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 AIF. 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.

Additional information about the Company and its activities, including financial information, is available in the Company's financial statements and management's discussion and analysis ("MD&A") for its most recently completed financial year and in other documents available under the Company's profile on SEDAR at www.sedar.com and on the ASX at www.asx.com.au and on the Company's website at www.westafricanresources.com

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1.0 CORPORATE STRUCTURE

Name, Address and Incorporation

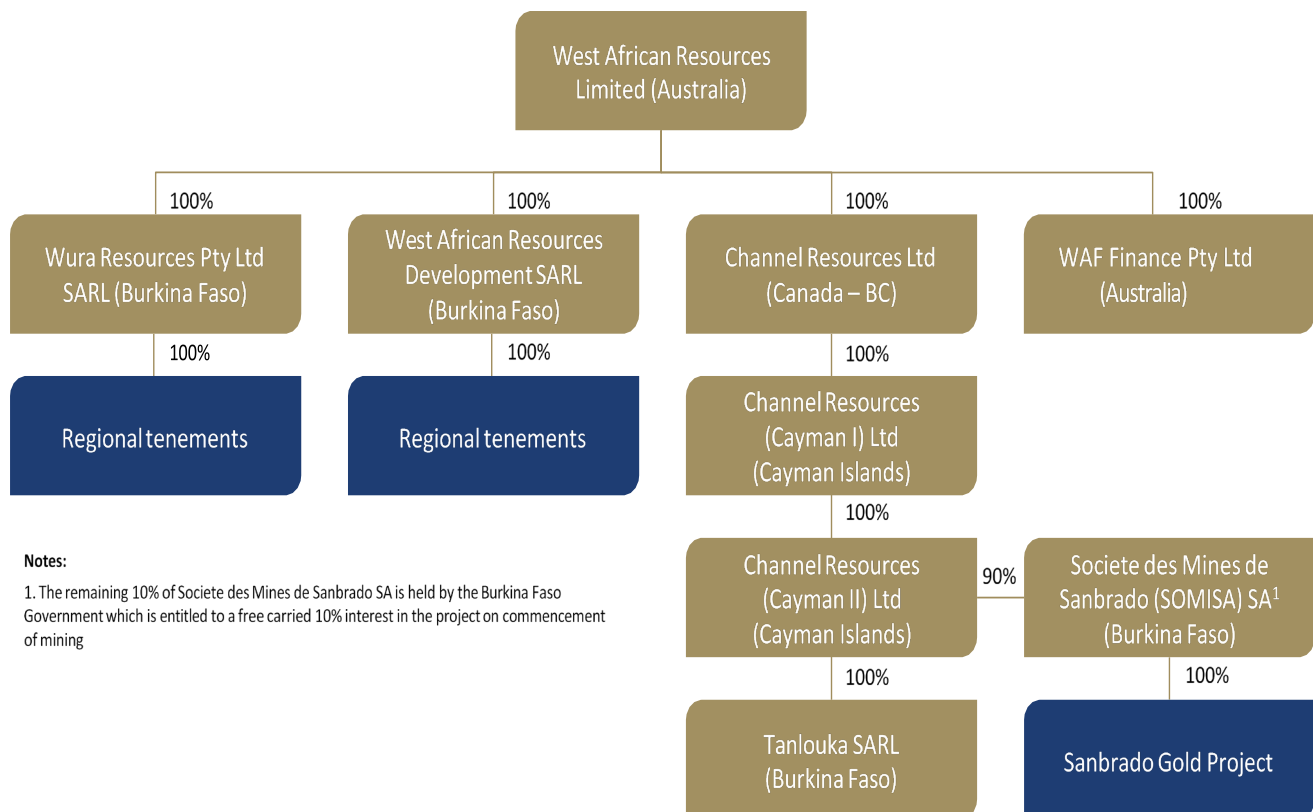
West African Resources Limited ("WAF", "West African Resources" or the "Company") was incorporated under the laws of Australia on September 1, 2006 as a proprietary company and converted to a public company on November 16, 2007. The Company listed in Australia on the Australian Stock Exchange ("ASX") in June 2010.

The Company's registered office is located at Level 1, 1 Alvan Street, Subiaco, Western Australia 6008.

The ordinary shares of the Company ("Ordinary Shares") were listed and posted for trading on the TSX Venture exchange (the "TSX-V") in January 2014 under the symbol "WAF" together with listed warrants (TSX- V code: WAF.WT). As at the date of this AIF WAF has completed a voluntary delisting of its Ordinary Share's and warrants from the TSX-V (effective March 8, 2019)

Intercorporate relationships

The following chart illustrates the current corporate structure of West African Resources:



2.0 DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS

General description and three year history

West African Resources Limited has changed its financial year end from 30 June to 31 December. This brings the Company's financial year into alignment with its operational subsidiaries in Burkina Faso, which will result in efficiency gains for group reporting.

The Company and its subsidiaries (the "Group" or "West African") are engaged in mineral exploration and development in West Africa. The Group's mineral portfolio also includes gold and copper-gold exploration permits in Burkina Faso. West African's key asset is the Sanbrado Gold Project ("Sanbrado"), located in Burkina Faso. West African owns a 90% beneficial interest in Société des Mines de Sanbrado SA, which owns the Sanbrado mining licence. The government of Burkina Faso retains a 10% carried interest.

The following describes the general development of, and key events related to, West African's business as of the date of this AIF and over the last three completed financial periods.

The year ended 30 June 2017

Pre-Development

WAF declared a maiden Mineral Resource for the M1 & M3 deposits and an updated estimate for the M5 deposit, which are all part of the Sanbrado Project, in August 2016, giving the project mineral resources of 12.5 million tonnes at 2.3 g/t Au for 940,000 (at 1g/t cut off) ounces of gold (Indicated) and a further 8.7Mt tonnes at 2.2 g/t Au for 614,000 (at 1g/t cut off) ounces of gold (Inferred).

The estimates were completed by independent resource consultant International Resource Solutions Pty Ltd (IRS) and prepared in accordance with the requirements the 2012 JORC Code and disclosed in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), under which the 2012 JORC Code is acceptable for mineral resource calculation and disclosure.

In February 2017, WAF announced an open-pit feasibility study using US\$1,200/oz gold which confirmed:

- Forecast annual production of 150,000 ounces over the first 3 years of project and 93,000 ounces per annum over 9 years of current mine life (LOM)
- 124% increase in Indicated Resources at M1 South, driving new project economics
- 103% increase in Probable Reserves now 894,000 ounces (16.8Mt at 1.7g/t Au)
- Two-year pay back on \$131 million capex (including pre-production mining and contingency)
- Low All-In Sustaining Costs (AISC) of \$708/oz over the first 3 years and \$759 over LOM
- Strong economics - pre-tax NPV5% of \$143m, internal rate of return ("IRR") 27% and post-tax NPV5% of \$100m, IRR 21%

WAF decided that while the February 2017 open-pit feasibility study demonstrated robust economics, rapid pay back of capital and simple metallurgy, it did not reflect the full potential of the project, as demonstrated by the results of drilling completed since the open-pit feasibility study was released.

In the open-pit feasibility study mine schedule, the recently discovered M1 South high-grade zone was effectively mined out in the first 2.5 years of the project. Drilling during the first half of the 2017 calendar year defined mineralisation beneath the proposed M1 South pit, which was the basis of the open-pit feasibility study. Similarly, drilling at the M5 deposit defined new mineralisation beneath of the pit design used in the feasibility study, with potential to increase the mineable resources at M5.

WAF considered it essential to define the deposits before determining the optimal development strategy for Sanbrado as investigation of open-pit or underground mining scenarios for M1 and M5 would be premature before mineralisation is closed off or drilled to a depth below which new mineralisation did not materially change project valuation (NPV).

Mineralisation at M1 South occurs as discrete cigar like shoots with 40m to 120m strike lengths generally trending 300° to 330°, which historic IP line spacing and aeromagnetic line orientation did not account for, meaning the project area has not been sufficiently tested. The geophysical survey was completed 50m line spacings over 4km, on northwest-southeast oriented lines, perpendicular to the main zones of mineralisation. The new grid will cover the potential intersection of the M1 and M5 trends

Exploration

M1 Prospect

After the M1 maiden Mineral Resource was announced, WAF commenced diamond drilling at M1 South with the aim of extending mineralisation beneath the resource. Drilling was completed on 25m by 50m grid along 350m strike.

Hole TAN16-DD063 returned 5m at 30.28 g/t Au from 216m and 14m at 11.82 g/t Au from 216m and this hole was southeast and down plunge of TAN16-DD055 which returned 16m at 69.1g/t Au including 2m at 315.3g/t Au from 209m. Other significant results included 5m at 30.28 g/t Au from 216m, including 1m at 104.95 g/t Au and 14m at 11.82 g/t Au from 224m, including 1m at 131.80 g/t Au.

Drilling prior to the wet season encountered difficulties with access due to open stopes and hummocks at surface, resulting in much of the near surface mineralisation and remnant mineralisation being drilled on an irregular wide-spaced pattern. This resulted in much of the shallow portion of the maiden resource being classified as Inferred. WAF undertook extensive dozer work to fill in and flatten these areas before completing tight-spaced shallow RC drilling on 25m centres.

Drilling at M1 during the June 2017 quarter targeted extensions of high-grade mineralisation at depth and also infilled drill density in areas of Inferred Resources. Drilling was successful in delineating mineralisation to more than 450m down hole and 350m down dip below surface. Depth of known mineralisation doubled during the quarter and remained open at depth.

M3 Prospect

WAF completed further drilling at M3, which aimed to upgrade shallow oxide mineralisation, from the Inferred category to Indicated category. Significant results for the RC drilling program included:

- TAN16-RC249: 5m at 5.0 g/t Au from 75m
- TAN16-RC255: 3m at 4.33 g/t Au from 22m
- TAN16-RC260: 11m at 2.1 g/t Au from 56m
- TAN16-RC261: 6m at 1.74 g/t Au from 7m and 10m at 5.04 g/t Au from 34m.

M5 Prospect

WAF commenced a 3,000m drill program at M5 to upgrade mineralisation from Inferred to Indicated category in the September 2016 quarter, however this was suspended due to heavy rains as well as water ingress in some holes.

Drilling at M5 during 2017 predominately targeted mineralisation in the south western end of the deposit, between SW850 and SW400, beneath the February 2017 reserve pit shell, designed to upgrade Inferred Resources in this area to Indicated Resource status.

Permitting

WAF received approval of its Resettlement Action Plan (RAP) and the Environmental and Social Impact Assessment (ESIA) for Sanbrado from the Burkina Faso Ministry of Environment, Green Economy and Climate Change in the September 2016 quarter.

In January 2017, the Burkina Faso Government's Council of Ministers approved WAF's 26km² mining permit application for the Sanbrado project.

While West African holds several permits surrounding the Sanbrado Project in Burkina Faso, the Company is focused on developing Sanbrado and did not complete exploration on these permits during the reporting period. However, the company was granted an exploration licence for the 90km² Manesse landholding, which in addition to the Sanbrado mining permit, covers the area covered by the previous Tanlouka exploration licence.

Corporate

In August 2016, WAF raised A\$21 million through the placement of 70 million Ordinary Shares at a price of A\$0.30 per share ("Placement"). The placement allowed for the early repayment of a US\$5 million debt facility with Macquarie Bank and provided West African with the capacity to accelerate exploration and resource drilling at Sanbrado, as well as complete a Definitive Feasibility Study for the project.

The year ended 30 June 2018

Pre-Development

In October 2017, West African announced updated resources for the M1 South and M5 deposits, which included an additional 36,000m of RC and diamond drilling that had followed West African's February 2017 Mineral Resource Estimate. The October 2017 estimates included results from drilling which aimed to infill and extend very high-grade gold mineralisation at the M1 South deposit and at the southern end of the M5 deposit.

Again, these estimates were completed by independent resource consultant International Resource Solutions Pty Ltd (IRS) and were prepared in accordance with the requirements the 2012 JORC Code and disclosed in accordance with NI 43-101, under which the 2012 JORC Code is acceptable for mineral resource calculation and disclosure.

The M1 South resource was separated into open-pit and underground categories, at 0.5 g/t Au and 3 g/t Au cut-off grades respectively. The October MRE for M1 South included combined open-pit (0.5 g/t Au cut-off) and underground (3g/t Au cut-off) Indicated Resources of 1.2Mt grading 14.4 g/t Au for 556,000 ounces of gold. The total Indicated Resource represented a 150% increase in ounces and a 100% increase in grade over the February 2017 Indicated Mineral Resource (0.96Mt at 7.2 g/t Au for 224,000 ounces gold at 0.5 g/t Au cut-off).

The October MRE for Indicated Mineral Resources at M5 was 35.9Mt grading 1.3 g/t Au for 1.46Moz gold, a 40% increase in contained ounces and a 7% increase in grade compared to the February 2017 Indicated MRE (27.7Mt at 1.2 g/t Au for 1.05Moz gold).

In June 2018, West African released an updated Feasibility Study for the Sanbrado Gold Project to include underground mining at M1 South. The study confirmed Sanbrado as a +200,000 ounce per annum gold producer.

Highlights of the study included:

- Average annual production of 211,000 ounces gold over first 5 years of mine life;
- 76% increase in Probable Reserves to 1.6 million ounces (20.4Mt at 2.4g/t gold);
- 16-month post-tax pay back on US\$185 million pre-production capital costs;
- All-In Sustaining Costs (AISC) of US\$551/oz over first 5 years and US\$640 over life of mine;
- Pre-tax NPV_{5%} of US\$567m (A\$754m) and pre-tax IRR 62%; and
- Post-tax NPV_{5%} of US\$405m (A\$540m) and post-tax IRR 49%.

As part of the updated Sanbrado Feasibility Study, West African updated the Mineral Resource Estimate. Sanbrado has a Probable Ore Reserve of 20.4Mt at 2.4g/t Au for 1,574,000 ounces of gold. There was a 40% increase in Indicated Resources at M1 South to 780,000oz gold (1.5Mt at 15.9g/t Au). The overall MRE included 2.35Moz gold in Indicated Resources and 0.55Moz gold in Inferred Resources.

West African continued metallurgical test work during the year as part of its Sanbrado Feasibility Study update. Test work undertaken since completion of February 2017 FS indicated that 90µm or coarser is an optimal grind size for M5 mineralisation while there appeared to be a significant economic benefit in grinding the higher grade

M1 South mineralisation to 75µm. The study update proposed a two-stage grinding SABC circuit, enabling greater operational flexibility and the ability to grind ore finer than 90µm if required.

Samples from M1 South returned excellent metallurgical test work results with average recoveries of 96.8%. Gravity recoveries of up to 66% were recorded, with an average of 44%. Testwork demonstrated rapid leach times, with leaching completed within 24 hours for all samples.

These results were significantly higher than recoveries derived from the 2016-17 test work programs which were estimated in the 90% to 96% range for samples grading 5 to 30 g/t Au, with recoveries capped at 96% for >30 g/t Au material.

Exploration

M1 Deposit

Results from infill drilling undertaken at the M1 South deposit during the September quarter continued to confirm the continuity of high-grade gold mineralisation, with results including 4m at 21.45 g/t Au from 421.5m, including 0.5m at 79.7 g/t Au, 3m at 29.52 g/t Au from 434m, including 0.5m at 127 g/t Au, 3m at 14.49 g/t Au from 417m, including 0.5m at 73.9 g/t Au and 16.5m at 14.78 g/t Au from 446.5m, including 2.5m at 79.9 g/t Au and 0.5m at 320 g/t Au. Infill drilling confirmed the high-grade nature of the main shoot at M1 South and provided further confidence for the geological model.

Deep drilling at M1 South intercepted high-grade mineralisation, demonstrating the M1 South structure remained wide open at depth and along strike to the northwest, with one drill hole confirming mineralisation at a depth of 450m below surface.

With West African having completed an updated MRE for M1 in October 2018, the Company continued drilling at M1 South. Drilling demonstrated high-grade gold mineralisation remained open along strike to the northwest and wide open at depth. The drilling primarily targeted infilling of Inferred Resources 350-500m below surface on a nominal 25m by 25m pattern to upgrade Inferred material to Indicated category. It also provided essential structural information needed before extensional drilling +500m below surface recommenced.

This drilling continued into the March quarter, and results demonstrated excellent continuity of high-grade gold mineralisation in areas of previously sparsely-drilled Inferred Resources.

Drilling at M1 South also targeted vertical extensions of high-grade mineralisation at more than 550 vertical metres below surface, aiming to extend mineralisation at depth and demonstrate M1 South's potential as an open fertile high-grade gold system. West African intercepted visible gold mineralisation from the first of these holes which returned 13.5m at 18.21 g/t Au from 575m including 1m at 131.9 g/t Au and 2.5m at 43.97 g/t Au from 614m including 1m at 83.9 g/t Au.

In the June quarter, West African targeted extensions to known mineralisation at +500m depth at M1 South, completing step-out and down drilling. This returned results including 0.5m at 520 g/t Au from 578m and 23m at 7.3 g/t Au from 617m including 3.5m at 20.2 g/t Au, 4m at 24.4 g/t Au and 1.5m at 21.5 g/t Au.

Results from four other holes completed during the June quarter drilling demonstrated step-down drilling at depth remains a high priority in the Company's exploration strategy. West African commenced infill drilling using wedges off the four holes to bring the drill density up to 25m by 25m required for future resource estimation studies.

M5 Deposit

Infill and extensional drilling completed at M5 during the September quarter demonstrated strong grade at depth in the M5 system. Drill hole TAN17-DD156A on section SW650 returned strong results of 8m at 17.5 g/t Au from 452m, including 1m at 116 g/t Au and 1m at 17.4 g/t Au. This result was more than 70m down-dip of TAN17-DD102 which returned 77m at 5.3 g/t Au including 27m at 12.26 g/t Au and 14m at 22.47 g/t Au.

Results from this drilling in the first half of the year positively impacted the M5 reserve estimate and extended the open-pit depth in the southern portion of the deposit. Drilling in the second half of the year targeted this

southern portion of the deposit on 25m sections, as West African interpreted higher grade mineralisation to occur around the intersection of the M1 and M5 structures.

West African reported significant results from this drilling which included 20m at 2.2g/t Au from 216m including 9m at 3.9 g/t Au, 22m at 2.4g/t Au from 115m including 2m at 12.8 g/t Au, 23m at 7.2g/t Au from 102m including 14m at 11.3 g/t Au, and 14m at 7.7g/t Au from 90m including 8m at 12.6 g/t Au.

Permitting

In April 2018, West African announced that the Burkina Faso Ministry of the Environment, Green Economy and Climate Change had approved the updated Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP) for the Sanbrado Gold Project. Sanbrado will be operated to both Burkinabé and internationally recognised environmental and social standards, in particular the Performance Standards of the International Finance Corporation (IFC). The updated ESIA reflected the proposed processing change from heap leach to carbon in leach extraction, and addition of underground mining to the overall mine plan.

Subsequent to year-end, West African reported the Council of Ministers of the Government of Burkina Faso had approved changes to the original mining permit for the Sanbrado Gold Project, encompassing revised mining and ore processing methods, detailed in the June 2018 updated feasibility study. The updated mining permit approves changes to include underground mining in addition to open pit mining and approves using the carbon in leach (CIL) processing method.

Corporate

\$35 million Capital Raising

In May 2018, West African received firm commitments to raise A\$35 million before costs through a placement of 109.4 million Ordinary Shares at A\$0.32 per share. The Placement was heavily over-subscribed, and supported by existing shareholders, as well as several new large institutional investors from European, North American and Australian markets.

Applications for the share placement were made by professional, sophisticated and institutional clients of Hartleys Limited and Sprott Capital Partners, a division of Sprott Private Wealth LP, who together were the Joint Lead Managers and Bookrunners to the Placement. Euroz Limited, Cormark Securities Inc. and Macquarie Capital Markets Canada Ltd were Co-Managers to the Placement.

The Company issued the new fully paid Ordinary Shares on 14 May under ASX Listing Rule 7.1 and 7.1A.

West African used the funds to commence key pre-development activities at Sanbrado including underground access into the high-grade at M1 South deposit, on site water storage for construction and an upgrade of camp facilities.

Board & Management appointments

West African announced the appointment of Ian Kerr as a Non-Executive Director in the June quarter. Mr Kerr is chairing the Technical Committee that will oversee construction of the Sanbrado Gold Project and is a member of the Audit Committee and Remuneration Committee. He is also providing direct guidance and support to the project management team during the build.

West African also announced the appointment of Pdraig O'Donoghue as its Chief Financial Officer. Mr O'Donoghue has extensive experience in the mining industry and has held CFO and Company Secretarial positions with several private and ASX listed mining and contracting companies, including Consolidated Rutile, VDM, Navigator, Jabiru and Barmenco.

Exercise of Options

In the September 2017 quarter, the Commodity Markets and Finance Division of Macquarie Bank Limited (Macquarie) exercised 40,545,224 unlisted options (Options) at A\$0.14, adding \$5.7m to the Company's cash

balance. The Options related to a US\$5 million loan facility, which West African transacted in December 2014 and repaid in August 2016.

In the March 2018 quarter, 2.5 million vested options held by employees were exercised at price of 14.5 cents and 2.5 million Ordinary Shares issued.

Filing of NI 43-101 Technical Report

Subsequent to year end (July 2018) the Company filed an updated 43-101 technical report titled "Open Pit and Underground Feasibility Study, Sanbrado Gold Project, Burkina Faso", with an effective date of 25 April 2018 which related to the updated feasibility study which was announced on 22 June 2018.

The six- month period ended 31 December 2018

Updated Mining Licence

The original mining licence for the Sanbrado Gold Project was issued in March 2017. In July 2018, the Burkina Faso government approved an update to the original mining licence which encompasses revisions to the mining and ore processing methods detailed in the June 2018 feasibility study. These changes include underground mining in addition to open pit mining and carbon in leach (CIL) mineral processing.

Construction Works

West African commenced construction works at the Sanbrado project site during the reporting period, including:

- Box cut excavation for underground mining access;
- Stage one of the camp construction – 120 rooms of a total of 280 rooms;
- Footings and block work medical clinic, cafeteria and administration buildings;
- Clearing, grubbing and waste stripping of the M5 stage 1 pit area;
- Clearing and grubbing of the Water Storage Facility (WSF), Tailing Storage Facility (TSF) and process plant site, and
- Survey and line marking of the water pipeline route from the Nakambe river to site.

Exploration

Exploration during the six-month period focused on the M1 South deposit at Sanbrado, aiming to extend underground mineralisation, with step-down drilling at depth remaining a high priority in the Company's exploration strategy.

West African's June 2018 Feasibility Study proposed open-pit mining down to 120m vertical and UG mining from 120m below surface to approximately 470m below surface over 4.5 years. Drilling completed since June 2018 continued to intercept high-grade mineralisation, extending it more than 220m beneath underground reserves.

Step-down drilling during the period returned results including:

- TAN18-DD216: 2m at 5.1 g/t Au from 681.5m and 9m at 3 g/t Au from 705.5m;
- TAN18-DD196: 8m at 7.0 g/t from 693 including 1.5m at 21.6 g/t Au and 1m at 9.2 g/t Au 705.5m;
- TAN18-DD189: 11m at 11.2 g/t from 654 including 1m at 39.8 g/t Au and 6m at 24.4 g/t Au from 675m including 0.5m at 240 g/t Au;
- TAN18-DD214A: 0.5m at 520 g/t Au from 578m and 23m at 7.3 g/t Au from 617m including 3.5m at 20.2 g/t Au, 4m at 24.4 g/t Au and 1.5m at 21.5 g/t Au; and
- TAN18-DD217A: 6.5m at 6.8 g/t Au from 603.5m including 0.5m at 35.7 g/t Au.

Infill drilling covered more than 120m of strike of the main M1 South high-grade shoot and returned results such as:

- TAN18-DD196-WD1: 12m at 3.4 g/t Au from 656.5m;

- TAN18-DD196-WD1: 0.5m at 192 g/t Au from 690m;
- TAN18-DD196-WD2: 1m at 18.1 g/t Au from 637m;
- TAN18-DD196-WD2: 10.5m at 8.8 g/t Au from 648m, including 0.5m at 138 g/t Au;
- TAN18-DD196-WD2: 1m at 36.9 g/t Au from 667.5m;
- TAN18-DD189-WD1: 10m at 8.1 g/t Au from 646.5m, including 0.5m at 33.8 g/t Au, 0.5m at 61.7 g/t Au;
- TAN18-DD189-WD1: 2.5m at 7.6 g/t Au from 666m;
- TAN18-DD189-WD1: 3m at 13.8 g/t Au from 682m, including 0.5m at 71.5 g/t Au;
- TAN18-DD189-WD2: 11m at 5.9 g/t Au from 639m, including 0.5m at 39.8 g/t Au;
- TAN18-DD189-WD2: 0.5m at 33.7 g/t Au from 675.5m;
- TAN18-DD214A-WD1: 21.5m at 15.3 g/t Au from 614m, including 0.5m at 102 g/t Au, 0.5m at 115 g/t Au, 0.5m at 42 g/t Au, 0.5m at 87.9 g/t Au and 0.5m at 39.7 g/t Au; and
- TAN18-DD214A-WD2: 14.5m at 19.9 g/t Au from 595.5m, including 1m at 219 g/t Au, 1m at 46.9 g/t Au.

Results at depth from parent holes and wedges from TAN18-DD216, TAN18-DD196, TAN18-DD189, TAN18-DD214A and TAN18-DD217A demonstrated the benefits of deeper step-down drilling. TAN18-DD228 intercepted extensive high-grade gold more than 220m beneath existing Probable Reserves at M1 South.

West African reported further results later in the year, including:

- TAN18-DD196: 8m at 7.0 g/t from 693 including 1.5m at 21.6 g/t Au;
- TAN18-DD189: 11m at 11.2 g/t from 654 and 6m at 24.4 g/t Au from 675m;
- TAN18-DD214A: 0.5m at 520 g/t Au from 578m ;
- TAN18-DD214A: 23m at 7.3 g/t Au from 617m including 4m at 24.4 g/t Au;
- TAN18-DD189-WD1: 10m at 8.1 g/t Au from 646.5m, including 0.5m at 61.7 g/t Au;
- TAN18-DD196-WD2: 10.5m at 8.8 g/t Au from 648m, including 0.5m at 138 g/t Au;
- TAN18-DD214A-WD1: 21.5m at 15.3 g/t Au from 614m, including 0.5m at 115 g/t Au;
- TAN18-DD214A-WD2: 14.5m at 19.9 g/t Au from 595.5m, including 1m at 219 g/t Au;
- TAN18-DD228: 25m at 15 g/t Au from 862m including 5.5m at 40.4 g/t, 1.5m at 26.02 g/t Au from 879m and 0.5m at 71.80 g/t Au from 886m.

Corporate

US\$200 million Debt Facility

In December 2018, West African announced a credit approved Debt Facility for Sanbrado construction with Taurus Funds Management Pty Ltd (Taurus). The key terms of the Debt Facility include:

- US\$200,000,000 debt facility;
- fixed interest rate of 7.75% per annum on drawn amounts, payable quarterly in arrears;
- quarterly repayments commencing 30 June 2021, with final repayment 31 December 2024;
- early repayment allowed at any time without penalty;
- no mandatory gold hedging required;
- offtake agreement for 1.25 million ounces of gold pursuant to which the Company will receive the prevailing spot gold price subject to an agreed price quotation period. West African Resources retains the right to buy back the remaining balance of the offtake rights at any time on pre-agreed terms;
- conditions precedent to drawdown include execution and delivery of the Debt Facility documents, lodging of security documents and other conditions customary for a facility of this nature; and
- West African Resource's first drawdown of the Debt Facility is expected to occur in April 2019.

Taurus is a privately-owned mining finance fund that provides project development and acquisition finance to mining and metals companies. Taurus has significant mining finance experience in West Africa and has recently provided debt facilities for two other significant new gold projects in the West African region.

Share Placement for A\$43.2 million

In December 2018 West African completed a Share Placement to raise A\$43.2 million. The Share Placement was completed in a single tranche of 172.7 million new Ordinary Shares at \$0.25 per share under West African's existing 25% placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A.

The proceeds raised under the Share Placement are being used to fund Sanbrado construction, exploration, and corporate costs.

Share Purchase Plan for Retail Shareholders

West African also undertook a non-underwritten Share Purchase Plan (SPP) to facilitate retail shareholder participation of up to A\$15,000 per eligible shareholder at the Offer Price (A\$0.25), subject to an overall cap of A\$5.0 million (or 20.0 million Ordinary Shares).

A SPP offer document was lodged with the ASX and sent to shareholders on 14 December 2018.

Change of Financial Year End

On 13 November 2018, the company advised that it is changing its financial year end from 30 June to 31 December. The change will bring the financial year end of the Company into alignment with the financial year end of its operational subsidiaries in Burkina Faso, which will result in administration efficiency gains for the group.

3.0 DESCRIBE THE BUSINESS

General

The principal business of the Company is the acquisition, investigation, exploration, development and ultimately operation of resource projects, primarily gold. The Company commits its own resources to the initial evaluation of mineral projects, and in select situations. In the course of its activities, the Company may enter into different types of agreements common in the mineral resource industry such as purchase agreements, option agreements to purchase mining projects, royalty and stream financing agreements, and/or joint venture agreements.

West African and its subsidiaries have not been subject to any bankruptcies, receiverships, voluntary or otherwise, within the three most recently completed financial periods or for this proposed current financial year.

West African and its subsidiaries have not participated in any material restructuring transactions within the three most recently completed financial years or this current financial year, other than the acquisition of Channel Resources Ltd (2014). West African has not implemented any social or environmental policies that are fundamental to its operations.

The following describes the general development of the Company's business over the last three completed financial years

Specialized Skill and Knowledge

Most aspects of WAF's business require specialized skills and knowledge. This includes skills and knowledge in the areas of geology, exploration and development, environmental issues and accounting. West African Resources has a number of employees with extensive experience in, geology, exploration and development globally and in Burkina Faso specifically.

Competitive Conditions

The mineral exploration and development business is a competitive business. The Company competes with a number of other entities in the search for and acquisition of mineral properties and qualified employees and for financing. Many of these entities have greater financial resources and/or more advanced properties than the Company. As a result of this competition, West African Resources may be unable to acquire attractive properties in the future on terms it considers acceptable or attract or retain qualified personnel. As well, there can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Cycles

The Company is an exploration and development corporation currently focused on gold. As a result, gold prices can have a direct impact on the Company's business. Declining prices can, for example, impact operations by requiring a re-assessment of the feasibility of a particular project.

The Corporation's operations in Burkina Faso are subject to seasonal climatic conditions, with a generally dry season extending from September to May and a wet season with intermittent heavy rains from June to August. Working conditions are generally poor during the wet season.

Environmental Protection

All phases of WAF's operations are subject to environmental protection regulation in the various jurisdictions in which it operates. Environmental protection legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental protection regulations, if any, will not adversely affect WAF's operations.

Employees and Directors

As of December 31, 2018, West African Resources Ltd had 8 full-time equivalent employees at its office in Perth, Western Australia and approximately 119 employees in Burkina Faso.

Foreign Operations

The Company is incorporated under the laws of Australia and resides in Perth Australia. In addition, the Company's projects are located in Burkina Faso and as such, are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction.

Bankruptcy and Similar Procedures

There were no bankruptcy, receivership or other similar proceedings against West African Resources or any of its subsidiaries within the three most recently complete financial years and no such proceedings are proposed for the current financial year.

Social or Environmental Policies

The Company seeks to conduct its activities to the highest standards and industry best practices of environmental obligation, including compliance with all environmental laws, policies, regulations and plans, and conducts extensive on-going monitoring, to keep any environmental impacts to a minimum and to rectify or rehabilitate those that necessarily occur as part of the exploration programmes conducted.

West African Resources has adopted a written corporate code of conduct and a code of conduct for directors and key executives. Copies of these codes may be obtained from the Company upon request. The board of directors of the Company (the "Board") monitors compliance with the code of business conduct by requiring employees and consultants to report breaches of the Code and then dealing appropriately with reported breaches. In accordance with the provisions of the code of business conduct and applicable corporate law, the directors ensure that any director or executive officer who has a material interest in proposed transactions or agreements involving the Company disclose such interest prior to consideration of the relevant matter by the directors and abstain from voting on approval of such transactions, as appropriate.

Risk Factors

The following description of risks and uncertainties is not all-inclusive as it pertains only to conditions currently known to management. There can be no guarantee or assurance that other factors will adversely affect the Company.

Risks Inherent in the Mining and Metals Business

The business of exploring for minerals is inherently risky. None of the properties in which WAF has an interest has a known body of commercial ore. Development of WAF's mineral properties will only follow upon obtaining satisfactory exploration results. Few properties that are explored are ultimately developed into producing mines. Mineral properties are often non-productive for reasons that cannot be anticipated in advance. The economics of developing gold, copper and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most exploration projects do not result in the discovery of commercially mineable deposits of ore. Title claims can impact the exploration, development, operation and sale of any natural resource project. Any such eventuality could have a material adverse effect on WAF. There can be no assurance that WAF's mineral exploration and development activities will result in any discoveries of commercially viable bodies of ore.

Commodity Prices

The price of the Ordinary Shares and WAF's financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in metal prices. Metal prices fluctuate widely and are affected by numerous factors beyond WAF's control. WAF's value and future revenue, if any, are in large part derived from such commodity prices or the mining and sale of metal ores or interests related therein. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of WAF's exploration projects, cannot be accurately predicted.

Financing Risks

WAF has no history of earnings and no source of operating cash flow and, due to the nature of its business; there can be no assurance that WAF will be profitable. WAF has paid no dividends on its Ordinary Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to WAF is through the sale of its equity shares. Although WAF intends to fund development of the Sanbrado project with debt combined with previously issued equity funding, there are still risks related to the Company's ability to finance the development of its mineral projects.

Foreign Operation Risk

WAF has mineral interests in Burkina Faso, West Africa. Any changes in regulations, tax legislation, or shift in the political attitudes in Burkina Faso, which are beyond WAF's control, may adversely affect its business and perception of same within the market environment and could have an adverse impact on WAF's valuation or the price of Ordinary Shares.

Currency Exchange Rate Fluctuations

The Group operates internationally and is exposed to foreign exchange risk primarily arising from costs denominated in CFA and USD. The Group also has transactional currency exposures. Such exposure arises from purchases by an operating entity in currencies other than the functional currency.

Environmental Protection and Permitting

All phases of WAF's operations are subject to environmental protection regulation in the various jurisdictions in which it operates. Environmental protection legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental protection regulations, if any, will not adversely affect WAF's operations.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and WAF may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of WAF.

Acquisition

WAF uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, WAF may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance such acquisitions and development, or integrate such opportunity and their personnel with WAF. WAF cannot guarantee that it can complete any acquisition that it pursues or is currently pursuing, on favorable terms, or that any acquisition will ultimately benefit WAF.

Permits and Licenses

The operations of WAF may require licenses and permits from various governmental authorities. There can be no assurance that WAF will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Reliance on Key Personnel

The nature of the business of WAF, the ability of WAF to continue its exploration and development activities and to thereby develop a competitive edge in the marketplace depends, in a large part, on the ability of WAF to attract and maintain qualified key management personnel. Competition for such personnel is intense, and there can be no assurance that WAF will be able to attract and retain such personnel. The development of WAF now and in the future, will depend on the efforts of key management figures, the loss of whom could have a material adverse effect on WAF. WAF does not currently maintain key-man life insurance on any of the key management employees.

Competition

The mining industry is intensely competitive in all of its phases, and WAF competes with many companies possessing greater financial resources and technical facilities. Competition in the mining business could adversely affect WAF's ability to acquire suitable properties or prospects for mineral exploration or development or to attract and retain suitably qualified and experienced people to develop corporate growth strategies and to efficiently execute corporate plans.

Dilution

WAF has outstanding WAF Options as detailed in the most recent financial statements for the six months ended December 31, 2018. Should these securities be exercised, the holders have the right to purchase additional Ordinary Shares, in accordance with these securities' terms. During the life of these securities, the holders have the opportunity to profit from a rise in the market price of the Ordinary Shares, possibly resulting in the dilution of existing securities.

Land Title

Any of WAF's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. WAF has no knowledge of any material defect in the title of any of the properties in which WAF has or may acquire an interest.

4.0 MINERAL PROJECTS**Current Technical Report**

In July 2018, West African filed a (NI 43-101) technical report titled "Open Pit and Underground Feasibility Study, Sanbrado Gold Project, Burkina Faso", with an effective date of 25 April 2018 which related to the updated feasibility study which was announced on 22 June 2018. Key summary table are shown below

Table 1: Sanbrado Gold Project								
June 2018 Resource								
Resource Area	Category	Cutoff (Au g/t)	Indicated Resource			Inferred Resource		
			Tonnes	Grade (Au g/t)	Au Oz	Tonnes	Grade (Au g/t)	Au Oz
M1 South	O/P <120m	0.5	800,000	6.6	170,000	50,000	4.8	10,000
	U/G >120m	3.0	750,000	25.5	620,000	250,000	7.6	60,000
	Total	Combined	1,550,000	15.9	780,000	300,000	6.9	70,000
M5	O/P	0.5	37,150,000	1.3	1,510,000	12,800,000	1.1	450,000
M1 North	O/P	0.5	750,000	2.0	50,000	500,000	2.0	30,000
M3	O/P	0.5	150,000	2.0	10,000	200,000	1.5	10,000
Total		Combined	39,600,000	1.8	2,350,000	13,850,000	1.2	550,000

Table 2: Sanbrado Gold Project				
June 2018 Probable Ore Reserve				
Deposit	Strip Ratio	(Mt)	Au Grade (g/t)	Cont. Au (koz)¹
M5 Open Pit	3.8	17.5	1.5	817
M1Sth Open Pit	22.6	0.7	6.8	157
M1Nth Open Pit	8.4	0.6	2.1	39
M3 Open Pit	6.1	0.1	1.8	8
Sub Total Open Pit	4.6	18.9	1.7	1,021
M1Sth Underground	-	1.5	11.7	553
Total		20.4	2.4	1,574

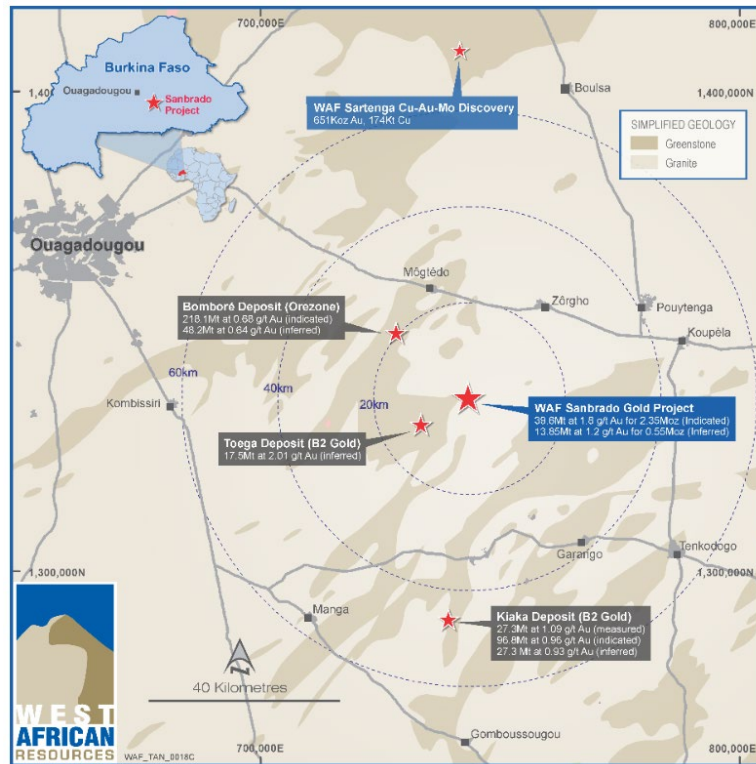
Sanbrado Combined Open Pit and Underground Feasibility Study – Production and Financial Highlights	
Base case is stated on a 100% basis and gold price of US\$1300/oz	
Production Y1-5	Average 211,000oz/year
Production LOM	Average 133,000oz/year
Production Costs^{1,2} Y1-5	Average Cash Costs of US\$497/oz / A\$663/oz Average All-in Sustaining Costs (AISC) of US\$551/oz / A\$735/oz
Production Costs LOM	Average Cash Costs of US\$577/oz / A\$775/oz Average All-in Sustaining Costs (AISC) of US\$640/oz / A\$853
IRR & Pay back	Pre-tax IRR of 62% and 12 month pay back on pre-production capital Post-tax IRR of 49% and 16 month pay back on pre-production capital
NPV	Pre-tax NPV5% of US\$567m / A\$756m Post-tax NPV5% of US\$405m / A\$540m
Capex	US\$185m (inclusive of all open-pit and underground pre-production mining & development costs, contingencies, duties & taxes)
Study Mine Life	11 years
Probable Mineral Reserves³	20.4Mt at 2.4 g/t gold containing 1.57 million ounces of gold
LOM Recoveries	92.9% recovering 1.46 million ounces of gold

The Sanbrado Gold Project Open Pit and Underground Definitive Feasibility Study has been independently managed by Mintrex Engineering working with the following key consultants:

- Mintrex - Study Management, Process Plant & Infrastructure Design, Metallurgical Overview
- Aurifex and ALS Ammtec - Metallurgical Test work
- OMC - Comminution Modelling
- Knight Piésold – Hydrology & Hydrogeology
- Knight Piésold & BEGE - Environmental Permitting
- Knight Piésold, INGRID & BEGE- Flora and Social Surveys
- Knight Piésold - Waste Rock Classification
- Peter O'Bryan & Associates - Geotechnical Assessment
- Knight Piésold - Tailings Storage Design
- Sylvatrop Consulting – Surface Surveys
- International Resource Solutions - Resource Estimation
- SCME – Mine Planning and Optimisation, Ore Reserve Statement
- Capital Mine Consulting & Kenmore - Underground Mine Design
- RL Advisory – Financial modelling

Project Description, Location and Access

The Sanbrado Gold Project is located approximately 90km east-southeast of Ouagadougou, the capital of Burkina Faso. The Project covers an aggregate area of 116km², comprising one granted mining permit and one granted exploration licence. WAF has a 90% interest in the Sanbrado Gold Project. The Government of Burkina Faso has a free-carried 10% interest in the Project. In March 2018, the Company received environmental approval for Carbon in Leach Processing



History

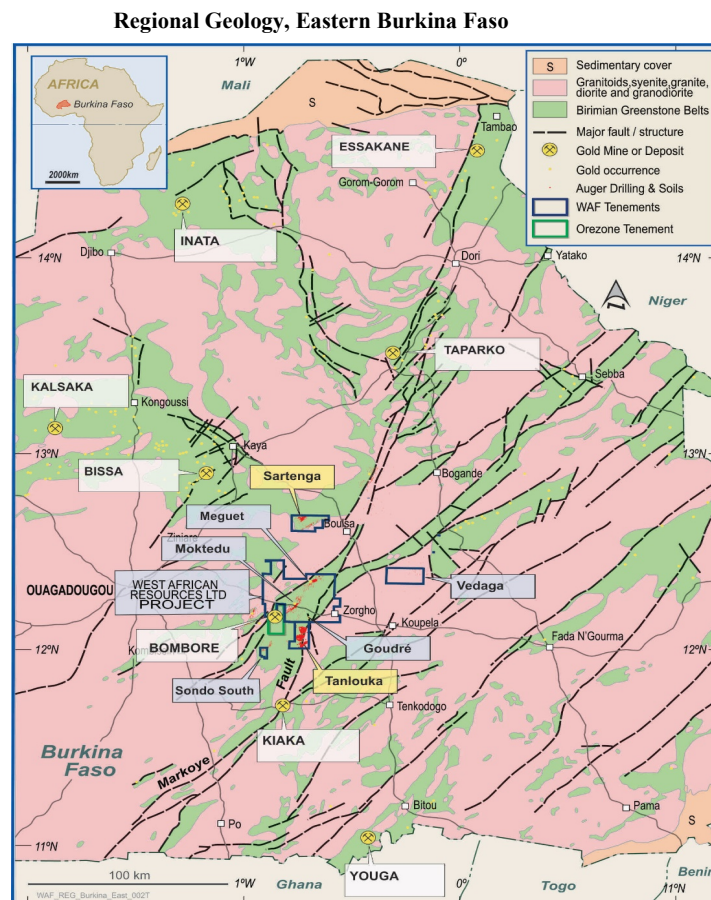
West African completed the acquisition of the Mankarga 5 deposit, located on the Tanlouka Permit, from Channel Resources in January 2014. West African has the Moktedu Prospect, 10km north of Tanlouka, as well as diamond drilling at Sartenga to add more confidence to the geological model.

The Company commenced diamond and oxide resource definition drilling at Mankarga 5 and in April 2014, announced a 74% increase in the Inferred Resource to 10.8 million tonnes grading 1.3g/t gold containing 437,000 ounces gold and a 12% increase in the Indicated Resource to 32.7 million tonnes grading 1.0 g/t gold containing 1,050,000 ounces gold (using a 0.5g/t Au cut-off for both categories). Nearly 52,000 metres of drilling was completed across the portfolio in Burkina Faso.

The Tanlouka Gold Project has since been renamed Sanbrado Gold Project

Geological Setting, Mineralisation and Deposit Types

In common with most of the other gold deposits in the region, the Sanbrado deposit is associated with the Lower Proterozoic system of the Birimian (2.17-2.18 billion years) comprising metavolcanic (arc) and metasedimentary (basin) rocks. The Birimian System has been intruded by two distinctive granitoid types. The larger basin-type granitoids (Eburnean Events) can be subdivided into the initial Eburnean event corresponding to a major phase of crustal thickening as a result of shortening, folding and granitoid emplacement, followed by regional-scale north to northeast trending transcurrent faulting. Large scale fluid migration along these major, deep-seated structures is inherent to most orogenies. Hydrothermal gold-bearing fluids follow secondary and tertiary fault systems, adjacent to the main fault at shallower crustal levels.



The main rock types are variably strained clastic metasediment and mafic to intermediate intrusive. Regional metamorphic grade has reached greenschist facies with prograde biotite contributing to foliation development. Most rocks have undergone some degree of retrograde metamorphism resulting in chlorite, sericite, epidote, albite, leucoxene and calcite rich rocks.

The metasediments comprise a mixture of black shale, laminated metasilstone and lithic greywacke, and are intruded by both mafic and intermediate (diorite and granodiorite) intrusive with xenoliths of sediment common in the intrusive phases

Most of the belt rocks, including within belt intrusive, are moderately to strongly foliated. The granitoid terranes that bound the belts are strongly foliated along their margins but less foliated towards their interiors. Foliation has formed in response to co-axial strain with the highest amount of simple shear occurring within the high strain corridors which form along the margins of the major granitoids.

Gold mineralization is associated with the main hydrothermal event which produced strong silicification of the surrounding rock during opening and reactivation of the pre-existing foliation.

This interpretation places gold mineralization as post peak metamorphism after the bulk of the deformation, which means late during the regional D₂ Birimian deformation within a roughly WNW-ESE (to NW-SE) stress field. Deformation and shearing along the high strain corridors has resulted in a pressure shadow, south of the main northern granitoid as the Mankarga1 and Mankarga5 high strain zones peel away (trending SE and SW respectively) from the same granitoid body. Conjugate movement along these two corridors, sinistral along Mankarga1 and dextral along Mankarga5, is consistent with the late D₂ stress field and has resulted in dilational opening and high grade steeply plunging ore shoots - along left-hand flexures at Mankarga1 and right-hand flexures at Mankarga5.

The kinematics during mineralization were strike-slip; however, the bulk of the deformation was most likely related to thrusting, with strike slip movement and gold mineralization, occurring towards the end of the orogeny.

Known mineralisation at M1 extends along strike for approximately 1km, is up to 50m wide and 500m in depth. The M5 mineralisation extends along strike for approximately 3km, is up to 100m wide and 300m in depth. The M3 mineralisation extends along strike for 750m, is up to 50m wide and 75m in depth. Mineralisation at all deposits remains open at depth

Drilling Techniques

The area of the M5 resource was drilled using Reverse Circulation (RC), Aircore (AC) and Diamond core (DC) drill holes on a nominal 50m x 25m grid spacing with infill to 25m x 25m in the far south portion. A total of 760 AC holes (24,061.9m), 118 DC holes (26,587.75m) and 95 RC drill holes (10,372.8m) were drilled by WAF between December 2013 and April 2018 (as at 25 April 2018).

The area of the M1 resource was drilled using RC, AC and DC drill holes on a nominal 25m x 20m grid spacing. A total of 397 AC holes (7,480.2m), 122 DC holes (29,870.75m) and 216 RC holes (23,338m) were drilled by WAF between 2015 and 2018 (as at 25 April 2018). A total of 23 RC holes (3,060.0m) and 7 DC holes (1,199.0m) were drilled by CHU between 2010 and 2012.

The area between M1 and M5 was covered by 51 RC holes (4,943m), and were angled towards 90°, 120 or 225 grid at declinations between -50 and -60, to optimally test any potential mineralisation. Most holes were drilled on grid extensions of either M1 or M5.

The area of the M3 resource was drilled using RC, AC and DD drill holes on a nominal 20m x 20m grid spacing. A total of 269 AC holes (9,007.8m), 4 DC holes (384m) and 9 RC holes (962m) were drilled by WAF in 2015-2016. Holes were angled towards 090° or 225° magnetic at declinations of -50°, to optimally intersect the mineralised zones.

Sampling, Analysis and Data Verification

RC samples were split and sampled at 1m and 2m intervals respectively. AC samples were split and sampled at 1m intervals using a three-tier riffle splitter. Diamond core is a combination of HQ, NQ2 and NQ3 sizes. All diamond core was logged for lithological, alteration, geotechnical, density and structural attributes. QAQC procedures were completed as per industry standard practices.

Historic and recent RC and DC samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis for gold by 50g standard fire assay method (FA) followed by an atomic absorption spectrometry (AAS) finish.

Mineral Resource and Mineral Reserve Estimates

M5

Multiple Indicator Kriging (MIK) with change of support was selected as the most appropriate method for estimating Au for the M5 deposit. A block size of 20mE x 25mN x 10mRL was selected as an appropriate block size for estimation based on the drill spacing (majority 50m strike spacing), geometry of mineralisation and the likely potential future selective mining unit or SMU (i.e. appropriate for potential open pit mining). An SMU dimension of 5mE x 12.5mN x 5mRL was selected as appropriate for support correction investigation. An indirect lognormal support correction was applied to emulate mining selectivity for the above SMU dimension. A number of minor zones of interpreted mineralisation exist where MIK is not an appropriate method given the data spacing and small datasets. These areas have been estimated by Ordinary Kriging (OK).

M1 South

A combination of MIK with change of support and OK was selected as the most appropriate method for estimating Au for the M1 deposits. High grade domains were estimated separately using OK. For MIK, a block size of 10mE x 25mN x 10mRL was selected. An SMU dimension of 5mE x 5mN x 5mRL was selected as appropriate for support correction investigation. An indirect lognormal support correction was applied to emulate mining selectivity for the above SMU dimension. For the high grade domains estimated via OK, a parent cell dimension of 2.5mE x 5mN x 5mRL was selected.

M1 North

MIK with change of support and OK was selected for estimating Au for the M1 North deposit. A block size of 10mE x 25mN x 10mRL was selected. An SMU dimension of 5mE x 12.5mN x 5mRL was selected as appropriate for support correction investigation. An indirect lognormal support correction was applied to emulate mining selectivity for the above SMU dimension.

MIK post processing

MIK grade estimates consist of a series of proportions and grades above the pre-defined cut-off grades estimated into a 'panel' or large blocks. The proportions and grades are derived from a targeted SMU block size via change of support process. As such, while the proportions and grades at a certain cut-off for any given panel may be known, its position within the panel is not. To assist with a more intuitive presentation of the model grades, the MIK grade estimates have been localised to SMU dimension blocks using a process identical to that of Localised Uniform Conditioning. The SMU sized blocks have been assigned a single grade so that the panel MIK grade estimate grade tonnage curve has been replicated.

M3

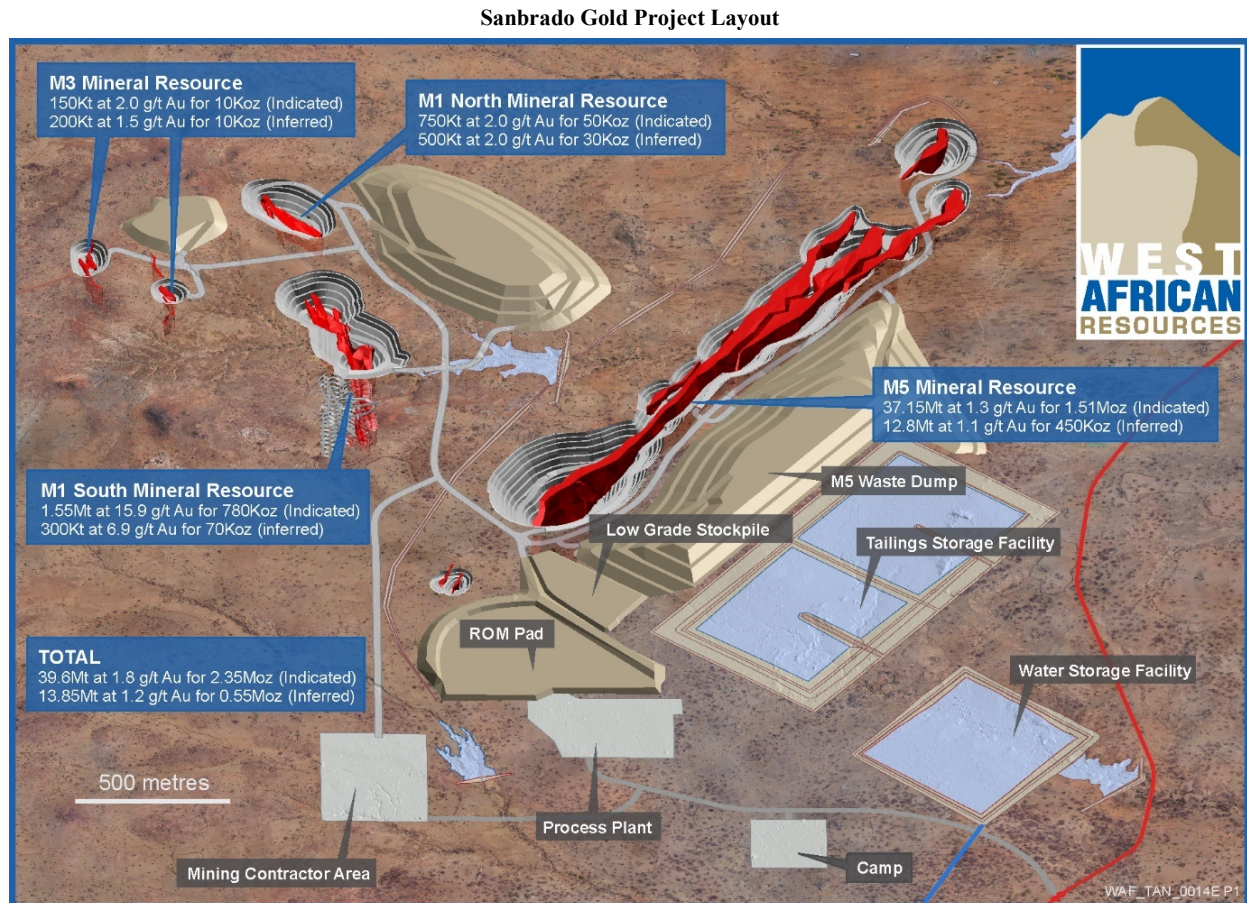
OK was selected as the most appropriate method for estimating Au for the M3 deposit. A block size of 5mE x 5mN x 5mRL was selected as an appropriate block size for estimation.

Classification

Resource classification was based on geological confidence and a spatial review of estimation result parameters which reflected the quality of the estimate for each block. Areas that had high confidence estimate values, had sufficient drilling density (<50m spaced drilling) or were proximal to 50m by 25m (or closer) spaced drill lines were classified as Indicated Resources. The remainder was classified as Inferred.

Mining Operations

The Sanbrado Gold Project will mine three deposits: M1, M3 and M5. The figure below presents the layout of the project, showing the relative positions of the mining areas and the principal infrastructure



The majority of the defined mineral resources suitable for open pit mining at the Project are within 200 m depth from the surface and of a lode style mineralisation. The material to be excavated will be predominantly free dig from surface with blasting required deeper in the oxidation profile. Given these conditions, conventional open pit mining techniques using drill and blast with material movement by hydraulic excavator and trucks will be employed. The project scale suits 120 t – 200 t class excavators in a backhoe configuration matched to 95 t class mine haul trucks

In addition to the open pit resources, the M1 South deposit has steeply dipping, high grade zone that extends to depth and is suitable for exploitation by underground mining methods using conventional jumbo development. The planned mining method is up hole retreat bench stoping with loose rock fill and cemented fill where necessary.

Processing and Recovery Operations

The Sanbrado process development and process plant designs are based on a series of test work programmes, conducted from 2012 to 2018, and application of a conventional flowsheet suited to free milling non-refractory gold ores.

Test work has evaluated performance of a series of composite and variability samples from the M5 and M1 proposed open pits, both along strike and down dip. Further test work focussed on the high grade M1 underground

resource. Test work results presented the variability in metallurgical performance associated with grind size, leach time, reagent regimes and other design parameters including comminution characteristics.

Four major ore types were assessed to identify variation in plant performance and operating conditions. These ore types are referred to as Fresh (FRS), Weakly Oxidised (WOX), Moderately Oxidised (MOX) and Strongly Oxidised (SOX). Processing characteristics such as grind size and reagent conditions are similar for each ore type and ore types can be blended to optimise mining and plant throughput.

Comminution Test work

Comminution test work was completed using diamond core that included a range of rock types and composites. A full suite of comminution work was completed and included JK Parameter determination (SAG milling), conventional Rod and Ball Mill Work Index testing, Levin tests on SOX material, Crushing Work Index, Abrasion Index and UCS testing. Test work data confirms that the ore is very soft in the SOX/MOX zone (Bond Work Indices ranging from 4kWh/t to nominally 8 to 9kWhr/t and A*b of 150). The FRS/WOX zone is medium hard to very hard (Bond Work Index of nominally 22kWhr/t and A*b values of the order of 33). The ore will be processed in a multiple stage SABC (semi-autogenous, ball, crush) milling circuit which will allow multiple grind sizes, adaptable to the Sanbrado ore types. A grind size of P₈₀ 90µm is proposed for M5 SOX, MOX and WOX materials, and P₈₀ of 75µm for higher grade M1 South FRS ores.

The crushing work index varies between 4.1kWhr/t for SOX/MOX and 10.8kWhr/t for FRS/WOX, and crushing can be accomplished with relatively low energy input. UCS values are also low, suggesting breakage by primary jaw crushing will be straightforward.

The Abrasion Index results range from 0.098 to 0.351, signifying that the material is non-abrasive to slightly abrasive.

Gold Extraction and Recovery

Metallurgical test work explored the grind sensitivity of the ore. The P₈₀ 90µm size was considered to be the most cost-effective option based on the economic parameters applied for M5 and M1 SOX, MOX and WOX ores, while a grind size of P₈₀ 75µm was determined to be appropriate for the higher grade M1 South FRS ores.

Gravity recoveries generally ranged from 15% to 40%. The plant design utilises discounted values specific to each ore, ranging from 5% to 15%.

Cyanide sensitivity is generally low. Some samples were found to have a higher sensitivity than others. Nominal cyanide concentration of 300mg/L sodium cyanide resulted in leach extractions being achieved in 24 hours. Increased cyanide concentrations of 500mg/L decaying to 300mg/L gave accelerated leaching in some cases.

Use of oxygen sparging slightly improved initial leaching kinetics and resulted in a slightly higher leach extraction in a 24 hour period. Consequently, oxygen sparging has been included in the process design.

The materials tested did not show any preg-robbing tendencies, have low oxygen demands, viscosity characteristics that will not result in pumping or handling issues and presented good carbon adsorption characteristics, suggesting the ores do not generate a lot of competing soluble species in leach.

Thickening test work used high flocculant doses but achieved typical settling characteristics.

A test work program has been conducted on M1 South high grade mineralisation material, based on composite grades from nominally 20 g/t to 140 g/t. Leach extractions between 94% and 98% were achieved in 24 hours using moderate cyanide concentrations (consumption average 0.48kg/t) post gravity. Gravity recoveries were between 10% and 50%, similar to the lower grade M1 and M5 samples. Tests were also conducted at a finer grind of P₈₀ 75 µm which suggested cost effective benefit from applying this grind. Results suggest the high

grade M1 material can be processed via the same facility proposed for the rest of the Sanbrado ores. The grinding circuit design has been configured to allow such grinds to be applied to high grade material if required.

Gold losses post leaching are generally due to gold associated with minor sulphide content as determined by diagnostic leaching. It is anticipated that preferential grinding in the full-scale plant will provide improved leach extractions, however such benefit has not been included in the leach extraction estimations.

A set of leach recovery algorithms, including allowance for soluble and carbon losses from a CIL circuit, were generated for each of the four ore oxidation states based on the relevant test work results. A dedicated algorithm was derived for the M1 fresh material at a P_{80} of 75 μm .

The average gold recovery over the current mine life is 92.9%.

Infrastructure, Permitting and Compliance Activities

Site Development

The project is located 90km east-southeast of Ouagadougou and is accessed via a sealed highway (RN4) which runs between the capital and Koupela. An existing gravel road intersects the highway near the village of Zempasgo and crosses through the south-eastern corner of the Sanbrado tenement. Two kilometres of the access road require upgrading to install multiple flood crossings and road re-profiling. Beyond the existing access road, new gravel access roads will be constructed to access the accommodation camp, process plant and mining contractor's area.

Accommodation Camp

WAF will construct a fully supported 172 person accommodation camp, located 1.5km southeast of the process plant. The camp will be operated by a catering and accommodation service provider on a long term operating contract. The camp contractor will be responsible for all operations at the accommodation camp including catering, cleaning and maintenance activities.

Power Supply

A heavy fuel oil (HFO) power station will be constructed at the process plant by an independent power provider (IPP) under a build-own-operate (BOO) agreement. The power station will be fitted with three heavy duty HFO generator engines and one standby generator to maintain supply in the event of a shutdown of one of the engines.

11 kilovolt aerial transmission lines will be constructed from the Sanbrado power station to the TSF, WSF, accommodation camp, the mining contractor's area and the underground portal.

The power station will utilise a dedicated bulk HFO storage facility located adjacent to the power house.

Tailings Storage Facility

The TSF will comprise a four sided paddock storage facility located 1.5km northeast of the process plant, situated just beyond the 500m blast zone around the M5 pit. The TSF is designed with a storage capacity of 25 million tonnes and comprises two cells, each of approximately 12.5 million tonne capacity.

Water Supply

Raw water will be sourced from the Nakambé River approximately 21 km to the south-west of the site. Water will be abstracted using submersible pumps and delivered to a tank at a transfer pump station close to the abstraction point. Pumps will transfer water to the Water Storage Facility (WSF) via buried HDPE pipeline.

WSF will be located immediately south-west of the TSF. The WSF is the main storage pond for raw process water on site, and is able to store up to 1,500,000m³ of water at the maximum operating level. Water will be pumped from the river over a four month period during the wet season.

Environment and Social

An Environmental and Social Impact Assessment (ESIA) was prepared by a Burkinabe consultancy under the supervision of Knight Piésold for WAF during 2015 and 2016 for the Tanlouka Heap Leach Gold Project. The Tanlouka Gold Project has since been renamed Sanbrado Gold Project. This ESIA and associated baseline surveys predicted that there will be generally minor impacts on local flora and fauna, air quality and visual amenity. The most significant impacts identified in the ESIA were noise and vibration levels during mine construction and operations, and socio-economic issues associated with the quarantining of agriculture and pasture lands within the mining infrastructure zone.

The ESIA was updated by Ouagadougou-based firm SUCCESS Consulting in 2017. This update addressed the change in project design from heap leach to carbon in leach processing, the expanded project footprint and the increase in mine life that arose from additional gold discoveries that followed the 2014 Heap Leach Feasibility Study. The Sanbrado Mining Project Resettlement Action Plan (RAP) social survey was repeated in January 2018 to capture changes to the host community as the project evolved. The 2018 RAP identified 2,345 persons living within the mining lease area, of whom a maximum of 680 living in 43 households will be displaced by mining operations.

Capital and Operating Costs

The estimated project capital cost is US\$185.3 million, inclusive of all open-pit and underground pre-production mining & development costs, contingencies, duties & taxes. The capital cost estimate is based upon an EPCM approach and are summarised below

Capital Costs (US\$m)	Life of Mine
2Mtpa Processing Plant	65.4
Project Infrastructure (TSF, Plant Vehicles, Mobile Equipment, Process Plant Infrastructure, Water Supply and Camp)	45.7
Owner's Costs (Construction Facilities, First Fills and Capital Spares)	32.2
Pre-production Mining	41.9
Total Capital Cost	185.3

Operating cost estimates have been built from first principles and have used study metallurgical test work results to assist in validating the operating cost model. A summary of the operating cost estimate is provided in the table below.

Item	LOM Cost (US\$m)	LOM Cost / Ore Tonne	LOM Cost / Ounce (US\$/oz)
Mining	407,074,930	19.96	278.51
Processing and Maintenance	254,987,723	12.50	174.46
G & A (incl. Government Charges)	103,180,801	5.06	70.59
Sustaining Capital	91,440,733	4.48	62.56
Refining Charges	2,923,202	0.14	2.00
Royalties	76,003,249	3.73	52.00
Total	935,610,639	45.87	640.13

5.0 DIVIDENDS

West African Resources has not, within the last three years, declared or paid any dividends on its Ordinary Shares, and does not currently have a policy with respect to the payment of dividends. For the foreseeable future, West African Resources anticipates that it will retain future earnings and other cash resources for the operation and development of its business. The payment of dividends in the future will depend on the earnings, if any, the financial condition of the Company, the requirements of the Corporations Act, and such other factors as the directors of West African Resources consider appropriate.

6.0 DESCRIPTION OF CAPITAL STRUCTURE

Under the Corporations Act and its Constitution, the Company is not limited in the number of Ordinary Shares it can issue. However, under the ASX listing rules, in order for a corporation listed on the ASX to issue an amount of securities greater than 15% of the total number of existing shares then issued and outstanding, the corporation must seek shareholder approval.

In addition, an ASX Listing Rule enables 'eligible entities' to seek shareholders' approval at an AGM to issue Equity Securities (that is to say, Ordinary Shares or securities, such as options, convertible into Ordinary Shares) representing up to 10% of its issued share capital over a 12 month period after the AGM ("10% Placement Facility"). The 10% Placement Facility is in addition to the Company's 15% placement capacity without shareholder approval noted above. An 'eligible entity' for the purposes of this Listing Rule is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at the date of this AIF the Company is an eligible entity. The actual number of Equity Securities that the Company will have the capacity to issue under the ASX Listing Rule will be calculated at the date of issue of the Equity Securities in accordance with the formula and conditions prescribed in the ASX Listing Rules.

At 28 March 2019	Number
Total ordinary shares on issue	869,400,727
Options and performance rights on issue	17,178,201

Ordinary Shares have the right to one vote per share at meetings of the Company, to receive dividends as declared and, in the event of a winding-up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held. Ordinary Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking fund or purchase fund provisions. All securities are issued with the approval of the directors.

7.0 MARKET FOR SECURITIES

Trading Price and Volume

The Ordinary Shares are currently listed on the ASX under the trading symbol "WAF" and were listed on the TSX-V under the trading symbol "WAF" until 8 March 2019 (at which point the Ordinary Shares were voluntarily delisted from the TSX-V). The following table sets forth the reported high and low sale prices and the trading volume for the Ordinary Shares on the ASX and TSX-V on a monthly basis for the year ended 31 December 2018

Month	ASX	ASX	ASX	TSX	TSX	TSX
	Volume	High (A\$)	Low (A\$)	Volume	High (C\$)	Low (C\$)
Jul-18	15,703,692	0.38	0.32	1,956,259	0.38	0.31
Aug-18	29,179,225	0.33	0.30	3,117,075	0.31	0.28
Sep-18	16,651,948	0.31	0.28	2,820,996	0.30	0.26
Oct-18	14,712,536	0.30	0.27	4,553,559	0.28	0.23
Nov-18	14,763,812	0.31	0.28	1,137,775	0.30	0.25
Dec-18	17,283,729	0.30	0.23	2,194,300	0.27	0.22

8.0 DIRECTORS AND OFFICERS

Names, Addresses, Occupations and Security Holdings

West African Resources' Constitution provides that a third of directors shall retire by rotation annually. Shareholders are entitled to elect the board of Directors at each annual general meeting; therefore all Directors will retire at each Annual General Meeting. Retiring directors are eligible for re-election at the annual general meeting.

The following is a brief description of the background of those persons who are directors and executive officers of the Company, including their names, their positions and the offices they hold with the Company, their principal occupations within the five preceding years, and the number of WAF Shares held by each of them at 31 December 2018:

Mark Connelly BBus MAICD
Non- Executive Director (Chairman)

Mr Connelly is the former Managing Director and Chief Executive Officer of Perth based Papillon Resources Limited, a gold developer with Malian assets, which merged with Vancouver-based B2Gold Corp in a US\$70 million deal. Previously he was Chief Operating Officer of Endeavour Mining Corporation following its merger with Adamus Resources Ltd where he was Managing Director and CEO.

▪ Date appointed as a Director	23 June 2015
▪ Residence	Western Australia
▪ Committee memberships	Audit Committee, Technical Committee, Remuneration Committee (Chair)
▪ Other listed board memberships	Tao Commodities Ltd, Calidus Resources Ltd, Primero Group Ltd
▪ Previous listed board memberships (during past 3 years)	B2 Gold Corp, Ausdrill Ltd, Tiger Resources Ltd, Saracen Mineral Holdings Ltd, Cardinal Resources Ltd
▪ Interest in shares	60,000
▪ Interest in options	3,000,000

Richard Hyde BSc (Geology and Geophysics), MAusIMM, MAIG
Managing Director

Richard Hyde is a geologist with more than 20 years' experience in the minerals industry including over 5 years' experience operating in West Africa. Richard has worked in a number of different geological environments in Australia, Africa and Eastern Europe. Mr Hyde has managed large exploration projects and worked extensively within the industry as Regional Manager - West Africa, and as a Senior Consultant with RSG Global based in West Africa and Australia.

▪ Date appointed as a Director	1 September 2006
▪ Residence	Western Australia
▪ Committee memberships	Nil
▪ Other listed board memberships	Nil
▪ Previous listed board memberships (during past 3 years)	Nil
▪ Interest in shares	18,280,769
▪ Interest in options	3,660,899

Ian Kerr (BE (Civil) Hons II), MIE Aus
Non- Executive Director

Ian Kerr is an engineer with more than 30 years' experience in mining construction and operations with several Australian and international mining companies including Placer Dome and EMC. He has also held senior positions with engineering firms Lycopodium and Mintrex.

- Date appointed as a Director 28 June 2018
- Residence Western Australia
- Committee memberships Audit Committee, Technical Committee (Chair), Remuneration Committee
- Other listed board memberships Gascoyne Resources Ltd
- Previous listed board memberships (during past 3 years) Tiger Resources Ltd
- Interest in shares Nil
- Interest in options 500,000

Simon Storm BCom, BCompt (Hons) FGIA, CA
Non- Executive Director and Company Secretary

Simon Storm is a Chartered Accountant with more than 30 years of Australian and international experience in the accounting profession and commerce. He commenced his career with Deloitte Haskins & Sells in Africa then London before joining Price Waterhouse in Perth. He has held various senior finance and company secretarial roles with listed and unlisted entities in the agribusiness, banking, resources, construction, telecommunications, property development and funds management industries. In the last 15 years he has provided consulting services covering accounting, financial and company secretarial matters to various companies in these sectors.

- Date appointed as a Director 15 November 2007
- Residence Western Australia
- Committee memberships Audit Committee (Chair), Remuneration Committee
- Other listed board memberships Nil
- Previous listed board memberships (during past 3 years) Nil
- Interest in shares 3,090,769
- Interest in options 750,000

Lyndon Hopkins BSc
Chief Operating Officer

Lyndon has more than 20 years of experience in gold exploration, development and production. Former COO of Equigold NL's Ivory Coast operations and Mine Manager for the construction of Regis Resources Ltd's Rosemont Gold Mine.

- Residence Western Australia
- Committee memberships Technical Committee
- Interest in shares 3,000,000
- Interest in options 2,016,949

Matthew Wilcox BSc, BEng
Chief Development Officer

Matthew has more than 20 years experience in mining construction and engineering. Eight years with Nord Gold including positions as Project Director for the construction of Nord Gold's 4Mtpa Bissa Gold Project, and 8Mtpa Bouly Gold Project, both in Burkina Faso.

▪ Residence	Western Australia
▪ Committee memberships	Nil
▪ Interest in shares	400,000
▪ Interest in options	1,000,000

Padraig O'Donoghue BComm, CA
Chief Financial Officer

Padraig has more than 25 years experience in the mining industry. He has held CFO and Company Secretarial positions with several private and ASX listed mining and contracting companies including Consolidated Rutile Limited, Jabiru Metals Limited and Barmenco. His early career included Placer Dome Inc and Barrick Gold.

▪ Residence	Western Australia
▪ Committee memberships	Nil
▪ Interest in shares	112,995
▪ Interest in options	1,012,712

Corporate Cease Trade Orders and Bankruptcies

No director or executive officer of the company is, as at the date hereof or has been within the ten years prior to the date hereof, a director, chief executive officer or chief financial officer of any company (including West African Resources) that was the subject of a cease trade or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued: (1) while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (2) after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity.

No director or executive officer of West African Resources nor, to the knowledge of West African Resources, any Shareholder holding a sufficient number of securities of West African Resources to materially affect the control of West African Resources: (a) is, as at the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including West African Resources) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or Shareholder.

Penalties or Sanctions

No director or executive officer of West African Resources or, to the knowledge of West African Resources, a Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities authority, or has had any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of WAF's knowledge, there are no known existing or potential conflicts of interest among WAF, its directors, officers or other members of management of WAF as a result of their outside business interests, except that certain of the directors, officers and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties to WAF and their duties as a director, officer, promoter or member of management of such other companies. Any decision made by any of such directors and officers involving WAF will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of WAF and its shareholders. In addition, each of the directors is required to declare and refrain from voting in any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the BCBCA or other applicable corporate legislation.

WAF has not entered into a non-competition agreement with any of its directors or officers at this time.

9.0 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is and has not been a party to, nor is or was any of its property the subject of, any legal proceedings since the beginning of the most recently completed financial year, and to the Company's knowledge, no legal proceedings involving the Company are anticipated.

The Company is not subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or any settlement agreements entered into before a court relating to provincial or territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this AIF.

10.0 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL CONTRACTS

No director or executive officer of the Company or a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued and outstanding Ordinary Shares or any associate or affiliate of any of the foregoing persons or companies has any material interest, direct or indirect, in any transaction within the three most recently completed financial years of the Company or during the current financial year, that has materially affected or is reasonably expected to materially affect the Company.

11.0 TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc. of Level 11, 172 St Georges Tce, Perth WA 6000, Australia, Tel: + 61 9323 2026 and of 510 Burrard St., Vancouver, BC, Canada V6C 3A8, (604) 661-9400 is the transfer agent and registrar of the WAF Shares.

12.0 MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business the Company has not entered into any material contracts since the beginning of the most recently completed financial year, or before the most recently completed financial year that are still in effect.

The following contracts were made in the ordinary course of business, including consulting agreements with key officers, the following is the only material contracts entered into by the Company which are considered to be material and are still in effect:

Parties	Dates	Consideration	General Nature and Key Terms of Contract
Lycopodium Minerals	October 2018	A\$7,963,000	<p>Notice of award announced to Lycopodium for the engineering design and procurement for the Sanbrado Gold project.</p> <p>Payment terms will be lump sum AUD payments upon milestone achieved. .</p>
Outotec	October 2018	€ 6,389,000	<p>Contract awarded to Outotec, to supply and install SAG and Ball mills for the Sanbrado Gold project.</p> <p>Payment terms will be lump sum EURO payments upon milestone achieved. .</p>
Byrnecut	November 2018	A\$8,000,000	<p>Letter of Intent executed which authorises Byrnecut to commence</p> <ol style="list-style-type: none"> 1. Implementation works 2. Procurement of services
Taurus Funds Management Group	December 2018	US\$200,000,000	<p>Taurus will provide a US\$200m secured project finance facility (the Debt Facility) to be used towards funding the development of Sanbrado. Key terms of the Debt Facility are:</p> <ul style="list-style-type: none"> • Fixed interest rate of 7.75% per annum on drawn amounts, payable quarterly in arrears. • Quarterly repayments commencing 30 June 2021, with final repayment 31 December 2024. • Early repayment allowed at any time without penalty. • No mandatory gold hedging required. • First drawdown of the Debt Facility is expected to be available by the end of the first quarter 2019. • The Company will enter into an offtake agreement for 1.25 million ounces of Sanbrado gold production, pursuant to which the Company will receive the prevailing spot price subject to an agreed quotation period. The Company retains a right to buy back the offtake at any time on agreed terms.

13.0 INTEREST OF EXPERTS

Information in this AIF that relates to exploration results, exploration targets, mineral resources, mineral reserves or other scientific and technical information related to the Sanbrado Project 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 and approved the contents of this AIF related to the foregoing and consents to the inclusion in this AIF of all scientific and technical statements based on his information in the form and context in which they appear.

Information in this AIF 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 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 and approved the contents of this AIF related to the foregoing and consents to the inclusion in this AIF of all technical statements based on his information in the form and context in which they appear.

Information in this AIF 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 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 and approved the contents of this AIF related to the foregoing and consents to the inclusion in this AIF of all technical statements based on his information in the form and context in which they appear.

Any other information in this AIF 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.

14.0 AUDIT COMMITTEE

Audit Committee Charter

The purpose of the Audit Committee is to assist the Board in fulfilling its obligations and responsibilities relating to financial reporting, internal controls, corporate governance and the internal and external audit processes.

The full text of the charter of West African Resources' Audit Committee is available on the Company's website www.westafricanresources.com. This Charter was adopted by the Board in January 2014.

Composition of the Audit Committee

The Audit Committee members are Mark Connelly, Simon Storm and Ian Kerr.

Relevant Education and Experience

The education and experience of each of Messrs Connelly, Storm and Kerr that is relevant to the performance of his responsibilities as an audit committee member is set out above.

Auditor

The auditors of the Company are HLB Mann Judd of Level 4, 130 Stirling Street, Perth 6000 Western Australia.

External Auditor Service Fees

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Consolidated entity are important.

The Board of directors would consider the position, through the Audit Committee, and satisfy themselves that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. Furthermore, the Directors need to ensure that all non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor; and none of the services undermine the general principles relating to auditor independence as set out in APES 110, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

The following table provides details of the aggregate fees billed by West African's external auditor, HLB Mann Judd for each of the last two financial years.

	Consolidated	
	31 December 2018 \$'000	30 June 2018 \$'000
The auditor of West African Resources Ltd is HLB Mann Judd.		
Audit or review of the financial statements	18	28
All other services	1	-
	19	28
Amounts received or due and receivable by non HLB Mann Judd audit firms		
Audit or review of the financial statements	-	14
Certification of expenditure	5	-
	5	14

Audit fees were paid for professional services rendered by HLB Mann Judd for the audit and audit review of West African's annual and half yearly and financial statements, including those of its subsidiaries.

15.0 ADDITIONAL INFORMATION

Additional information relating to the Company can be found under the Company's profile on SEDAR at www.sedar.com and on the ASX at www.asx.com.au and the company's website www.westafricanresources.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of securities and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular for its most recent annual meeting of security holders that involved the election of directors.

Additional financial information is provided in the Company's financial statements and MD&A for its most recently completed financial period.