

KIACA DEVELOPMENT FULLY FUNDED VIA US\$265M SYNDICATED CORPORATE LOAN FACILITY

- WAF fully funded to first gold at Kiaka via credit approved US\$265 million Loan Facility
- Sprott Resource Lending Corp. and Coris Bank International SA have been mandated to arrange and underwrite the Loan Facility
- First drawdown of the Loan Facility expected in Q4 2023

West African Executive Chairman and CEO Richard Hyde commented:

“WAF has undertaken a comprehensive debt process that sees Kiaka fully funded to first gold.

“We are pleased to award the US\$265 million debt mandate to experienced mining-sector financiers, Sprott and Coris Bank, based on their committed and credit-approved offers.”

“Kiaka is one of the best gold projects in development globally. Construction is well-underway, and we look forward to completing the build at Kiaka and pouring first gold the second half of 2025.”

“WAF is on track to become a +400,000 ounce per annum gold producer with the development of Kiaka. Our unhedged 10-year production outlook estimates production of more than 200,000 oz gold per annum in 2023 and 2024, and more than 400,000 oz gold per annum from 2025 to 2032.”

Overview

West African Resources Limited (WAF or Company) has mandated Sprott Resource Lending Corp. (Sprott) and Coris Bank International SA (Coris Bank) (Syndicate) to provide a US\$265 million syndicated corporate loan facility (the Loan Facility) for the development of the Kiaka gold project (Kiaka). The Syndicate completed thorough technical and environmental due diligence on both the Sanbrado gold operation and the Kiaka gold project and has provided a credit approved committed offer of finance.

WAF is fully funded to complete development of Kiaka to commercial production from the Loan Facility, existing cash¹ and internal cash flow from Sanbrado during the build period.

Key terms of the Loan Facility include:

- Two tranche structure: Tranche 1 of US\$165 million; and Tranche 2 the equivalent of US\$100 million denominated in CFA Francs (XOF)².
- Repayments commence two years after satisfaction of conditions to initial drawdown (Closing Date), with final repayment to occur five years after the Closing Date.
- Early repayments permitted from three years after the Closing Date.
- Average interest rate margin on the two tranches of 5.3% per annum over the reference rate.
- Fixed production payment agreement (PPA) of US\$12.44 per ounce on the first 1.5 million ounces of gold produced from Kiaka. WAF retains right to buy back the PPA.
- No mandatory gold hedging.

¹ 31st March 2023 A\$160 million cash on hand and A\$32 million in unsold gold bullion

² XOF:USD exchange rate of 600 as at 28/06/2023

Conditions precedent to drawdown include execution and delivery of the Loan Facility documents, lodgement of security documents and other conditions customary for a facility of this nature. First drawdown of the Loan Facility is expected in Q4 2023.

Award of the debt mandate to the Syndicate follows a competitive selection process conducted by WAF and the Company’s financial advisor Orimco Pty Ltd.

About the Syndicate

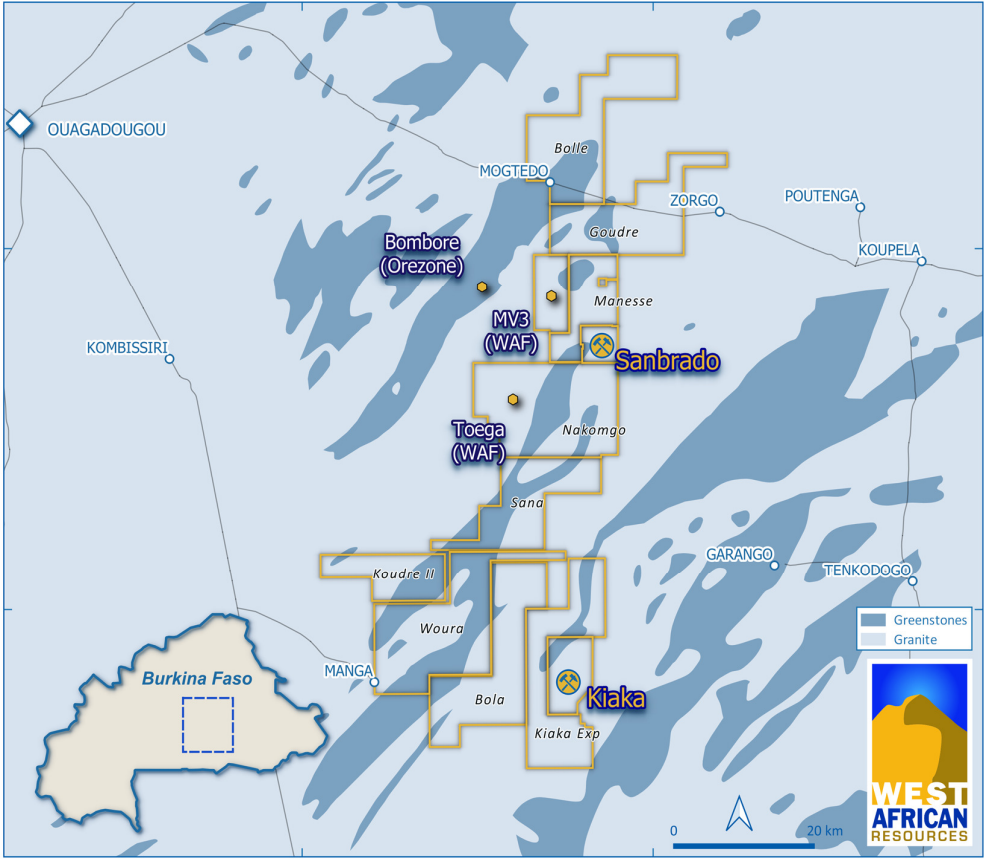
The Syndicate brings the benefits of global experience and valuable local Burkina Faso knowledge and relationships.

Sprott is an alternative asset manager and global leader in mining and real asset investments. Through its subsidiaries in Canada, the US and Asia, Sprott is dedicated to providing investors with best in-class investment strategies that include Exchange Listed Products, Alternative Asset Management and Private Resource Investments. Sprott is based in Toronto with offices in New York, Carlsbad, and Vancouver and the shares of its parent company, Sprott Inc., are listed on the Toronto Stock Exchange under the symbol (TSX:SII).

Coris Bank is headquartered in Burkina Faso and is listed on the *Bourse Régionale des Valeurs Mobilières* (BRVM), the regional stock exchange of the West African Economic and Monetary Union (WAEMU). Coris Bank has more than \$3.2 billion in assets, branches in nine countries and aims to become the leading commercial banking group in the West African region.

Coris Bank is also the regional leader in the financing of major mining projects, notably in Burkina Faso, Côte d'Ivoire, Mali and Guinea.

WAF Project Locations



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

Further information is available at www.westafricanresources.com.

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Forward Looking Information

This news release contains “forward-looking information” within the meaning of applicable Australian securities legislation, including information relating to West African’s future financial or operating performance that may be deemed “forward looking”. All statements in this news release, other than statements of historical fact, that address events or developments that WAF 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 WAF’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 WAF, 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 proposed to commence in H1 2023 with a 36 month construction schedule, and plans related to its business and other matters that may occur in the future, including the availability of future funding for the development of the project. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. Statements concerning mineral resource and ore reserve estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralisation that will be encountered if a mineral property is developed.

As well, all of the results of the feasibility study constitute forward-looking information, including estimates of internal rates of return, net present value, future production, estimates of cash cost, assumed long term price for gold, proposed mining plans and methods, mine life estimates, cashflow forecasts, metal recoveries, and estimates of capital and operating costs. Furthermore, with respect to this specific forward-looking information concerning the development of the Kiaka Gold Project, the Company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include among others:

1. the adequacy of infrastructure;
2. unforeseen changes in geological characteristics;
3. metallurgical characteristics of the mineralization;
4. the price of gold;
5. the availability of equipment and facilities necessary to complete development and commence operations;
6. the cost of consumables and mining and processing equipment;
7. unforeseen technological and engineering problems;
8. accidents or acts of sabotage or terrorism;
9. currency fluctuations;
10. changes in laws or regulations;
11. the availability and productivity of skilled labour;
12. the regulation of the mining industry by various governmental agencies; and
13. political factors.

This release also contains references to estimates of Mineral Resources and Ore Reserves. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Ore 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:

1. fluctuations in gold price;
2. results of drilling;
3. metallurgical testing and other studies;
4. proposed mining operations, including dilution;
5. the evaluation of mine plans subsequent to the date of any estimates; and
6. the possible failure to receive, or changes in, required permits, approvals and licenses.

Ore Reserves are also disclosed in this release. Ore Reserves are those portions of Mineral Resources that have demonstrated economic viability after taking into account all mining factors. Ore 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.

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 WAF'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 WAF'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.

WAF'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 WAF 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 WAF, please refer to WAF's financial statements and other filings all of which are filed on the ASX at www.asx.com.au and the Company's website www.westafricanresources.com.