West African Resources Limited

ABN 70 121 539 375

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

for the three and nine months ended 31 March 2014

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GENERAL

Presented below is a discussion of the activities, results of operations and financial condition of West African Resources Ltd. ("West African" or the "Company") for the three and nine month period ended March 31, 2014, compared to the same periods in the preceding year. This management discussion and analysis ("MD&A") was prepared using information available as of May 12, 2014 and should be read in conjunction with the Company's unaudited consolidated interim financial statements for the three and nine month period ended March 31, 2014 and notes thereto. These unaudited consolidated interim financial statements (the "Interim Financial Statements") are prepared in accordance with International Financial Reporting Standards ("IFRS") for interim reporting. As a result, this MD&A should also be read in conjunction with the audited annual financial statements for the year ended June 30, 2013 and notes thereto. The Interim Financial Statements include the accounts of the Company and its subsidiaries. All monetary amounts referred to herein are in Australian dollars unless otherwise stated.

Additional information relating to the Company can be found on the SEDAR website at www.sedar.com, on the Company's website at www.westafricanresources.com.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements as defined in applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of management's discussion and analysis. Inherent in forward-looking statements are risks and uncertainties beyond the Company's ability to predict or control, as described herein. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this management's discussion and analysis. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about general business and economic conditions, interest rates and foreign exchange rates, the timing of the receipt of regulatory and governmental approvals for projects, ability to attract and retain skilled staff, the impact of changes in foreign exchange rates on costs, market competition, the accuracy of resource estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based, tax benefits and tax rates, and ongoing relations with employees and with business partners. The reader is cautioned that the foregoing list of important factors and assumptions is not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.

TSX-V disclaimer

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CORPORATE OVERVIEW

West African is a mineral exploration company focused on building shareholder value through the identification, acquisition, assessment and development of mineral resource projects. The Company's portfolio includes mineral rights in a gold project in Burkina Faso.

The Company trades on the Australian Securities Exchange ('ASX') and the TSX Venture Exchange ('TSX') (with effect from January 2014) under the symbol "WAF" and warrants trading on the TSX under the symbol "WAF.WT". The Company is a reporting issuer in Canada in the provinces of British Columbia, Alberta, Saskatchewan and Ontario.

OPERATIONS HIGHLIGHTS

West African Resources Limited (ASX: WAF) is pleased to report activities on its 100%-owned and 100%-earning gold and copper-cold projects in Burkina Faso, West Africa, for the quarter ending 31 March 2014.

Highlights

- ✓ Resource estimate updated for Mankarga 5 gold deposit
- ✓ Inferred Resources increased by 74% to 1.1Moz
- ✓ Indicated Resources increased by 12% to 0.4Moz
- ✓ 1.6Mtpa heap leach plant purchased – aiming for 50,000ozpa gold production at Mankarga 5 within 2 years
- ✓ Scoping Study due June quarter 2014
- ✓ West African signs agreement for final 10% of Tanlouka Permit, WAF now have right to acquire 100% WAF following positive feasibility study
- ✓ Completion of 10% placement to raise $3 million

Exploration Highlights

- ✓ Completed aircore program at Mankarga 5 (4,600m)
- ✓ Ongoing diamond program at Mankarga 5 (1,200m+)
- ✓ Auger drilling encompassing Tanlouka tenement commenced (Mankarga 1-4, Manesse, Tanwaka targets)
- ✓ Aircore program commenced at Goudré

March 2014 Quarter Summary:

- ✓ 5,303m drilled
- ✓ $930k Exploration Expenditure
- ✓ $352k Administration Costs
- ✓ $1.2m cash at 31 March 2014 ($4m after April 2014 placement)
- ✓ Fully funded exploration programs into 2014

An updated independent resource estimate for the Mankarga 5 deposit at the Tanlouka Permit, part of the Boulsa Gold Project, was completed and reported on 14 April 2014, increasing the Inferred Resources by 74% and the Indicated Resources by 12% (using a 0.5g/t gold cut-off). This followed West African entering an agreement to acquire the remaining 10% of the Tanlouka Permit in March. The Company now has the right to earn 100% of the project following completion of a positive feasibility study.

West African purchased a used 1.6Mtpa heap leach plant for the Boulsa Project in February and is targeting gold production from the Mankarga 5 deposit within two years. A scoping study to determine the economic potential of a low cost heap leach starter project will be completed by the end of June 2014.
A breakdown of drilling for the March Quarter includes:

- Diamond: 10 holes for 1,828.2 m
- Auger: 281 holes for 1,550 m
- AC: 72 holes for 1,925 m

The Company's objective is to develop a low cost heap leach operation from the combination of the Mankarga 5 deposit and nearby prospects including targets at Moktedu and Goudré. To achieve this stated goal the Company has completed a resource update at Mankarga 5 during the March quarter, leading to the completion of a scoping Study and Preliminary Economic Assessment (PEA) in the June 2014 Quarter.

MINERAL PROJECTS

Burkina Faso, West Africa

The majority of West African's exploration activities since listing the Company on ASX in 2010 have been focused on Burkina Faso, located in the Sahel region of West Africa. The Sahel is a transition zone between the Sahara Desert to the north and the savannas to the south, and stretching the full width of the continent, having a semi-arid climate.

The area now known as Burkina Faso was ruled by the Mossi kingdoms from medieval times until France claimed the region in 1896 when it became known as Upper Volta. In 1960 the Republic of Upper Volta was granted autonomy by France and in 1987 the name of the country was changed to Burkina Faso.

Most of central Burkina Faso lies on a savanna plateau, 200 to 300 meters above sea level.
Some key characteristics of Burkina include:

- Average annual rainfall: ~100 cm in the south; ~25 cm in the north and northeast.
- Population: 17.8 million (2013 est.) with a growth rate of approximately 3%.
- Language: French and Mòoré
- Average population density: approximately 51.4 people per square kilometer with concentrations in urban areas approximately 80 people per square kilometer.
- Ethnicity: The country is generally regarded as an ethnically integrated, secular state, its population belonging to two major West African cultural groups - the Voltaic and the Mande. The 60% of Burkinabe are Muslim with 25% Christian but most also adhere to traditional African religions.
- Education: Compulsory until the age of 16; however, only about 80.3% of Burkina's primary school age children are enrolled in primary school. Of those enrolled, about 41.7% complete primary school.
- Government: Parliamentary Republic. Gained independence from France in 1960. Follows the French model of civil law based on a constitution adopted in 1991.
- Economy: GDP per capita (PPP) of $1,400 (2012 est.); Real GDP growth of 8% (2012 est.) (4.2% in 2011); Inflation rate of 3.8% (2012 est.) (2.8% in 2011). Mining and the agricultural sectors (primarily cattle and cotton) are the main sources of growth. Approximately 80% of the population relies on subsistence agriculture, with only a small fraction directly involved in industry and services.

Burkina Faso is working to expand its economy by developing its mineral resources, particularly gold, improving its infrastructure, making its agricultural and livestock sectors more productive and competitive, and stabilizing supplies and prices of food grains. Gold has reportedly become the country’s top export commodity.

In 2011, gold earned Burkina Faso 127 billion CFA (~$267 million), in comparison with 440 billion CFA (~$926 million) for the four-year period between 2007 and 2011, accounting for 64.7 percent of all exports and 8 percent of GDP. Production rose from 23 tonnes in 2010 to 32 tonnes in 2011.

Gold Exploration in Burkina Faso

Burkina Faso is located between Ghana and Mali and is home to approximately 30% of the Birimian greenstone belts of West Africa. The Birimian greenstone belts of West Africa have long been a focus for gold explorers and they host several world-class deposits. Exploration and development activity in Burkina Faso has accelerated significantly in the last 10 years, with several projects now having entered the production phase, including IAMGOLD's Essakane mine, High River Gold's Taparko-Boroum mine, and Semafo's Mana mine.

About West African Resources and the Boulsa and Mankarga 5 Gold Project

The Boulsa Project in Burkina Faso covers over 3,700km² and 200km of strike length of early Proterozoic Birimian greenstone belts which are highly prospective for gold mineralisation. In January 2014, West African acquired Channel Resources Ltd, which owns 90% of the Tanlouka Permit hosting the Mankarga 5 deposit. The Company has an arrangement in place to acquire the remaining 10% of the Tanlouka permit following the completion of a positive feasibility study.

West African is focused on near term production through the addition of the Tanlouka Permit with existing nearby gold prospects.

West African made a major Au-Cu-Mo discovery at the Sartenga Discovery in 2012.

West African is focused on cost-effective copper-gold exploration, by keeping our administration and corporate costs to a minimum and exploring as expeditiously as possible. The Company owns and operates a fleet of seven drill rigs, which are working continuously on the Boulsa Gold Project.

In Burkina Faso we have a local exploration, drilling and support team of more than 50 people. West African Resources is committed to the training and development of its local workforce.

West African's Projects

Tanlouka Permit (WAF 90%)

West African acquired the Tanlouka Permit in January 2014 following its acquisition of TSXV-listed Channel Resources Ltd. The permit adjoins WAF's existing Boulsa landholding. Since the acquisition, West African fast-tracked exploration at Mankarga 5, including reverse circulation (RC) drilling, metallurgical diamond core drilling and oriented diamond core drilling targeting high-grade zones. On 14 April 2014, West African reported an updated independent resource estimate for Mankarga 5 which now comprises an Indicated Resource (at a 0.5g/t cut-off) estimated at 10.8 million tonnes grading 1.3g/t gold containing 437,000 ounces gold and an Inferred Resource (at a 0.5g/t cut-off) estimated at approximately 32.7 million tonnes grading 1.0 g/t gold containing 1,050,000 ounces gold. Indicated Resources (at a 1g/t cut off) are estimated at 5.7 million tonnes grading 1.7g/t gold containing 315,000 ounces gold, and Inferred Resources (at 1g/t cut off) are estimated at approximately 11.4 million tonnes at a grade of 1.6 g/t gold containing 568,000 ounces gold. Approximately 29% of the Mankarga 5 Deposit is classified as Indicated and 77% of the oxide and transitional mineralisation classified as Indicated.
Importantly, near-surface oxide and transition Indicated Resources (at a 0.5 g/t cut-off) are estimated at 6.6 million tonnes at a grade of 1.2g/t gold containing 252,000 ounces gold with remaining near-surface oxide and transitional Inferred Resources (at a 0.5 g/t cut-off) estimated at approximately 2.7 million tonnes grading 0.9 g/t gold containing 75,000 ounces gold. Table 1 shows the updated Mineral Resource for the Mankarga 5 deposit.

Table 1 : Mankarga5 April 2014 Resource

	Cut-off (Au g/t)	Indicated Resource				Inferred Resource			
		Vol (m^3)	Tonnes	Grade (Au g/t)	Au Oz	Vol (m^3)	Tonnes	Grade (Au g/t)	Au Oz
Oxide	0.5	2,520,000	5,500,000	1.2	214,000	910,000	2,000,000	0.8	52,000
	1	1,210,000	2,700,000	1.7	145,000	160,000	400,000	1.5	17,000
Transitional	0.5	420,000	1,100,000	1.1	38,000	260,000	700,000	1.1	23,000
	1	180,000	500,000	1.6	23,000	70,000	200,000	2.2	13,000
Fresh	0.5	1,550,000	4,200,000	1.4	184,000	11,120,000	30,000,000	1.0	974,000
	1	970,000	2,600,000	1.7	146,000	4,020,000	10,800,000	1.5	538,000
Total	0.5	4,490,000	10,800,000	1.3	437,000	12,290,000	32,700,000	1.0	1,050,000
	1	2,360,000	5,700,000	1.7	315,000	4,250,000	11,400,000	1.6	568,000

The Company aims to be a +50,000oz per annum gold producer within two years via a low-cost heap leach starter project at the Mankarga 5 deposit, subject to study outcomes and availability of financing. West African secured a second-hand 1.6Mtpa heap leach plant in February as part of its plan to fast-track development of Mankarga 5.
Detailed metallurgical test work is underway on Mankarga 5 drill core in Perth. Results of this test work, along with the updated resource estimate, will be incorporated into the scoping study which will be released by the end of the June 2014 quarter.

Figure 1 shows all drill collars included in Mankarga 5 resource model showing grade distribution and a typical cross section through the deposit. Figure 2 is a long section through the deposit showing resource category.

Figure 1: Mankarga 5 Resource Model (looking northeast) and Cross-section-(looking north)

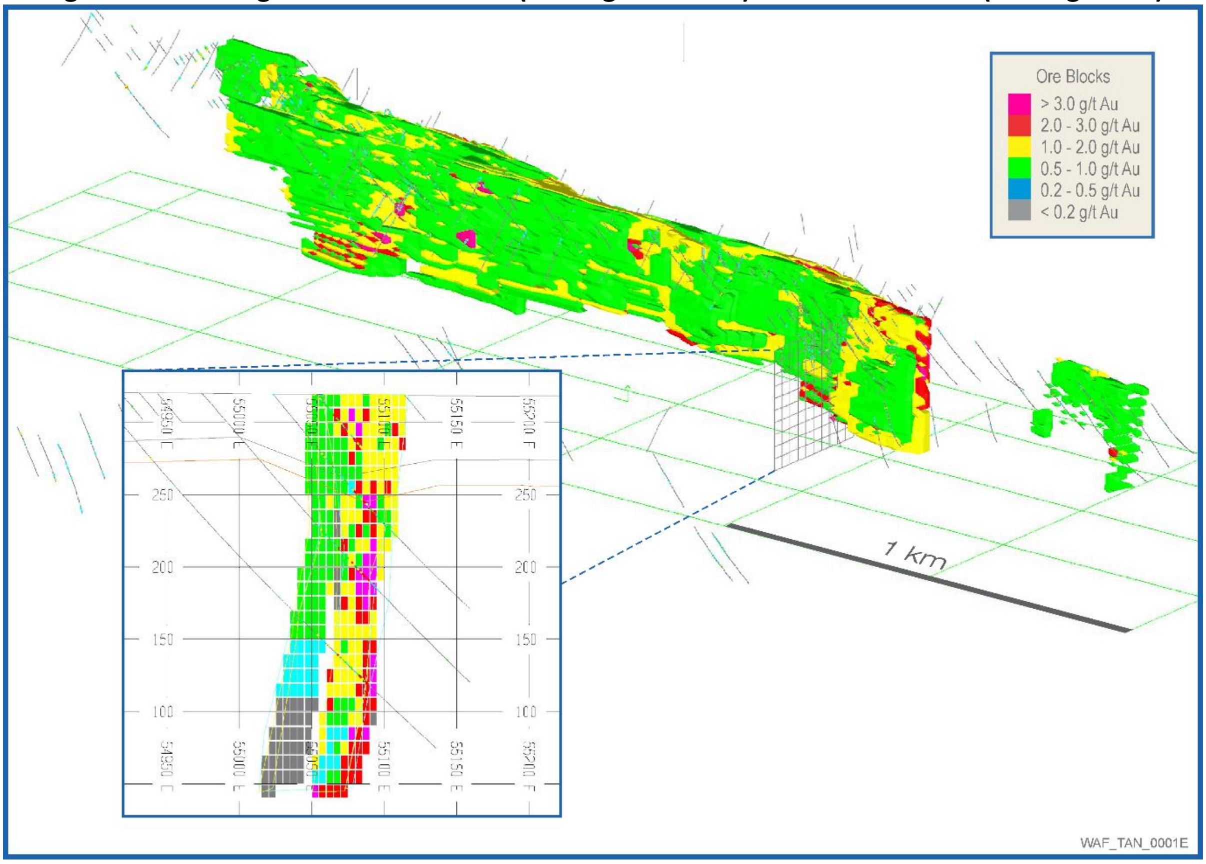
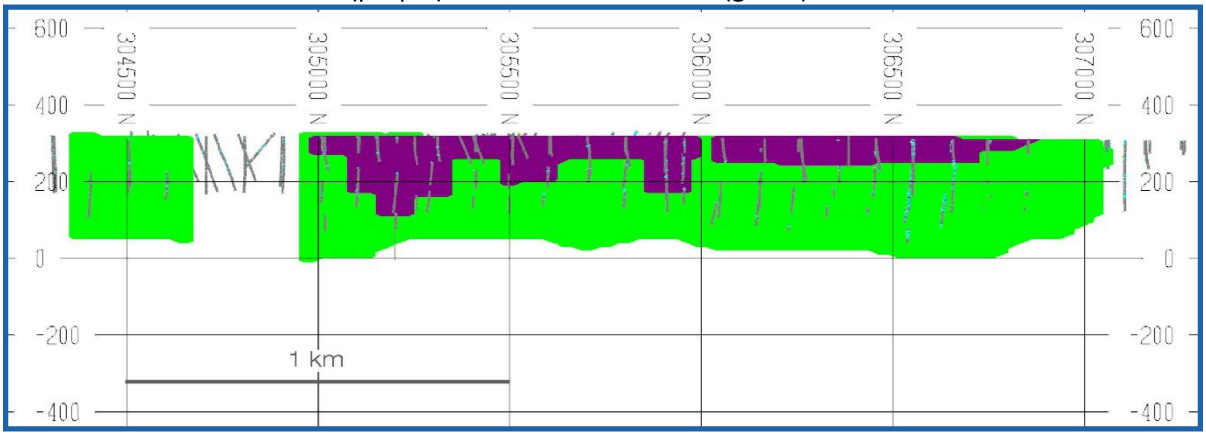


Figure 2: Mankarga Block Model Long-Section - Looking grid west showing resource category Indicated Resource (purple) and Inferred Resource (green) classification.



Summary of Resource Estimate and Reporting Criteria

A summary of the material information used to estimate the mineral resource is presented below in accordance with JORC reporting guidelines. A more detailed description is contained in Appendix 1.

Geology and Geological Interpretation

Rocks in the Mankarga 5 area comprise metasediments and volcano sedimentary units which have been intruded by diorite and granodiorite. The project area hosts shear zone type quartz-vein gold mineralisation. Gold mineralization at Mankarga 5 is associated with quartz veining with silica, sulphide and carbonate-albite, tourmaline-biotite alteration. The mineralised shear hosting mineralisation can be traced on 100m and 50m spaced sections over almost 3km. The mineralisation interpretation utilised a 0.2 g/t Au edge cut-off for overall shear zone mineralisation. Within this discrete higher grade Hanging-wall and Foot-wall zones were modelled using a 0.5 g/t Au edge cut-off.

Sampling and sub-sampling techniques

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

Drilling Techniques

The area of the Mankarga 5 resource was drilled using Reverse Circulation (RC), Aircore (AC) and Diamond drill holes (DD) on a nominal 100m x 25m grid spacing with infill on 50m spaced lines in several areas. A total of 116 AC holes (4601m) and 8 DD holes (1283.2m) were drilled by West African Resources (WAF) in 2013-2014. A total of 60 RC holes (7296.2m) and 71 DD holes (15439.6m) were drilled by Channel Resources (CHU) in 2010-2012. Holes were angled towards 120° or 300° magnetic at declinations of between -50° and -60°, to optimally intersect the mineralised zones.

Classification

Resource classification was based on geological confidence and spatial review of quality coding which reflected the quality of the estimate for each block. Areas within the Hanging Wall and Footwall zones that had high confidence estimate values, had sufficient drilling density (<50m spaced drilling) or were proximal to 100m by 25m spaced drill lines were assigned as Indicated Resources. The remainder was classified as Inferred.

Sample analysis method

Historic and recent RC and diamond core 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.

Estimation Methodology

Ordinary kriging was selected as the most appropriate method for estimating Au for the Mankarga 5 deposit. A block size of 5m X, 25m Y and 10m Z was selected as an appropriate block size for estimation given the drill spacing (50 to 100m strike spacing), mineralisation geometry and the likely potential future selective mining unit (i.e. appropriate for potential open pit mining). A zone and zone percentage coding was used to accurately represent domain volumes.

Cut-off grades

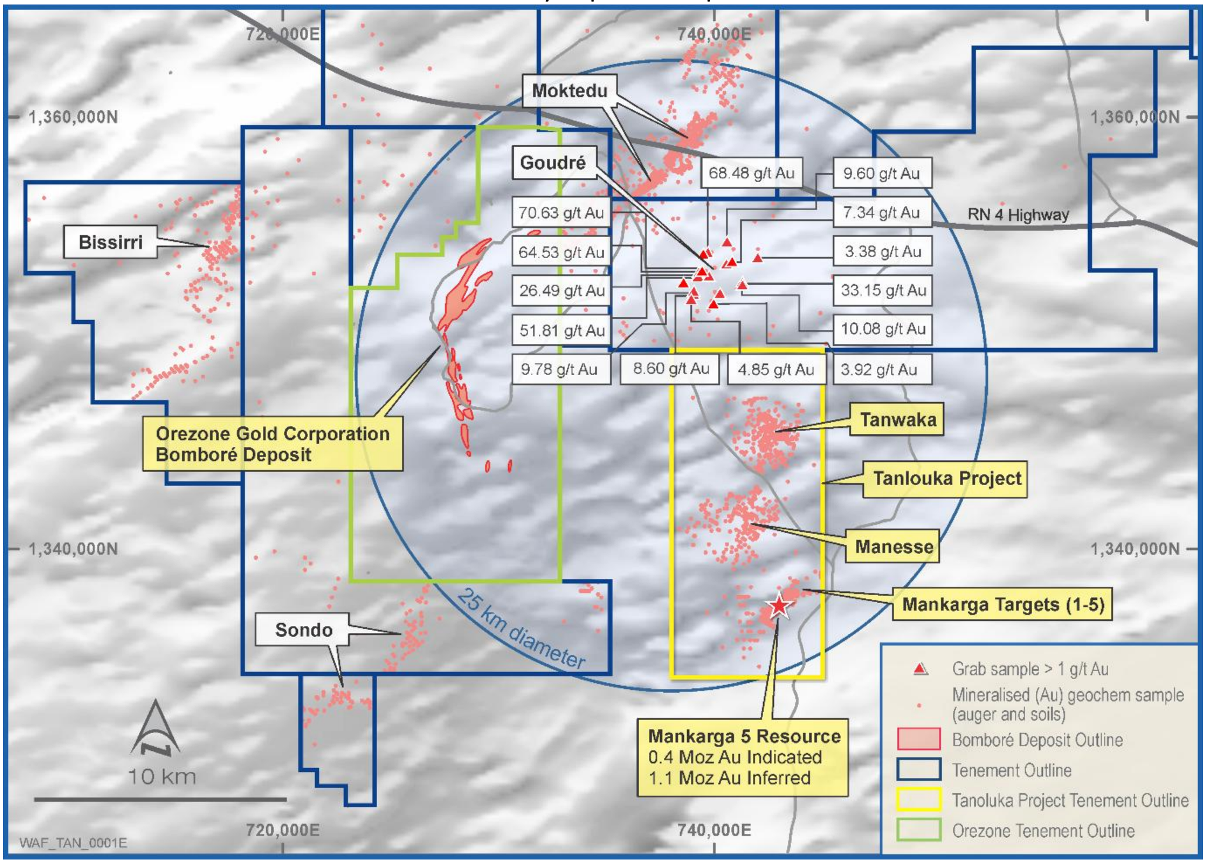
The resource is reported at cut-offs of 0.5 g/t Au and 1.0 g/t Au which were considered reasonable and reflect that the final cut-off determination will be dependent on the scale of any potential future operation. High yield limits were used to restrict the influence of high outlier grades. A high yield limit of 10 g/t Au was used based on the 99th percentile values. The high yield limit was restricted to within 25m of an outlier grade. The removal of outlier grades removes approximately 8% of reported Au metal.

Mining and metallurgical methods and parameters and other material modifying factors

The most likely development scenario for the deposit is as an open cut (pit) mine. No mining dilution has been applied to the reported estimate. Preliminary metallurgical test work was completed for Channel Resources in 2012 by SGS Laboratories in Vancouver. Cyanide bottle roll tests returned recoveries of 93% to 95% for oxide and 85% to 92% for sulphide mineralisation. Coarse bottle roll test work to test the amenability of material to processing by heap leach methods returned recoveries of 79% for oxide and 30% for sulphide. More detailed metallurgical heap leach test work is currently underway at ALS Ammtec in Perth. Results are expected by the end of this quarter.

The Company will continue drilling throughout 2014 with aim of adding further resources suitable for heap leach treatment. Diamond drilling is also continuing at Mankarga 5. An auger drilling program encompassing the entire Tanlouka permit has recently commenced which is designed to better define targets, ahead of drilling, at Mankarga 1 – 4, Manesse and Tanwaka. Figure 3 shows locations of prospects with exploration potential within a 25km zone in the south-western area of the Boulsa Project.

Figure 3: South-Western Boulsa Project – Location of Mankarga 5 deposit and nearby exploration potential



As announced on 5 March, West African entered into an agreement to acquire the remaining 10% of the Tanlouka Permit, part of the Boulsa Project, Burkina Faso. The acquisition will take West African to 100% ownership of the permit.

The acquisition, which is conditional on completion of a positive feasibility within 18 months, comprised the following consideration:

- US$50,000 on execution of the agreement
- Issue of 2,500,000 ordinary shares in West African Resources Ltd and payment of US$250,000 following completion of a positive feasibility study on the Tanlouka permit.

CORPORATE

During the quarter, the Company completed a transaction announced on 14 August 2013, pursuant to which it acquired, by way of a Plan of Arrangement, all of the issued and outstanding common shares and options of Channel Resources Ltd ('Channel').

The terms of the Arrangement were as follows:-

1. The common shares of Channel to be exchanged for ordinary shares in the Company at a ratio of four (4) Channel shares for one (1) Company share - 29,837,123 shares were issued on 17 January 2014, resulting in Channel shareholders holding 12.1% of the total outstanding shares of West African;
2. Channel shareholders to receive 1 (one) share purchase warrant (“Warrant”) for every two (2) Company shares received in the Arrangement, each Warrant being exercisable to acquire one (1) Company share at a price of A$0.40 expiring 17 January 2017 - 14,918,508 Warrants were issued on 17 January 2014;
3. Each outstanding Channel option to acquire a Channel share would be exchanged for one quarter (1/4) of a West African option - 1,365,000 unlisted options were issued on 17 January 2014 with exercise prices between 42 cents and $1.66 and expiry dates between 31 March 2014 and 26 July 2017; and
4. Under contractual commitments with key management of Channel, the closing of the Plan of Arrangement triggered certain payments to each of the CEO and the SVP & CFO of Channel. Under the Arrangement Agreement, Channel and West African agreed to settle the Change of Control Payments payable by Channel to the CEO and the SVP & CFO by way of an aggregate $550,000 payment ($275,000 in cash and $275,000 in West African shares). In settlement of the $275,000 share component, 2,199,631 shares were issued on 17 January 2014.

Pursuant to the terms of the Arrangement, the Company sought listing on the TSX.V, with conditional approval being granted on 15 January 2014. This allowed for the closing of the transaction on 17 January 2014 and the listing of West African common shares and warrants under the symbols “WAF” and “WAF Wt” respectively occurred on 24 January 2014.

Appointment of Non-Executive Director - Jean-Marc Lulin

Jean-Marc Lulin was appointed to the West African Board in January 2014. His appointment followed West African’s acquisition of TSXV-listed Channel Resources Ltd and listing on the Toronto Stock Exchange Venture (TSXV) index.

Mr. Lulin is a senior mining executive with 30 years of experience in North America, Africa and Europe. Since June 2003, Mr. Lulin has been as President, CEO and Director of TSXV listed company Azimut Exploration Inc. Mr Lulin was formerly the President and COO for Channel Resources (1996-2001), Vice President West Africa for Channel Resources (1995-1996) and has extensive West African experience.

Appointment of Non-Executive Director - Colin Jones

Colin Jones was appointed to the West African Board in February 2014, replacing Stephen Ross. His appointment followed West African’s acquisition of TSXV-listed Channel Resources Ltd and listing on the Toronto Stock Exchange Venture (TSXV) index.

Mr Jones has 30 years of experience as a mining, exploration and consulting geologist and is experienced in a number of different geological environments. He has worked on all continents on producing mines, as part of feasibility teams and also in exploration. He was most recently Executive Vice President at Dundee Resources Limited in Toronto. He is a Director of Geodrill Ltd (TSXV:GEO) and of Eurotin Inc. (TSXV:TIN).

Share placement raises $3 million

In March, West African commenced a 10% placement raising $3 million, before costs, by issuing 23.1 million ordinary shares at 13 cents. The placement was completed and shares allotted in early April 2014. The placement was well supported by existing shareholders and high-net-worth individuals. Funds will be used for further drilling and the Mankarga 5 scoping study.

The placement was completed by Blackwood Capital Limited and made in accordance with the Company's available 15% capacity pursuant to ASX Listing Rule 7.1. New shares had an issue price of 13 cents and rank equally with existing WAF ordinary shares quoted on the ASX and TSX-V.

Completion of the placement and settlement occurred in April, 2014.

OUTLOOK

Near-term Strategy

The Company aims to be a +50,000oz per annum gold producer within two years via a low-cost heap leach starter project at the Mankarga 5 deposit, subject to study outcomes. West African has secured a second-hand 1.6Mtpa heap leach plant as part of its plan to fast-track development of Mankarga 5. Detailed metallurgical test work is underway on Mankarga 5 drill core in Perth. Results of this test work, along with the updated resource estimate, will be incorporated into the scoping study which will be released by the end of this quarter. The proposed project development schedule for Mankarga 5 is shown below.

Timeline of Key Deliverables for the Mankarga 5 Project								
	2014				2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Drilling								
Resource upgrade	✓			•				
Scoping Study		•						
Metallurgical Tests		•		•				
Feasibility Study				•				
Permitting					•			
Construction								•
Production								•

• = expected completion ✓ = completed

June 2014 Quarter Plans:

- Complete auger drilling on 400m by 100m pattern of entire Tanlouka permit
- Diamond and aircore drilling at Mankarga targets and aircore drilling at Goudré
- Scoping study investigating economic potential of low cost heap leach project for Mankarga 5

TECHNICAL INFORMATION AND QUALIFIED PERSONS

All technical information in this MD&A has been prepared under the supervision of Richard Hyde, who is the Company's "Qualified Person" under the definition of NI 43-101.

Mineral Resources which are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates presented in this report are by nature imprecise and depend, to a certain extent, upon geological interpretation and statistical inferences that are based on drilling information that may ultimately prove to be unrepresentative or unreliable. They may be materially affected by geology, environment, permitting, legal, title, taxation, socio-political, marketing or other relevant issues. Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Figures presented may not sum due to rounding. Significant figures do not indicate added level of precision.

The 2012 resource model and Mineral Resource Estimate for the Mankarga 5 deposit at the Tanlouka Gold Project were prepared by Mr. Jeffrey K. Smith, P.Geo., Principal Geologist at AMEC in Toronto, Ontario, who is an independent Qualified Person as defined in National Instrument 43-101 and who has conducted a site audit at the Tanlouka Project and reviewed data collection, quality control, geological interpretations and modelling procedures used by the Company. The estimate by AMEC is consistent with the standards set out in Canadian Securities Administrators' National Instrument 43-101 and the Company is treating both the indicated and inferred gold resource estimate as a National Instrument 43-101 resource estimate.

RESULTS OF OPERATIONS

Summary of Financial Results

	3 months ended		9 months ended	
	31-03-14	31-03-13	31-03-14	31-03-13
	$	$	$	$
Administration Expenses	(230,114)	(138,902)	(1,204,579)	(1,046,872)
Exploration Expenses	(9,057,410)	(1,108,202)	(11,183,375)	(3,369,482)
Share of loss of equity accounted investees	185,141	-	-	-
Other income	27,656	25,905	67,422	142,183
Loss before income taxes	(9,074,727)	(1,221,199)	(12,320,532)	(4,274,171)
Income tax benefit	316,690	-	316,690	-
Net loss	(8,758,037)	(1,221,199)	(12,003,842)	(4,274,171)
Non-controlling interest	-	-	-	-
Net loss attributable to the Company's shareholders	(8,758,037)	(1,221,199)	(12,003,842)	(4,274,171)
Net loss per common share, basic and diluted	(3.6)	(0.7)	(5.5)	(2.3)

The Company's accounting policy for exploration expenditure is to expense it as incurred. The reported net loss in the Company's consolidated financial statements reflects the administrative expenses required to support the exploration activities in Burkina Faso as well as other items offset by other income.

The reported net loss for the three and nine months ended March 31, 2014 primarily reflects exploration expenditure incurred on the Sartenga, Moktedu and Tanlouka projects in Burkina Faso, together with administrative expenses required to support those exploration activities. Furthermore, included in exploration expenses for the quarter is the exploration property interests acquired on the acquisition of Channel Resources Ltd. This acquisition was determined to be an asset acquisition, rather than a business combination, as the substance and intent of the transaction was for the Group to acquire the exploration and evaluation assets of Channel for the purpose of expanding the Group's overall resource base. The vehicle containing the assets was of no consequence to the underlying substance and intent of the transaction. Consistent with the Company's accounting policy, $8.0m comprising exploration property interests have been expensed.

During the previous quarter the Company brought to account its share of an operating loss of $185,141 for its equity accounted 19.9% investment in Channel Resources Limited, which was acquired in September 2013. Subsequent to the December 2013 quarter end, 100% of Channel was acquired pursuant to a Plan of Arrangement, hence this amount has been reversed in the March 2014 quarter.

During the quarter the Company received an R&D Tax Incentive of $316,690 in respect of the 2013 financial year, and this has been accounted for as an income tax benefit. No similar benefit was applied for in previous years.

Expenditures and Other Income

	3 months ended		9 months ended	
	31/03/2014 $	31/03/2013 $	31/03/2014 $	31/03/2013 $
Regulatory and compliance expense	(32,705)	(19,639)	(81,861)	(64,322)
Office expense	(31,652)	(24,736)	(122,091)	(93,406)
Depreciation expense	(102,015)	(722)	(267,224)	(227,394)
Personnel expense	(24,662)	(35,587)	(138,381)	(118,140)
Travel and accommodation expense	(18,762)	(6,400)	(27,638)	(22,275)
Property expense	(50,729)	(11,449)	(73,520)	(37,340)
Consulting fee expense	98,156	(26,059)	(173,930)	(89,524)
Audit fees	(35,506)	(8,494)	(53,153)	(27,995)
Director's fees	(17,500)	-	(52,500)	(35,000)
Share based payments	(14,739)	-	(214,281)	(331,476)
Foreign exchange loss	-	(5,816)	-	-
	(230,114)	(138,902)	(1,204,579)	(1,046,872)

Expenditures, net of other income, increased to $230,114 in Q3 2014 as compared to $138,902 in Q3 2013. On a year-to-date basis (9 months), these expenses were $1,204,579 in YTD 2014 as compared to $1,046,872 in YTD 2013. The significant variations in expenditures and other income in the current reporting periods, as compared to those in the preceding year, are described below:

- Increase in the non-cash depreciation expense, as previously depreciation was not brought to account during March quarter ends ;
- as a general comment, there is an increase in costs attributable to the consolidation of the Burkina operations of Channel into the Group result effective from 17 January 2014; and
- Consulting fee expenses has decreased during the quarter as a consequence of legal costs being re-allocated as directly attributable to the Channel Resources Ltd transaction and included as part of the acquisition cost.

SUMMARY OF QUARTERLY RESULTS

	Three Months Ended 31-Mar-14 ("Q3 2014") $	Three Months Ended 31-Mar-13 ("Q3 2013") $	Three Months Ended 31-Dec-13 ("Q2 2014") $	Three Months Ended 31-Dec-12 ("Q2 2013") $	Three Months Ended 30-Sep-13 ("Q1 2014") $	Three Months Ended 30-Sep-12 ("Q1 2013") $
Revenue	27,656	25,905	14,593	81,407	25,173	122,094
Total assets	1,766,523	4,004,194	3,366,482	4,004,194	5,161,439	8,038,532
Property, plant and equipment	382,152	594,528	420,171	594,528	475,817	600,521
Working capital	931,718	2,772,241	1,220,478	2,772,241	2,503,791	6,602,526
Shareholders' equity	1,313,870	3,366,769	3,018,552	3,366,769	4,547,019	7,199,369
Net loss attributable to shareholders	8,761,369	1,135,505	1,575,582	2,326,799	1,655,638	800,122
Loss per share, basic and diluted	(0.036)	(0.007)	(0.007)	(0.012)	(0.017)	(0.004)

LIQUIDITY AND CAPITAL RESOURCES

Revenue and Reliance on Equity Financing

With the exception of interest earned on money market deposits, the Company does not have any revenue or cash inflows from its operations. Its operational activities during the current reporting periods were financed by the Company's working capital carried forward from the preceding period and a share capital placement completed in September 2013. At present, the Company's financial success is dependent on management's ability to discover economically viable mineral deposits and to raise required funding through equity or debt issuances, asset sales or a combination thereof. The mineral exploration process can take many years to advance to development and production, and is subject to various factors that are beyond the Company's control.

As of March 31, 2014, the Company had working capital of $931,718 (December 31, 2013 $1,220,478). Cash acquired on acquisition of Channel Resources Limited of $1,259,790 was brought to account during the March 2014 quarter. During the September 2013 quarter the Company completed a private placement to sophisticated and professional investors and raised $2.858 million before costs.

Sources and Uses of Cash

As of March 31, 2014, the Company had cash and cash equivalents of $1,170,945 (June 30, 2013 - $3,328,461). Cash and cash equivalents include bank and money market deposits, which are highly liquid short-term interest bearing investments.

The decrease in cash and cash equivalents by 65% to $1,170,945 during the nine months ended March 31, 2014, arose due to the following reasons:-

Operating cash flows

Cash outflows from operating activities decreased by 10% to $3,951,683 (March 31,2013: $4,385,707) mainly because of the reduction in exploration expenditure and the receipt of and R&D tax incentive.

Investing cash flows

Cash outflows from investing activities increased by 112% to $979,197 (March 31,2013: $462,526) due mainly to the acquisition of Channel Resources Ltd and partly as a consequence of legal and other professional costs associated with that acquisition under the Plan of Arrangement transaction.

Financing cash flows

Cash flows from financing activities decreased by 57% to $2,683,461 (March 31,2013: $6,199,344) due to less funds being raised from an equity placement in September 2013 compared to an equity placement in September 2012, with 19.1 million and 22.4 million shares being issued at 15 cents and 20 cents respectively. In addition 10.4 million options were exercised at 20 cents in the March 2013 quarter.

Capital Risk Management

The Company has no debt instruments at this time and all of the Company's funds net of outstanding payables are unencumbered and available for use as working capital. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. In the opinion of management, the fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Outstanding Share Capital

As of the date of this MD&A, the Company has 270,301,498 ordinary shares on issue and 24,654,407 incentive stock options and warrants at a weighted average exercise price of $0.43 per share.

OFF BALANCE SHEET ARRANGEMENTS

There are no off balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

The consolidated financial statements include the financial statements of West African Resources Limited and the subsidiaries listed in the following table.

Controlled entities	Country of incorporation	Percentage Owned 31-03-14 %	Percentage Owned 30-06-13 %
Parent Entity:			
West African Resources Ltd	Australia		
Subsidiaries of West African Resources Ltd:			
Wura Resources SARL Pty Ltd	Burkina Faso	**100**	100
Wura Uranium Resources Pty Ltd	Australia	**100**	100
Swan Resources SARL Pty Ltd	Burkina Faso	**100**	100
Hawthorn Resources SARL Pty Ltd	Burkina Faso	**100**	100
West African Resources Exploration SARL	Burkina Faso	**100**	100
West African Resources Development SARL	Burkina Faso	**100**	100
West African Resources Ltd SARL	Burkina Faso	**100**	-
Channel Resources Ltd	Canada	**100**	-
which owns			
Channel Resources (Cayman I) Ltd	Cayman	**100**	-
which owns			
Channel Resources (Cayman II) Ltd	Cayman	**100**	-
which owns			
Tanlouka SARL	Burkina Faso	**100**	-

The Company finances the operations of all of its subsidiaries and thus these companies will have unsecured borrowings from the Company that are interest free and at call. The ability for these controlled entities to repay debts due to the company (and other parties) will be dependent on the commercialisation of the mining assets owned by the subsidiaries.

	31-03-14 $	31-03-13 $
Amounts payable to Directors for Directors Fees	**27,611**	17,500
Amounts payable to Directors for Consulting Fees	**98,902**	172,553

(a) Details of Key Management Personnel

Directors

Francis Harper	Chairman (non-executive)
Richard Hyde	Managing Director
Stephen Ross	Director (non-executive) - resigned 28 February 2014
Simon Storm	Director (non-executive)
Jean-Marc Lulin	Director (non-executive) – appointed 29 January 2014
Colin Jones	Director (non-executive) – appointed 28 February 2014

(b) Compensation of Key Management Personnel

	Consolidated 3 months ended 31-03-14 $	Consolidated 3 months ended 31-03-13 $	Consolidated 9 months ended 31-03-14 $	Consolidated 9 months ended 31-03-13 $
Short-term employee benefits	**107,825**	97,714	**312,187**	293,141
Share-based payments	**14,739**	-	**214,281**	331,476
	122,564	97,714	**526,468**	624,617

(c) Other transactions and balances with Key Management Personnel

Transactions between related parties are on normal comercial terms no more favourable than those available to other parties unless otherwise stated. Amounts paid or payable are:-

	Consolidated 3 months ended 31-03-14 $	Consolidated 3 months ended 31-03-13 $	Consolidated 9 months ended 31-03-14 $	Consolidated 9 months ended 31-03-13 $
Directors				
The Director and Company Secretary, Mr Storm is a director and shareholder of Dorado Corporate Services Pty Ltd which has provided company secretarial and accounting services to the company on normal commercial terms. $3,745 / quarter of this amount relates to Company Secretarial remuneration for Mr Storm's services.	**28,902**	20,410	**78,253**	61,255
The Managing Director, Mr Hyde, is a director and shareholder of Azurite Consulting Pty Ltd which has provided consultancy services to the company on normal commercial terms amounting to $70,000/quarter	**70,000**	70,000	**210,000**	210,000
The Director, Mr Harper, is a director and shareholder of Blackwood Capital Ltd which has provided consultancy and capital raising services to the company on normal commercial terms. $8,750 / quarter of this amount relates to directors' remuneration.	**8,750**	90,893	**197,179**	380,216
The Director, Mr Ross, is a director and shareholder of Roman Resource Management Pty Ltd which has provided consulting services to the company on normal commercial terms. $8,750 / quarter of this amount relates to directors' remuneration.	**8,750**	8,750	**26,250**	26,250
The Director, Mr Lulin (appointed 29 January 2014) , is paid directors fees of $8,750 / quarter	**7,194**	-	**7,194**	-
The Director, Mr Jones (appointed 28 February 2014) , is paid directors fees of $8,750 / quarter	**2,917**	-	**2,917**	-
	126,513	190,053	**521,793**	677,721

As of the date of this MD&A, the Company has Service agreements with key management as described herein:-

The Company has entered into a consultancy agreement with Azurite Consulting Pty Ltd, an entity associated with Richard Hyde, for the term of 3 years, for the provision of technical and corporate services. Annual fees payable to Azurite are $280,000 plus GST to be reviewed annually. The Company may terminate the consultancy agreement on 1 month's notice by paying 12 months of consultancy fees. Azurite may terminate the consultancy agreement due to breach or upon 3 months notice.

The Company has entered into a consultancy agreement with Dorado Corporate Services Pty Ltd, an entity associated with Simon Storm, for the provision of company secretarial and accounting services. These fees comprise a retainer of $3,745 per month together with fees of $165 per hour, where the number of hours each month exceeds 20 by Mr Storm.

Non-executive directors are paid fees of $35,000 per annum.

SUBSEQUENT TO QUARTER END TRANSACTIONS

Subsequent to the end of the reporting date, the Company raised $3,000,239, before costs, by issuing 23,078,761 at 13 cents on 4 April 2014.

CRITICAL ACCOUNTING ESTIMATES

The Company's consolidated annual financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS"). IFRS requires Management to make certain judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the dates of the financial statements and the reported amounts of expenses during the reporting periods. Estimates and assumptions are continuously evaluated and are based on management's historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates. The effect of a change in accounting estimate is recognized prospectively in the period of change and future periods if the change impacts both periods.

Significant judgments and assumptions include those related to the determination of functional currency and determination of asset retirement obligations and environmental liabilities. Significant estimates include the assumptions used in valuation of share-based payments.

Functional currency
The analysis of the functional currency for each entity of the Company is in accordance with *IAS 21, the Effects of Changes in Foreign Exchange Rate,* and management determined that the functional currency of Wura Resources SARL and Tanlouka SARL is the West African CFA franc and for all other entities within the Company, the functional currency is Australian dollars, as these are the currencies of the primary economic environment in which the companies operate.

Asset retirement obligations and environmental liabilities
The Company assesses its asset retirement obligations and environmental liabilities at each reporting date, assessing if a provision is required based on current activity. The provision (if any) at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

Share-based payments
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield (where relevant) and making assumptions about them.

FINANCIAL INSTRUMENTS

The Company's financial instruments at March 31, 2014 and June 30, 2013 include the following:

Financial Instruments	31-03-14 $	30-06-13 $
Cash and cash equivalents	1,170,945	3,328,461
Accounts receivable	181,516	59,295
Accounts payable	452,653	637,425

Cash and cash equivalents includes bank deposits and highly liquid short-term investments with original maturities of three months or less. Accounts receivable, and accounts payable and accrued liabilities are in normal course of business. All receivables are considered current and there were no receivables which are past due or impaired. Trade payables are non-interest bearing and are normally settled on 30-day terms.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING DEVELOPMENTS

In the current reporting period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2013. The adoption of these new and revised standards has not resulted in any significant changes to the Group's accounting policies or to the amounts reported for the current or prior periods.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Directors have reviewed all new Standards and Interpretations that have been issued but are not yet effective for the nine months ended 31 March 2014. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

CONTROLS AND PROCEDURES

The Company maintains information systems, procedures and controls to provide reasonable assurance that information used internally and disclosed externally is complete and reliable. The Company continues to review and develop internal controls, including disclosure controls and procedures for financial reporting that are appropriate for the nature and size of the Company's business. Access to material information regarding the Company is facilitated by the small size of the Company's senior management team and workforce. The Company is continuing to develop appropriate controls for the nature and size of the Company's business.

Any internal controls, no matter how well conceived and operated, cannot provide absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion between two or more people, or by unauthorized override of the control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

RISKS AND UNCERTAINTIES

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 or ore.

Commodity Prices

The price of the WAF 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 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. Even if the results of exploration are encouraging, WAF may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While WAF may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available. If available, future equity financings may result in substantial dilution to purchasers.

Foreign Operation Risk

WAF has mineral interests in Burkina Faso, West Africa. Any changes in regulation 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 WAF Shares.

Currency Exchange Rate Fluctuations

Currency exchange rates may impact the cost of exploring WAF's projects. WAF financings are usually in Australian dollars and its exploration costs have been incurred primarily in Australian dollars, Euros, British Pounds, United States dollars and CFA Francs. Fluctuations in the exchange rates between these currencies may impact WAF's exploration activities and financial results, and there is no assurance that such fluctuations, if any, will not adversely affect WAF's operations.

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 half year ended December 31, 2013. Should these securities be exercised, the holders have the right to purchase additional WAF 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 WAF 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.

<u>For further information contact:</u>

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APPENDIX 1

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Technique	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	The Mankarga Resource is being drilled using Diamond Core Drilling (DD) and Reverse Circulation (RC) drilling. The drill spacing is being in-filled to a nominal 100m x 20m grid spacing. A total program of 7500m is proposed. Holes were angled towards 120° magnetic where possible at declinations of -50°, to optimally intersect mineralised zones. All RC samples were weighed to determine recoveries. All potentially mineralised zones were then split and sampled at 1m intervals using three- tier riffle splitters.QA/QC procedures were completed as per industry best practice standards (certified blanks and standards and duplicate sampling). Samples were dispatched to BIGS in Ouagadougou for sample preparation, where they were crushed, dried and pulverised to produce a sub sample for analysis. BIGS has a fire assay facility in Ouagadougou where 50g fire assays, AAS finishes and screen fire assays have been conducted. Historic sampling preparation and assaying was completed at Abilabs and SGS laboratories located in Ouagadougou. Historic samples we analysed by Fire Assay method with AAS finish.
Drilling	Drill type (e.g. core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc.)	Reverse Circulation "RC" drilling within the resource area comprises 4.5 inch diameter face sampling aircore blade drilling and hole depths range from 13m to 60m. Diamond drilling in progress comprises both NQ and HQ diameter core, at holes between 75m and 350m depth.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	RC recoveries are logged and recorded in the database. Overall recoveries are >75% for the RC; there are no significant sample recovery problems. A technician is always present at the rig to monitor and record recovery. RC samples were visually checked for recovery, moisture and contamination. The bulk of the Resource is defined by DD and RC drilling, which have high sample recoveries. The style of mineralisation, with common higher-grades, require large diameter core and good recoveries to evaluate the deposit adequately. The consistency of the mineralised intervals and density of drilling is considered to prevent any sample bias issues due to material loss or gain.
Logging	Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate	Geotechnical logging was carried out on all diamond drill holes for recovery, RQD and number of defects (per interval).

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean/Trench, channel, etc.) photography. The total length and percentage of the relevant intersections logged.	Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure/Geotech table of the database. Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, structural (DDH only), weathering, alteration, colour and other features of the samples. Core was photographed in both dry and wet form. All drilling has been logged to standard that is appropriate for the category of Resource which is being reported.
Sub-Sampling Technique and Sample Preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	RC samples were collected on the rig using a three tier riffle splitter. All samples were dry. The sample preparation for all samples follows industry best practice. BIGS in Ouagadougou for sample preparation, where they were crushed, dried and pulverised to produce a sub sample for analysis. Sample preparation involving oven drying, coarse crushing, followed by total pulverisation LM2 grinding mills to a grind size of 90% passing 75 microns. Field QC procedures involve the use of certified reference material as assay standards, blanks, and duplicates for the RC samples only. The insertion rate of these averaged 3:20 for RC. Field duplicates were taken on for both 1m RC splits using a riffle splitter. The sample sizes are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections.
Quality of Assay Data and Laboratory Tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	The laboratory used an aqua regia digest followed by fire assay for with an AAS finish for gold analysis. No geophysical tools were used to determine any element concentrations used in this Resource Estimate. Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 90% passing 75 micron was being attained. Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and duplicates as part of the in house procedures. Certified reference materials, having a good range of values, were inserted blindly and randomly. Results highlight that sample assay values are accurate and that contamination has been contained. Repeat or duplicate analysis for samples shows that the precision of samples is within acceptable limits. Sample preparation conducted and fire assay

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
		performed by BIGS SARL -Assayed by 50g fire assay with AAS finish. QA/QC protocol: For diamond core one blank and one standard inserted for every 18 core samples (2 QA/QC samples within every 20 samples dispatched, or 1 QA/QC sample per 10 samples dispatched) and no duplicates. QA/QC protocol: For RC samples we insert one blank, one standard and one duplicate for every 17 samples (3 QA/QC within every 20 samples or 1 every 8.5 samples).
Verification of Sampling and Assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes The verification of significant intersections by either independent or alternative company personnel. Discuss any adjustment to assay data	WAF's QP R. Hyde has verified significant intersections in diamond core and RC drilling. Primary data was collected using a set of company standard ExcelTM templates on ToughbookTM laptop computers using lookup codes. The information was validated on-site by the Company's database technicians and then merged and validated into a final Access TM database by the company's database manager.
Location of Data points	Accuracy and quality of surveys used to locate drill holes (collar and down- hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used Quality and adequacy of topographic control	All drill holes have been located by DGPS in UTM grid WGS84 Z30N. Downhole surveys were completed at the end of every hole where possible using a Reflex downhole survey tool, taking measurements every. DGPS was used for topographic control.
Data Spacing and Distribution	Data spacing for reporting of Exploration Results Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied	The nominal drill hole spacing is 20m (northwest) by 100m (northeast). The mineralised domains have demonstrated sufficient continuity in both geological and grade to support the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. Historic samples have been composited to three meter lengths, and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit). WAF intends to update the Mankarga 5 Resource following the current work programs, in the first quarter of 2014.

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Orientation of Data in Relation to Geological Structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The majority of the data is drilled to either magnetic 120° or 300° orientations, which is orthogonal/perpendicular to the orientation of the mineralised trend. The bulk of the drilling is almost perpendicular to the mineralised domains. Structural logging based on oriented core indicates that the main mineralisation controls are largely perpendicular to drill direction. No orientation based sampling bias has been identified in the data at this point.
Sample Security	The measures taken to ensure sample security	Chain of custody is managed by WAF Samples are stored on site and delivered by WAF personnel to BIGS Ouagadougou for sample preparation. Whilst in storage, they are kept under guard in a locked yard. Tracking sheets are used track the progress of batches of samples
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	WAF personnel completed site visits and data review during the due diligence period prior to acquiring Channel Resources Ltd. No material issues were highlighted. During 2012 AMEC completed a site visit and data review as part of the NI43-101 report dated 29 July 2012. No material issues were noted. A copy of the technical report is located on WAF's website.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Tenement and Land Tenure Status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The Boulsa Project tenements covers over 6,000km2, granting the holders the right to explore for gold. The tenements have been acquired by either direct grant to WAF or its subsidiaries or by contractual agreements with tenement holders. Apart from the Tanlouka Agreement where Tanlouka SARL holds a 90% interest, all other vendor agreements provide WAF with the right to obtain an ultimate interest of 100%. All licenses, permits and claims are granted for gold. All fees have been paid, and the permits are valid and up to date with the Burkinabe authorities. The payment of gross production royalties are provided for by the Mining Code and the amount of royalty to be paid for ranges from 3% (<US$1300), 4% ($1300-1500) and 5% (>$1500).
Exploration Done by Other Parties	Acknowledgment and appraisal of exploration by other parties.	Very little exploration has been carried out over greater project the tenement prior to WAF's involvement which commenced in 2008, with the exception of the Tanlouka Permit. The area comprising the Tanlouka Permit has been held by Channel Resources Ltd since the early 1990's. Work recommenced in earnest on the Tanlouka Permit in 2010. WAF acquired Channel Resources Ltd on January 17th 2014. Available historic records and data were reviewed by both WAF during Due Diligence prior to the acquisition.
Geology	Deposit type, geological setting and style of mineralisation.	The Boulsa Project straddles some 70km strike length of the Manga-Sebba greenstone belt, which bifurcates and trends northeast and east-northeast respectively from southern- central Burkina Faso into Niger over some 450km. The south- eastern portion of the project area covers the southern extension of the Fada N'Gourma Belt. Lithologies comprise volcano-plutonic bodies including amphibolised basalts with amphiboloschists, andesites and basalts, rhyolites and rhyodacites, brecciated tuffs, and gabbroic bodies including pyroxenite and serpentinite. Gold mineralisation in the project area is mesothermal orogenic in origin and structurally controlled. The project also contains shear hosted porphyry related copper-gold-molybdenum mineralisation on the Sartenga Permit which is believed to be unique in West Africa."

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Intercepts that form the basis of this announcement are tabulated in Table 1 in the body of the announcement and incorporate Hole ID, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. Appropriate maps and plans also accompany this announcement. Complete detailed data on the project is included in the NI-43101 Technical Reports available on the Company's website with the current report dated February 7, 2014.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	All intersections are assayed on one meter intervals No top cuts have been applied to exploration results. Mineralised intervals are reported with a maximum of 2m of internal dilution of less than 0.5g/t Au. Higher grade zones are reported with a maximum of 2g/t Au of internal dilution. Mineralised intervals are reported on a weighted average basis.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The orientation of the mineralised zone has been established and the majority of the drilling was planned in such a way as to intersect mineralisation in a perpendicular manner. However, due to topographic limitations some holes were drilled from less than ideal orientations.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	The appropriate plans and sections have been included in the body of this document.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All grades, high and low, are reported accurately with "from" and "to" depths and "hole identification" shown.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Preliminary metallurgical test work has been completed, with excellent results. Gold recoveries exceed 95% from oxide bottle roll tests, exceed 92% for sulphide bottle roll tests and a significant proportion of the gold is recoverable by gravity concentration. Additional metallurgical test work is planned.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further infill drilling is planned and is ongoing, aimed at increasing the amount of resource categorized as Indicated, as well as upgrading some of the Indicated Resource to Measured status. Drilling aimed at increasing the Resource below the current depth extent is also planned. A program of dedicated metallurgical and geotechnical drill holes has commenced. A figure showing proposed work programs is included in the body of this report.

Technical Terms

Ag	Chemical symbol for silver.
Aircore Drilling	Reverse Circulation drilling method, using a blade bit. A drilling method in which the sample is brought to the surface inside the drill rods using compressed air, reducing contamination.
Au	Chemical symbol for gold.
Auger Drilling	A drilling method in which the sample is brought to the surface via a helical
or spiral rods. Cu	Chemical symbol for copper.
Diamond Drilling (DD)	A rotary drilling method with diamond impregnated bits to produce a solid, continuous core sample of the rock.
g/t	grams per tonne.
ICP	Inductively Coupled Plasma (ICP)
MAD	Mixed acid digest including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This extended digest approaches a total digest for many elements however some refractory minerals are not completely attacked.
Mo	Chemical symbol for molybdenum.
MS	Mass Spectrometry
OES	Optical Emission Spectrometry
ppb	parts per billion, e.g. 1000 ppb Au equals 1 ppm Au, or 1 g/t Au.
ppm	parts per million, equivalent to g/t.
RAB Drilling	Rotary Air Blast drilling. A drilling method in which the sample is brought to the surface outside of the drill rods using compressed air.
RC Drilling	Reverse Circulation drilling. A drilling method in which the sample is brought to the surface inside the drill rods using compressed air, reducing contamination.
Re	Chemical symbol for Rhenium.

Rhenium	Rhenium is a rare metal that is highly resistant to heat and wear. Rhenium resembles manganese chemically and is obtained as a by-product of molybdenum and copper ore.
XRF	X-ray fluorescence (XRF) is the emission of characteristic "secondary" (or fluorescent) X-rays from a material that has been excited by bombarding with high-energy X-rays or gamma rays. The phenomenon is widely used for chemical analysis.