Press Release
8 August 2024

Burkina Faso Adopts New Mining Code

Unhedged gold mining company West African Resources Limited ('West African' or the 'Company', ASX: WAF) advises that a new mining code ('New Code') has been adopted for Burkina Faso replacing the existing mining code that has been in effect since 2015. A new local content law has also been adopted for Burkina Faso.

The new laws are aimed at increasing the mining sector's contribution to the State of Burkina Faso and promoting more local participation and capability in the services, supply chain and workforce of the mining industry. The new laws will come into force eight days after publication in the Official Journal, however it is unknown when this will happen.

Key changes under the new mining code includes increasing the State's free-carried equity interest in mining projects from 10% to 15%. Based on the Company's interpretation of the text in the New Code this will only apply to new projects at the time of grant of an initial mining licence.

The New Code proposes to reduce the maximum tenure of initial mining permits from 20 years to 10 years and the maximum term of an initial mining convention to five years. WAF does not have any pending mining licence applications.

According to the text of the New Code the term of existing mining permits issued under the 2015 mining code may be reduced to five years. Mining permits and mining conventions will continue to be renewable for periods of five years which is consistent with the current 2015 mining code.

WAF, through its 90% owned Burkina Faso subsidiaries, holds three mining licences granted under Burkina Faso's current 2015 mining code:

1) **Sanbrado**: The mining licence for Sanbrado was renewed on 17 April 2024 for a 5-year period and is valid until 16 April 2029. The corresponding mining convention with the State has been submitted to the government and is awaiting signature.

2) **Kiaka**: The mining licence for Kiaka was issued in 2016 and is valid for a further 12 years until 7 July 2036. The corresponding signed mining agreement with the State has a duration equal to the term of the mining licence.

3) **Toega**: The mining licence for Toega was issued on 17 April 2024 for an eight-year period and is valid until 16 April 2032. The mining convention with the State has been submitted to the government and is awaiting signature.

The term of the mining licence for Sanbrado remains unaffected by the New Code. If under the New Code a reduction in the term of the mining licences were to apply to Kiaka and Toega then, WAF is well placed to manage the licence renewal process as we have done previously.

The Company's assessment of other potential impacts of the New Code on WAF's mining projects is ongoing however our 2024 gold production guidance of 190,000 – 210,000 oz gold at AISC of <US$1,300/oz remains unchanged. Also, the construction of Kiaka remains on schedule, with first gold expected in Q3 2025 when WAF will become a plus 420,000 ounce per year gold producer.

As one of Burkina Faso's largest investors, WAF has worked closely with government ministries to develop a relationship of mutual understanding, respect and transparency as demonstrated by the successful renewals and modification of our existing mining licences. WAF is an important contributor to the economy of Burkina Faso and has paid more than US$325 million in royalties and taxes since 2020.

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West African Executive Chairman and CEO Richard Hyde commented:

"Burkina Faso has adopted new mining and local content laws aimed at increasing the mining sector's contribution to the State and promoting more local participation and capability in the services, supply chain and workforce of the mining industry.

"Our 2024 cost and production guidance of 190,000 – 210,000 oz gold at AISC of <US$1,300/oz remains unchanged. Also, construction of Kiaka remains on track with first gold to be poured in Q3 2025, when WAF will become a plus 420,000 ounce per year gold producer.

"We will continue to engage constructively with the Burkina Faso government in relation to the adoption of the new mining and local content laws."

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

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