

West African to Grant Performance Rights to Executive Directors and Key Management Personnel

Unhedged gold mining company West African Resources Limited (WAF or the Company ASX:WAF) is pleased to announce a proposed special grant of performance rights to Executive Directors (subject to shareholder approval) and other key management personnel (KMP) who have been directly involved in the discovery, development and operation of the Sanbrado Gold Project.

WAF Executive Directors and KMP have delivered strong returns for shareholders over the last 5 years:

- +300% return (\$0.25 to +\$1.00 per share) since the last share placement in December 2018 to raise funds for construction of Sanbrado.
- +700% return (\$0.125 to +\$1.00 per share) since share placement price post-discovery in April 2016.
- +1400% return (\$0.065 to +\$1.00 per share) since the share placement in December 2015, shortly before discovery of high grade at M1 South.

WAF Executive Directors and KMP have demonstrated:

- The ability to discover, drill and develop a significant gold project in a challenging jurisdiction ahead of schedule and US\$20 million under budget.
- Exceptional commitment and leadership to commission and operate Sanbrado throughout the current COVID-19 global pandemic.
- Skills and experience that would be difficult to replace in the current labour market.

The purpose of the proposed grant of performance rights is to:

- Retain Executive Directors and KMP.
- Align the Executive Directors and KMP with shareholders to continue strong share price growth.

Accordingly, the performance rights will contain the following key hurdles:

- Retention (50%): 3 years continuous service
- Share price growth (50%): \$2.00 share price within 3 years

This proposed special grant of performance rights is in addition to WAF's annual incentive scheme, and if all vesting criteria are met will result in 0.8% dilution to the Company's current share capital.

Performance rights to be granted to the Executive Directors and KMP

The grant of performance rights to Mr Richard Hyde, Executive Chairman and CEO, and Mr Lyndon Hopkins, Executive Director and COO, is subject to shareholder approval. Performance rights are also proposed to be granted to KMP including Matthew Wilcox, Chief Development Officer (CDO), and Pdraig O'Donoghue, CFO and Company Secretary, and other senior operational employees. The grant of performance rights to KMP is not subject to shareholder approval.

It is proposed that the performance rights are issued pursuant to the Company's Incentive Option and Performance Rights Plan in two categories with the following key terms and conditions.

Category	Retention (50%)	Share price growth (50%)
Number of performance rights	Mr Hyde: 750,000	Mr Hyde: 750,000
	Mr Hopkins: 500,000	Mr Hopkins: 500,000
	Mr Wilcox: 375,000	Mr Wilcox: 375,000
	Mr O'Donoghue: 375,000	Mr O'Donoghue: 375,000
	Other KMP: 1,375,000	Other KMP: 1,375,000
Vesting hurdles	The recipient holds continuous office as a Director or an employee of the Company for three consecutive years from the date of issue.	WAF shares trade at \$2.00 or higher for a 20-day VWAP period within 3 years of issue, and the recipient remains an employee or Director of the Company.
Expiry dates	4 years from date of issue.	4 years from date of issue.

Further details of the grant are contained in the Company's notice of general meeting and explanatory memorandum to shareholders (Notice of Meeting) lodged today on the ASX. The general meeting will be held on Thursday 17 December 2020 for shareholders to consider approval of issue of the above performance rights to the Executive Directors.

Other business

Grant of performance rights in lieu of 30% of Non-Executive director's fees

Ms Elizabeth (Libby) Mounsey and Mr Stewart Findlay were appointed as Non-Executive directors of WAF on 29 May 2020. In order to align their remuneration arrangements with the other Non-Executive Directors on the WAF Board, it is proposed that subject to Shareholder approval, performance rights be issued to Ms Mounsey and Mr Findlay in lieu of 30% of their Director fees. The number of performance rights proposed to be granted to Ms Mounsey and to Mr Findlay for 2020 is 28,586. Further details of the proposed grant are contained in the Notice of Meeting.

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

Further information about the Company is available at www.westafricanresources.com.

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