WEST AFRICAN RESOURCES LIMITED

ANNUAL REPORT 2022

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CORPORATE INFORMATION

COMPANY
West African Resources Limited

ABN
70 121 539 375

ASX
ASX trading code: WAF

DIRECTORS
Richard Hyde
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Lyndon Hopkins
(Executive Director and COO)

Libby Mounsey
(Executive Director of Human Resources)

Rod Leonard
(Lead Independent Director)

Nigel Spicer
(Non-Executive Director)

Stewart Findlay
(Non-Executive Director)

Robin Romero
(Non-Executive Director)

COMPANY SECRETARY
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AFRICAN MINING SERVICES
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MESSAGE FROM THE CHAIRMAN

Dear Fellow Shareholders,

I am pleased to present the 2022 Annual Report for West African Resources Limited (ASX: WAF). Our company has achieved outstanding growth over the past few years, transforming from a small Burkina Faso-focused explorer in 2018, to pouring first gold at Sanbrado in March 2020 and then purchasing the Kiaka and Toega projects in 2021 as we aim to become a plus 400,000 ounce per annum long-life low-cost gold producer by 2025.

During 2022, we built on the accomplishments of our prior years and delivered strong outcomes in all major facets of the company including financial, operational, growth, sustainability and governance.

We generated revenue of A$608 million in 2022 from 233,930 gold ounces sold unhedged at an average realised price of A$2,586 per ounce (US$1,798 per ounce). Profit for the year was A$184 million and operating cash flow was also A$184 million. WAF's outstanding profit performance over the past three years is reflected in our retained earnings balance of $349 million at 31 December 2022.

WAF's balance sheet at the end of 2022 was strong with $173 million of cash, net assets of over $740 million and no senior debt.

Our Sanbrado operation continued consistent high-margin gold production in 2022 delivering 229,224 ounces at a US$1,086 per ounce all-in sustaining cost (AISC). This met our annual guidance targets and was in line with the 10-year production plan we released at the beginning of 2022. Sanbrado operations have not been affected by Burkina Faso's January 2022 coup d'état or the subsequent leadership change in September 2022.

Looking forward, WAF's profitability and Sanbrado's strong performance are expected to continue in 2023 with unhedged production guidance of 210,000 to 230,000 ounces of gold at an AISC of under US$1,175 per ounce. The outstanding deposits at Sanbrado and strong performance of the process plant provide a solid platform for maintaining similar production levels at Sanbrado for well over another decade. Growth projects progressing at Sanbrado include extensions to the high-grade M1 South underground, the Toega open-pit mining project (with Ore Reserves of 580,000 ounces of gold at 1.9 g/t gold), the MV3 East open-pit mining prospect, and the M5 underground scoping study.

Ore Reserves grew 365% in 2022 to 6.2 million ounces gold from the addition of 4.5 million ounces of Kiaka Probable Ore Reserves, as Kiaka shapes as our second gold operation. We published the Kiaka feasibility study results in 2022, which indicated a 2.5-year pre-tax payback period at US$1,750 per ounce gold, an AISC averaging US$953 per ounce for the first five years and US$1,052 per ounce life of mine, with capital costs of US$430 million, averaging 219,000 ounces of gold production per annum for 18.5 years.

We continue to progress development at Kiaka, and during Q4 2022, awarded its EPCM contract to Lycopodium, and the SAG and ball mill package to Metso Outotec. Site earthworks commenced late in the quarter for the entry and camp accommodation area.

WAF expects to fund the construction of Kiaka from existing cash, internal cash flow, and external debt. The external debt funding process is advancing to plan with the due diligence, facility documentation, and commercial negotiations progressing in parallel. We expect to announce the debt funding package and lender group to the market in Q2 2023.

WAF's first lost time incident since 2018 was recorded during Q4 2022, following an outstanding achievement of 12.7 million hours worked and 43 continuous months LTI free. There were no other significant health or safety incidents during the year with WAF's 2022 annual total recordable injury frequency rate standing at 1.73 versus Western Australian average reportable injuries frequency rate of 7.1. While we have delivered excellent safety performance outcomes to date, we will continue safety audits and training programs at our operations during 2023 to further strengthen the Group's safety practices and procedures.

While this Annual Report contains some of our sustainability highlights, I encourage interested parties to obtain a copy of the full 2022 Sustainability Report, which is due for release soon and will be available electronically from our website. As well as the numerous agricultural, educational and health improvement programs delivered to our regional communities, the Sustainability Report outlines our significant economic contributions to the Burkina Faso economy in 2022, with A$181 million paid in taxes and royalties, A$24 million paid in direct employee wages, A$6.6 million paid to the Local Development Management Fund, and A$2.8 million spent on community initiatives. Sanbrado is set to continue generating economic benefits to the local and wider community for at least another 13 years. When Kiaka commences production in 2025, our contributions will virtually double from current levels and Kiaka will continue to provide significant national and regional economic benefits for a further 18 years.

We welcomed Robin Romero to the Board in 2022 as an independent Non-Executive Director (NED) and we appointed Libby Mounsey as Executive Director of Human Resources, transitioning from her previous consulting and NED position. We are fortunate to have these two highly accomplished and well qualified women on our Board, which is now comprised of four independent NEDs and three executive directors, and all committees are chaired by an independent NED.
The Nomination Committee has concluded our Board now has the appropriate mix of diversity, experience and skills and we are not planning any further changes to its composition in 2023.

I thank my fellow shareholders for your continued support, and hope this will extend to approval of director re-election and remuneration resolutions tabled for consideration at our upcoming Annual General Meeting. I also thank my fellow directors for their guidance and contributions in assisting me and the management team navigate our Company's growth to becoming a plus 400,000 ounce per annum gold producer by 2025.

RICHARD HYDE
Executive Chairman & CEO

2022 HIGHLIGHTS

	2022	2021
GOLD PRODUCTION:	229,224 ounces	288,719 ounces
AISC PER OUNCE:	US$1,086	US$796
NET PROFIT:	A$183.7 million	A$214.4 million
YEAR-END GOLD RESOURCES:	12.6 million ounces	11.6 million ounces
YEAR-END GOLD RESERVES:	6.2 million ounces	1.7 million ounces

2022 IN BRIEF

Q1 2022

Annual guidance for 2022 set at 220,000 to 240,000oz at AISC per oz of US$1,040 to US$1,100

Q1 2022

Toega Maiden Ore Reserve of 580,000 ounces

Q3 2022

Kiaka feasibility study reports Kiaka will be a long-life low-cost gold project averaging 219,000oz of gold production per annum for 18.5 years

Q3 2022

Reserves grow 365% to 6.2 million oz gold

Q3 2022

WAF cash settles B2Gold's US$45 million convertible note

Q3 2022

12,700,000 hours worked LTI free at Sanbrado

Q4 2022

650,000oz of gold produced since commissioning Sanbrado in March 2020

Q4 2022

AWARDS
Kiaka EPCM contract awarded to Lycopodium, and Kiaka mill package to Metso Outotec

Q4 2022

Annual production guidance exceeded with 229,224oz gold produced at US$1,086/oz AISC

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial report of West African Resources Limited (the 'Company') and its controlled subsidiaries (the 'Group', 'West African' or 'WAF') for the year ended 31 December 2022.

ABOUT WEST AFRICAN RESOURCES LIMITED

West African Resources Limited is an international mining company actively undertaking mining, mineral processing, exploration, project development, community & social sustainability, and rehabilitation within the West African country of Burkina Faso. Headquartered in Perth, Western Australia, West African Resources Limited is listed on the Australian Securities Exchange (ASX:WAF).

The Sanbrado Gold Project ('Sanbrado') and the Kiaka Gold Project ('Kiaka') are held under mining licences and are 90%-owned by WAF, with the government of Burkina Faso owning the remaining 10%. All exploration licences in WAF's portfolio are 100%-owned by WAF. The Toega gold deposit ('Toega') is currently held under a 100%-owned exploration licence, with the application for a mining licence in progress.

Sanbrado is located in central Burkina Faso, 90km east-southeast of the capital city of Ouagadougou. Kiaka is located 110km southeast of Ouagadougou and 45km south of Sanbrado (refer to figure 12). The above-noted Sanbrado project Resources and Reserves include Toega. Toega is located 14km southwest of the Sanbrado processing plant.

WAF has an approximately 2,000km² exploration land package over the prospective Markoyé fault region where Sanabrado, Toega, and Kiaka are situated, as well as an exploration tenement package in the southwest of the country.

BURKINA FASO			WESTERN AUSTRALIA
SANBRADO GOLD PROJECT	**KIAKA GOLD PROJECT**	**EXPLORATION**	**PERTH OFFICE**
• Mineral Resources: 4.9Moz gold • Mineral Reserves: 1.7Moz gold • Open pit mining • Underground mining • Ore processing • Gold smelting • Active drilling of promising gold exploration targets • Community and social programs • Environmental programs • Progressive rehabilitation	• Mineral Resources: 7.7Moz gold • Mineral Reserves: 4.5Moz gold • Long life, low strip ratio, conventional open pit • Fully permitted • Construction commenced targeting first gold in 2025	• Tenement portfolio comprising 2,000 km² over the prospective Markoyé fault region in central and southern Burkina Faso • Gold exploration	• WAF Group headquarters • Business support centre

SUSTAINABILITY REVIEW

Consistent with 2021, WAF will publish its 2022 Annual Sustainability Report as a separate document to this Annual Report. Below we present some of the highlights and context from that document, however interested parties are encouraged to obtain a copy of our full 2022 Annual Sustainability Report from the Company's website.

2022 SUSTAINABILITY HIGHLIGHTS

- **$181 million** paid to Government of Burkina Faso in taxes and royalties
- **$24 million** paid as wages and benefits to employees
- **$6.6 million** paid to Local Development Management Fund
- **$2.8 million** spent on community initiatives
- **20,000** plants produced in Sanbrado nursery
- **Waste management initiative** results in $84,000 available for community projects
- **94%** of Burkina Faso employees are Burkinabé
- **Establishment of university scholarship program**
- **86.1%** of spending on goods and services was within Burkina Faso
- **Winner** of the Best Innovation in Corporate Social Development at the 2022 AAMEG awards
- **Named 2022 Miner of the Year** by Gold Mining Journal for the second year running.

SUSTAINABLE DEVELOPMENT GOALS

WAF is committed to working with its stakeholders to achieve the Sustainable Development Goals (SDGs) developed as a key part of the 2030 Agenda for Sustainable Development, adopted by UN Member States. The following are examples of how WAF's initiatives align with achievement of the SDGs.

SDG CATEGORY	OUR CONTRIBUTION
1 NO POVERTY	• Provision of local employment opportunities and training. • Support for cooperatives to access credit from a microfinance institution.
2 ZERO HUNGER	• Training and community investment activities to improve agricultural productivity and nutrition. • Support the creation of cooperatives for farmers and associations for livestock breeders. • Support the creation of community gardens for market gardening. • Training to prevent soil erosion. • Supply of improved seed varieties for rain-fed crops and training on their use.
3 GOOD HEALTH AND WELL-BEING	• Support to community education activities (awareness and prevention of sexually transmitted diseases and malaria, road safety). • Establishment of an employee wellbeing program at Sanbrado, targeting both mental and physical wellbeing. • Support to medical centres, including donation of equipment and funds for improvements.
4 QUALITY EDUCATION	• Establishment of scholarship program, providing 2 local students the opportunity to pursue university-level education. • Internship opportunities for university students (30 interns in 2022). • Training programs for young people and women, providing skills suitable for employment. • Provision of French language lessons to 253 women in 2022, enabling them to better participate in social, economic and political activities.
5 GENDER EQUALITY	• Provision of employment opportunities for women. • Implementation of equal opportunity and non-discrimination policies.
6 CLEAN WATER AND SANITATION	• Drilling wells to supply drinking water to local communities along with ongoing water quality monitoring. • Damaged boreholes are rehabilitated to ensure continued access to drinking water.
8 DECENT WORK AND ECONOMIC GROWTH	• Provision of facilities, equipment and training to enable local communities to pursue a diverse range of economic activities. • Training on micro-credit and financial management.

SDG CATEGORY	OUR CONTRIBUTION
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Support for cooperatives to access credit from a microfinance institution. • Training workshops for local suppliers (35 attendees in 2022) so that they comply with Burkina Faso regulations and are able to trade with WAF. • Establishment of a tender review committee to improve transparency and opportunities for local procurement.
10 REDUCED INEQUALITIES	• Employment opportunities with the Company are available for both men and women, with equal opportunity and non-discrimination policies in place. • Wages are reflective of the position's requirements, with no distinction based on gender.
11 SUSTAINABLE CITIES AND COMMUNITIES	• Provision of new houses and facilities for resettled households using local construction methods and materials. • Repair and maintenance of roads around the Sanbrado mine, including dust suppression in the dry season.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Support for local producers through local procurement plan. • Waste minimisation projects to divert waste from landfill. • Waste management initiatives including provision of segregated waste facilities and awareness raising activities.
15 LIFE ON LAND	• Minimisation of land disturbance to reduce our impact on ecosystems. • Progressive rehabilitation of disturbed sites, with plants grown on site.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Provision of support to local community members to gain official documents (birth certificate, identification card). • Support to resettled households to gain land titles, enabling households to enjoy property security.

LIVELIHOOD RESTORATION AND TRAINING

WAF's Sanbrado livelihood restoration program has been underway since 2020 and will inform the development of similar programs for Toega and Kiaka. All project-affected people are entitled to participate in the program, whether they have been physically or economically displaced.

The livelihood restoration program is intended to run for five years, transitioning to ownership and autonomous management by participating communities, with monitoring and evaluation by us to ensure the programs remain relevant and effective. Some of the long-term initiatives underway are:

- Establishment of market gardens
- Improved seeds initiative
- Establishment of a poultry farm
- Training to prevent soil erosion and improve soil management.

Throughout the course of 2022, the Sanbrado livelihood restoration program has largely transitioned from implementation to monitoring and evaluation. Of the 20 components of the program, 15 have been implemented and are in monitoring, while implementation of the remaining five components is more than 80% complete.

EDUCATION

WAF's projects are in rural areas of Burkina Faso, with low rates of education, employment and socioeconomic security. A key focus of WAF's community investment is supporting education to promote a better standard of living and improved access to opportunities for the communities impacted by or living near our projects. This approach aims to improve participation across all age groups (from primary school to adults), with a focus on overcoming gender disparities.

WAF has supported opportunities for adult education through the installation of solar power at local schools, which enable night classes for adults who are otherwise occupied during the day. One challenge in implementing adult education programs and training has been the low level of educational achievement in the community. A significant portion of women have not received basic education in reading and writing during normal educational years. As a result, they have very little knowledge related to financial management and have struggled to initiate successful business ventures in the past. By incorporating literacy in French into our training programs, women are now well positioned to participate in business and other matters conducted in French.

WAF's efforts to support education come in various forms, including:

- WAF's subsidiary SOMISA has built three schools and equipped them with solar panels and the necessary equipment and furniture.
- Bicycles are donated to the best students of the primary and secondary schools each year.
- In 2022, WAF created a university scholarship program to support high school graduates to pursue higher education.
- WAF's scholarship program seeks to offer motivated and ambitious high school graduates the opportunity to gain further education in a field relevant to the Company's operations.
- We also offer internships and training initiatives for local community members.

LOCAL PROCUREMENT

WAF recognises that local procurement is a valuable opportunity for benefit sharing with local communities and aims to source necessary goods and services within the local area or nationally wherever possible.

In 2021, the Government of Burkina Faso introduced local content laws specifying conditions for local supply of goods and services to the mining sector. At the time the local content decree and order were issued, Sanbrado already had a Local Procurement Plan. The plan sets out the guidelines and principles to maximise the procurement opportunities that accrue to local and national residents and businesses and to ensure compliance with the local content decree that applies to the mining sector in Burkina Faso. The provisions in the Local Procurement Plan are overseen by the Procurement Department, in close collaboration with the CRD. A designated Local Content Coordinator is responsible for the day-to-day management of local procurement mechanisms.

In response to the new legislation and requests from communities for further opportunities in procurement, the SOMISA Procurement Department introduced a new strategy in October 2022 to promote suppliers and service providers from local communities. The strategy has been communicated to all SOMISA departments and entails:

- Identification of the goods and services which can be contracted to local community suppliers.
- Meeting with potential suppliers to present the new strategy.
- Establishing a selection committee responsible for evaluating service offers using well-defined evaluation criteria.

WAF also implements a Supply Chain Policy, which outlines the Project's commitment to meaningful engagement with communities and recognises that price is not the only variable to be considered when finding value for money. It stipulates that effective supply chain management requires thoughtful identification, assessment and management of risks across all stages of the mining life cycle.

EMPLOYMENT OPPORTUNITIES

Providing employment opportunities and career pathways is key to the sustainability of WAF's operations and an important way for us to give back to local communities and the people of Burkina Faso. WAF directly employs 729 people globally and specialised contractors working with us bring the total workforce to about 1,600 people. The total workforce grew by 16% in 2022 (employee numbers increased 15%; contractor numbers increased 17%), in line with increasing activities within the Company. Most employees work at Sanbrado, with small teams also based at the Toega and Kiaka Projects, offices in Ouagadougou and the corporate office in Perth, Australia. In addition to employment, employees are provided opportunities to participate in personal and professional development.

As the Company continues to grow, so too do the employment and training opportunities. The Toega and Kiaka Projects currently employ relatively small teams, but these teams will grow significantly as the projects enter the construction and operational phases. The success of Sanbrado's Local Employment Plan (LEP) has served as the basis for development of the Kiaka LEP and will be adapted for the Toega and MV3 social context and operational needs. The plan ensures that local communities are prioritised when hiring workers, particularly those who have been physically or economically displaced by the Project.

SUSTAINABILITY REVIEW (CONTINUED)

As a Company, we prioritise the hiring of employees from local communities, with the expectation that employment-related benefits should be distributed based on the degree of impact from the Project. The Local Employment Policy refers to the requirements of IFC Performance Standard 2 - Labour and Working Conditions and sets out employment objectives corresponding to level of impact, in particular for unskilled and low-skilled positions:

- 50% from economically and physically affected communities
- 25% from economically affected communities and host communities
- 25% from communities along the mine's access routes, wider exploration areas and the rest of the Commune of Boudry.
- The policy also requires that a minimum of 30% of these positions are filled by women.
- For all other positions, when all other criteria are equal, local candidates are given priority.

Female participation in the workforce remains high when compared with other mining industry peers, with female employment rates across the Company being 20% of all staff and 27% of senior management. Reinforcing these rates and WAF's commitment to creating an inclusive and safe workplace for female employees, 20% of new hires in 2022 were female, while only 11% of departing employees were female.

Sanbrado employment statistics:

- National staff make up 90% of the Sanbrado workforce.
- 40% of local employees hired in 2020 and 2021 for unskilled or low skilled positions have been promoted to higher skilled positions.
- 65% of senior positions are filled by national staff, up from 45% in 2020 and 59% in 2021.

RESETTLEMENT PLANNING

Resettlement arrangements with stakeholders of the Kiaka and Toega projects are being guided by resettlement experts familiar with good international industry practice, including guidance from the IFC and the International Council of Mining and Metals.

For each project, a consultative committee has been established with representatives of customary leaders, elected officials, representatives of youth, women and artisanal gold miners, technical services and civil society organisations. This committee provides a forum for the exchange of information on project development progress, entitlement distribution, and sharing of concerns between the mine development team and stakeholders. The committee also negotiates items such as financial compensation, replacement land and livelihood restoration programs, on behalf of the communities affected by the project. The compensation framework for physical and economic displacement reflects the approach adopted for Sanbrado, taking into account the cost of land, agricultural yields, and inflation. The first memorandums of understanding were signed in May and June, respectively, and the remaining entitlement agreements are expected to conclude in the first half of 2023.

MANAGING OUR ENVIRONMENTAL FOOTPRINT

WAF is committed to responsible environmental management through the integration of environmental considerations into business decisions at all stages. Each project is subject to a comprehensive environmental and social impact assessment ('ESIA') during the permitting process. This enables us to apply the impact mitigation hierarchy to avoid, minimise and mitigate negative environmental impacts, as well as identify opportunities to improve environmental outcomes. Once operational, environmental management and monitoring continues throughout the life of the project, guided by the Environmental and Social Management System, aligned with ISO 140001 and a project-specific Environmental and Social Management and Monitoring Plan (ESMMP) developed in accordance with international industry practices and standards. Revegetation and rehabilitation takes place on a continuous basis to reduce prolonged disturbance to the natural environment and to ensure that planned post-closure outcomes for the environment and the community are achieved.

WAF recognises that tailings storage facilities ('TSFs') are high risk infrastructure. With projections for rainfall events of greater intensity due to climate change, the appropriate design and management of TSFs and other storage dams is becoming even more important. WAF currently operates one TSF at Sanbrado. In 2022, WAF's Engineer of Record conducted TSF inspections and management audits twice. The 2022 inspections identified no major issues, with the TSF assessed to be in a stable condition and all action items resulting from the audits have been implemented. WAF is also actively working on implementing the Global Industry Standard on Tailings Management (GISTM; 2020) at Sanbrado. The Company hired a Civil and TSF Engineer to fulfill the Standard's requirement for a Responsible Tailings Facility Engineer. This position focuses on supervising the progressive development of the TSF, including material management and wall and liner integrity. At Kiaka, the requirements of GISTM are being incorporated into the TSF design from the onset, and will be applied through the facility's construction, operation and management.

OPERATING REVIEW

SAFETY

Sanbrado recorded its first LTI since 2018 during Q4 2022, following an outstanding achievement of 12.7 million hours worked and 43 continuous months LTI free. A contractor's workshop maintenance employee fractured his leg while using a crane hoist to reposition an axle assembly and the injured worker was well treated by qualified medical professionals at a private hospital in Ouagadougou.

There were no other significant health or safety incidents during the year, and WAF's 2022 annual TRIFR (Total Recordable Injury Frequency Rate) was 1.73 (2021: 0.78) versus Western Australian average reportable injuries frequency rate of 7.1[1]

BURKINA FASO GOVERNMENT LEADERSHIP CHANGES

On 24 January 2022, the Patriotic Movement for Safeguard and Restoration military group, led by Lieutenant-Colonel Paul-Henri Sandaogo Damiba, assumed control of the Burkina Faso government, deposed Mr Roch Marc Christian Kaboré from his position as President, and subsequently dissolved the parliament, government, and the constitution. On 31 January, the group restored the constitution and appointed Paul-Henri Sandaogo Damiba as Interim President. On 1 March 2022, Interim President Damiba signed a charter setting out the structure and objectives of a 36-month transition government which he led as President of the Transition until his removal on 30 September 2022.

On 30 September 2022, Captain Ibrahim Traore removed Lieutenant-Colonel Damiba as head of the military and was subsequently appointed Interim President of Burkina Faso by a delegation of more than 300 military and public officials on 14 October 2022. Captain Traore has reaffirmed the timeline for return to civilian democratic rule as advised by the Economic Community of West African States (ECOWAS), with elections scheduled for mid-2024.

The Directors advise that the Sanbrado and Kiaka sites and the capital of Ouagadougou and the communities around WAF's operations remain calm. The government bureaus have continued to operate normally and WAF's operations were not impacted by these government leadership changes.

SANBRADO PRODUCTION STATISTICS

A year-on-year comparison of the key production statistics for Sanbrado is shown in the following table.

	UNIT	2022	2021
OP mining			
Total movement	BCM '000	8,620	9,426
Total movement	kt	21,706	24,138
Strip ratio	w:o	7.1	5.9
Ore mined	kt	2,685	3,518
Mined grade	g/t	1.4	1.9
Contained gold	oz	118,514	210,132
UG mining			
Ore mined	kt	424	372
Mined grade	g/t	8.1	9.5
Contained gold	oz	110,183	113,259
Processing			
Ore milled	kt	3,251	3,155
Head grade	g/t	2.4	3.0
Recovery	%	93.1	94.5
Gold produced	**oz**	**229,224**	288,719
Gold poured	oz	230,424	287,619
Gold sold	**oz**	233,930	295,215

1. Department of Mines, Industry Regulation and Safety, 2021, Safety performance in the Western Australian mineral industry — accident and injury statistics 2020-21: Department of Mines, Industry Regulation and Safety, Western Australia. https://www.dmp.wa.gov.au/Documents/Safety/Safety%20performance%20in%20the%20Western%20Australian%20mineral%20industry%202020-21%20-%20report.pdf

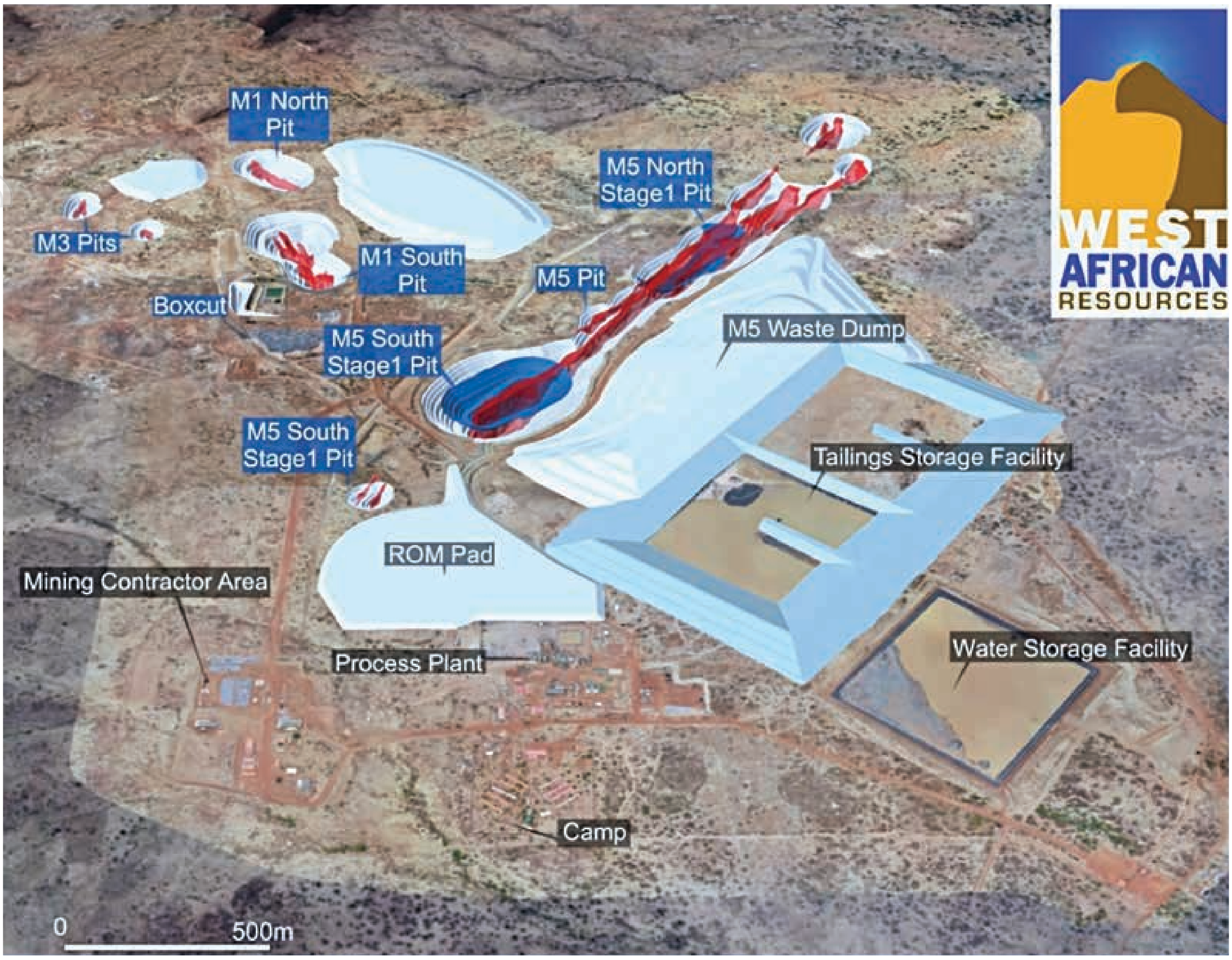


Figure 1 – Sanbrado layout

OPEN PIT MINING

Open-pit mining in 2022 reconciled in-line with WAF's 10-year production plan. With the completion of the high-grade M1 South open pit in Q1 2022, ounces mined from open pit mining decreased 44% from 210,132 ounces in 2021 to 118,514 ounces in 2022, resulting in a 26% decrease in mined grade from 1.9 to 1.4 g/t gold. 2022 saw WAF cut back the M5 South open pit to the final design, resulting in a 24% decrease in ore tonnes mined and a 21% higher average strip ratio in the year. The M5 South cut back, which was completed in Q4 2022, opens access to higher grade ore in the pit and reduces the strip ratio for the remainder of the open pit mine life to an approximate average of 3 : 1 (waste: ore).

A long section through M5 is shown in figure 2.

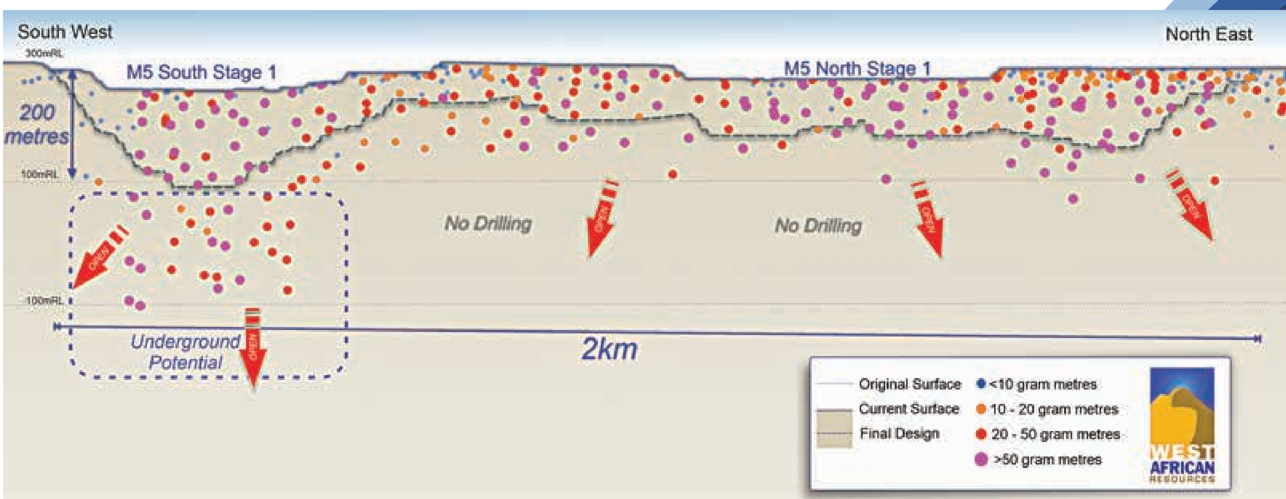


Figure 2 – Long section through the M5 Pit

OPERATING REVIEW (CONTINUED)

UNDERGROUND MINING

Underground mining in 2022 compared well against WAF's 10-year production plan with mined grade of 8.1 g/t gold, higher than 7.5 g/t gold modelled grade for the year. Gold ounces mined from the M1 South underground were in line with the prior year, with 113,259 ounces mined in 2021 compared to 110,183 ounces in 2022. Ore tonnes mined increasing 14% from 372,000 to 424,000 tonnes with improvements to operational productivity. M1 South underground grades decreased 15% from 9.5 g/t gold in 2021 to 8.1 g/t in 2022. Some 3.0 km of underground development was completed in 2022 (2021: 3.2km). At the end of 2022 the decline was 461 metres vertically below surface (2021: 385 metres).

Figure 3 – Post-blast inspection at M1 South

PROCESSING

Gold production at Sanbrado was in line with guidance and reconciled well against WAF's 10-year production plan. With the completion of the high-grade M1 South open pit in Q1 2022, ounces produced decreased 21% from 288,719 ounces in 2021 to 229,224 ounces in 2022. Ore throughput and gold recovery were approximately in line with the prior year, with 3,251,000 tonnes processed at a recovery of 93.1%. Figures 4 and 5 show the Sanbrado process plant and accommodation camp.

Figure 4 – Sanbrado process plant

GROWTH REVIEW

KIAKA GOLD PROJECT

Background

Kiaka is a fully permitted gold mining project located 110km southeast of the Burkina Faso capital, Ouagadougou, and 45km south of WAF's Sanbrado Gold Operations. It is accessed from Ouagadougou via 100km of sealed road, and then by 40km of all-weather dirt road to site. WAF purchased its 90% ownership interest in Kiaka from B2Gold Corp and their partner GAMS-Mining F&I Ltd on 30 November 2021.

Kiaka Feasibility Study

On 3 August 2022, WAF announced the results of its Feasibility Study for Kiaka along with Kiaka's maiden Ore Reserve. Kiaka will be a low strip-ratio conventional open-pit mining operation with a conventional carbon-in-leach process circuit. Highlighted physical and financial metrics from the announcement are contained in the following two tables.

Figure 5: Kiaka exploration camp

KIAKA FEASIBILITY STUDY ANNOUNCEMENT 3 AUGUST 2022 - KEY PHYSICAL METRICS	
Base case, stated on a 100% basis	
Production Years 1 to 5	Average 233,000 oz/year
Production life of mine	Average 219,000 oz/year
Strip Ratio	1.8 : 1 (waste : ore)
Mineral Resource Estimate	279.2Mt at 0.9 g/t for 7.7Moz gold (5.8Moz Indicated, 1.7Moz Inferred, open pit constrained at US$1,800/oz)
Probable Mineral Reserves	155Mt at 0.9 g/t for 4.5Moz gold (at US$1,400/oz)
Life of mine gold recovery	90% average, recovering 4.1Moz gold
Mine Life	**18.5 years**

KIAKA FEASIBILITY STUDY ANNOUNCEMENT 3 AUGUST 2022 - KEY FINANCIAL METRICS	
Base case: stated on a 100% basis, and assumed average gold price per ounce of US$1,750	
Pre-production capex	US$430 million of pre-production capital expenditure (including pre-production mining & development costs, contingencies, duties & taxes)
AISC1,2 Years 1 to 5	Average All in Sustaining Costs (AISC) of US$953/oz (A$1,361/oz)
AISC life of mine	Average All in Sustaining Costs (AISC) of US$1,052/oz (A$1,503/oz)
Life of mine free cashflow	Pre-tax free cashflow of US$2,361 million (A$3,373 million) Post-tax free cashflow of US$1,723 million (A$2,462 million)
NPV at 5% discount rate	Pre-tax NPV of US$1,231 million (A$1,758 million) Post-tax NPV of US$856 million (A$1,223 million)
IRR and pay-back period	Post-tax internal rate of return (IRR) of 21.4% and 3.25 year pay back on pre-production capital

- At assumed AUD/USD FX rate of 0.70.
- AISC includes all mining and processing costs, site administration, royalties, refining and site rehabilitation costs, sustaining capital, closure costs but excludes head office corporate costs.

GROWTH REVIEW (CONTINUED)

The project is comprised of the Kiaka Main and Kiaka South deposits, with over 98% of the Ore Reserve contained in the Kiaka Main deposit. Figure 6 presents the layout of the project, showing the relative positions of the mining areas and the principal infrastructure. Figure 7 provides a pit shell diagram illustrating the large size of this low strip ratio 18-year open pit mining project.

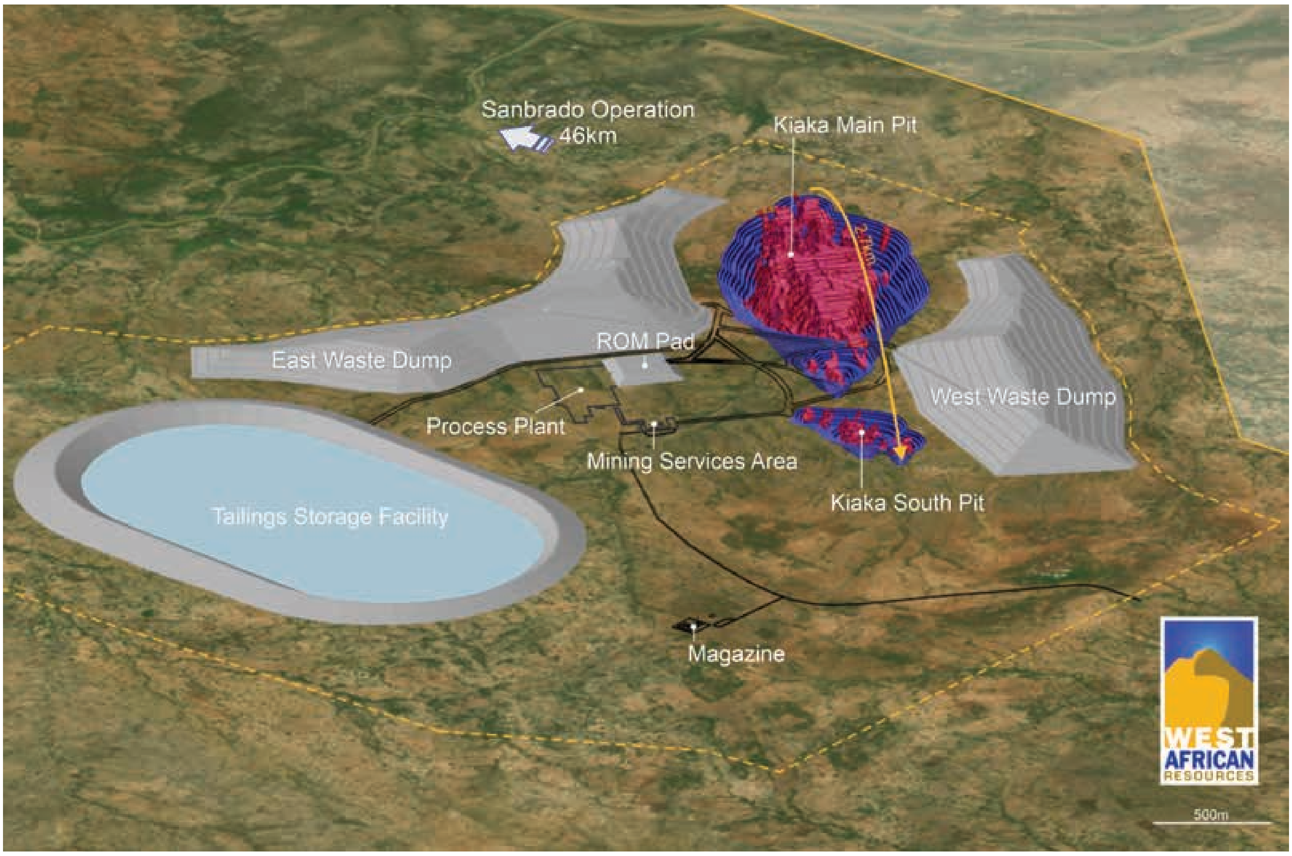
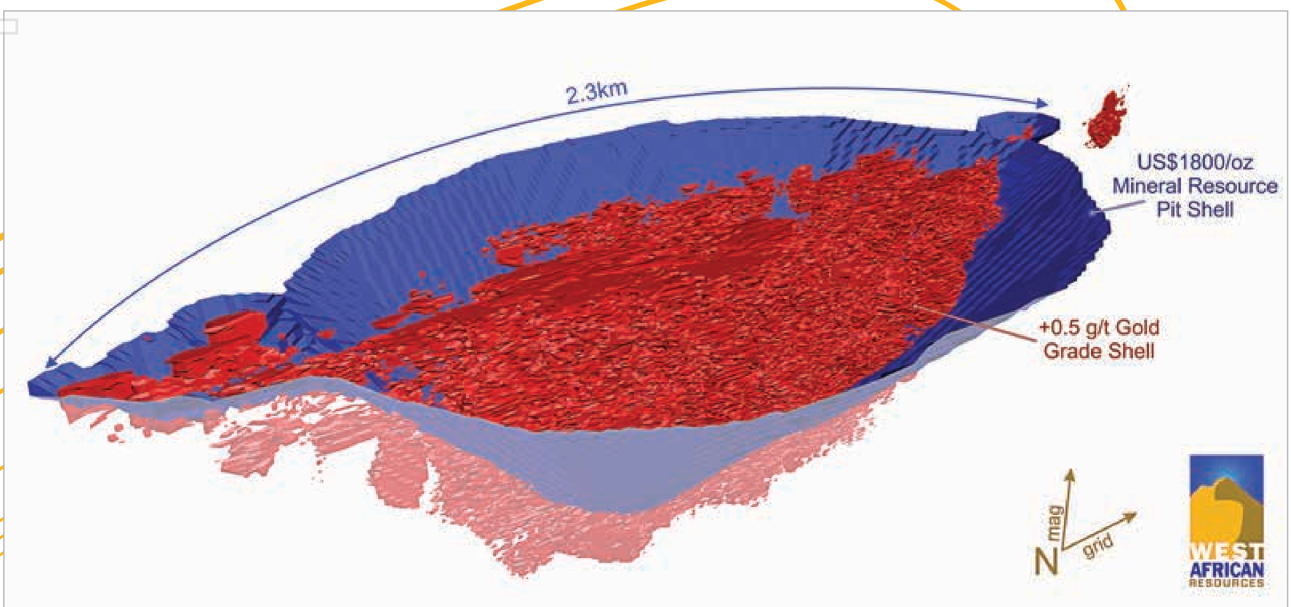


Figure 6 – Planned layout of Kiaka project

Figure 7 – Kiaka pit shell diagram



GROWTH REVIEW (CONTINUED)

Kiaka Construction

During Q4 2022, WAF awarded the Kiaka EPCM contract to Lycopodium, and the semi-autogenous grinding and ball mill package to Metso Outotec (ASX: 5/12/2022). Site earthworks commenced late in the quarter for the entry and camp accommodation area.

SANBRADO GROWTH

WAF's current growth projects for Sanbrado include:

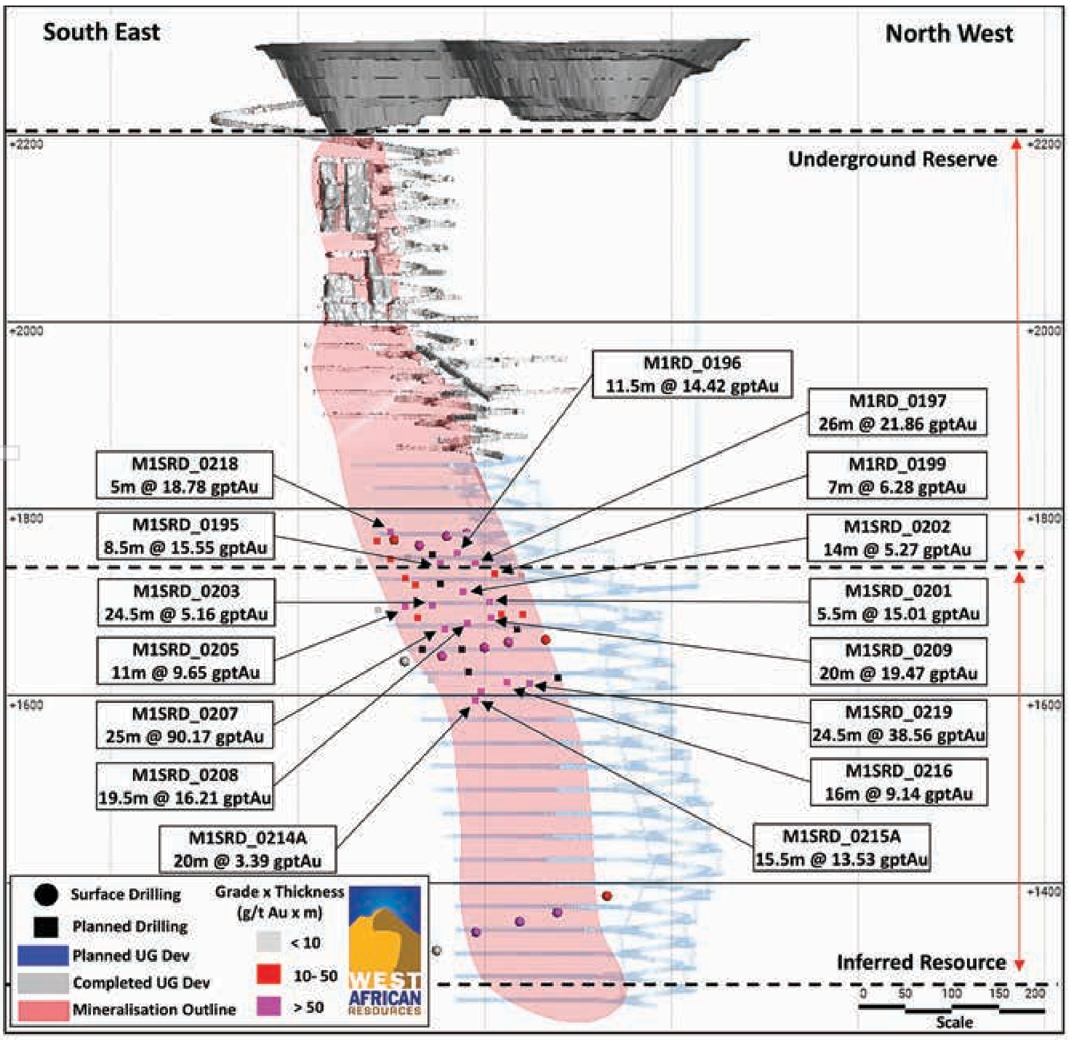
- M1 South underground extension;
- Toega gold deposit;
- MV3 East prospect; and
- M5 underground scoping study.

M1 South Underground

During Q4 2022, resource definition diamond drilling at the M1 South underground targeted the conversion of the Inferred Mineral Resources to Indicated Mineral Resources between 1800mRL and 1600mRL (500m to 700m BSL) beneath existing Ore Reserves at M1 South (refer to ASX announcement dated 15 December 2022).

Results from infill drilling have returned intercepts and confirmed the continuation of consistent high-grade mineralisation between 1800mRL to 1600mRL (500m to 700m BSL) beneath the current Ore Reserve (refer to Figure 8). Diamond drilling results have generally been higher grade than previous exploration drilling completed by WAF from 2018 to 2020, with M1 South high-grade mineralisation continuing to display predictable geometry and grade. At approximately 1600mRL, the deepest line of infill drilling, mineralisation remains open to the northwest. WAF has planned further drill holes to close off mineralisation.

Figure 8 – M1 South Long Section



GROWTH REVIEW (CONTINUED)

The positive results underpin future underground gold production from the M1 South with the upcoming Mineral Reserve Estimate expected to report additional ounces to those previously reported. WAF's update of the Ore Reserves estimates for M1 South incorporating these drilling results is expected to report a replacement of ounces mined to date. An updated resources and reserves estimate and 10-year production outlook will be released in the coming weeks.

Toega Gold Deposit

The Toega gold deposit is held under an exploration licence 100% owned by WAF. It is located within trucking distance (14km southwest) of the Sanbrado gold processing plant.

On 22 February 2022, WAF announced on the ASX a maiden Ore Reserve for Toega of 9.7 million tonnes at a grade of 1.9 g/t gold for 580,000 contained ounces with a strip ratio (waste : ore) of 5.4 : 1. The announcement included a 10-year production target with Toega Ore Reserves included in the Sanbrado processing schedule from 2024. Work to obtain Toega's mining licence is progressing well. The ESIA and RAP were completed and have been approved by the Government of Burkina Faso as part of the environmental certificate and mining licence application.

Figure 9 shows a long section of the Toega deposit indicating the wide and thick mineralisation of this open pit mining project.

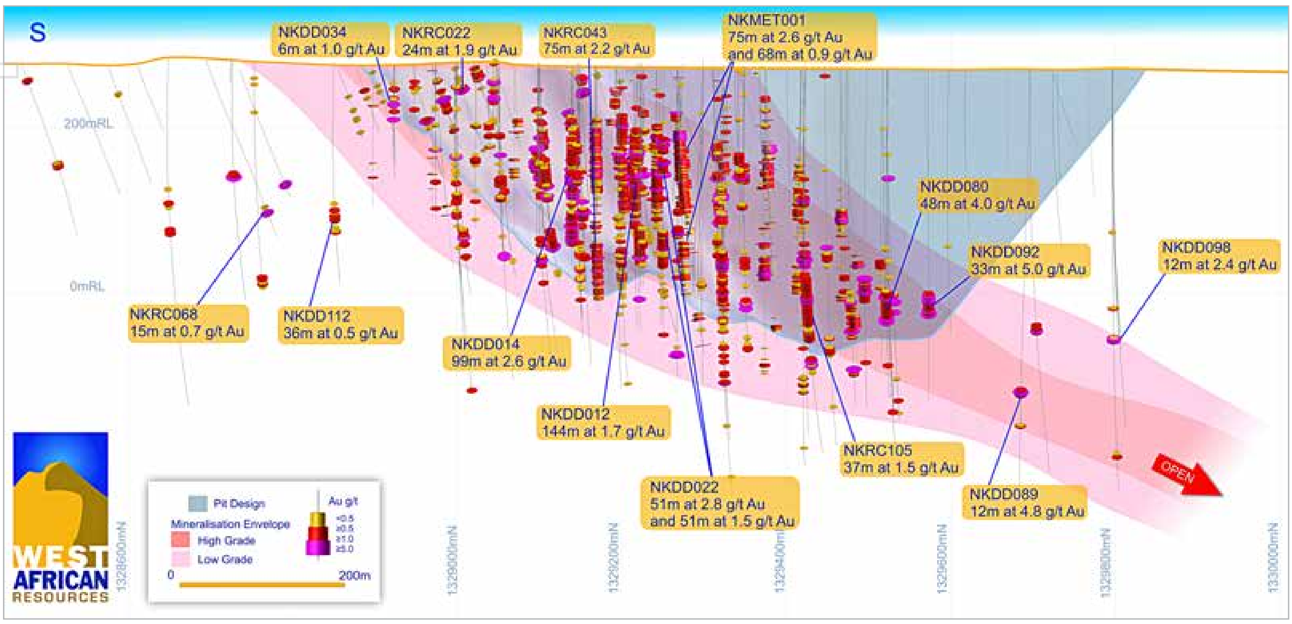


Figure 9 – Toega long section

GROWTH REVIEW (CONTINUED)

MV3

WAF is undertaking a diamond drilling program targeting high grade sulphide mineralisation at the MV3 East prospect (refer to figures 10 and 11), located 6km northwest of the Sanbrado mine site. A total of 140 holes for 13,392m have been drilled to date (refer to ASX announcement dated 10 January 2023).

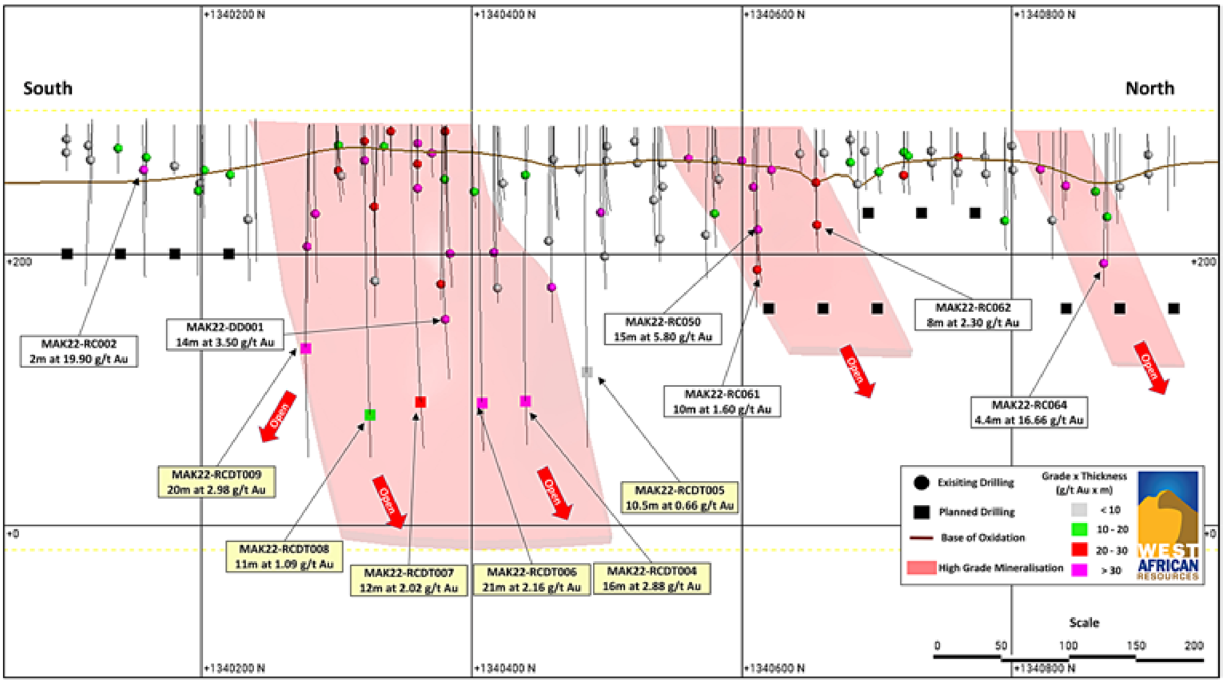


Figure 10 – MV3 East long section

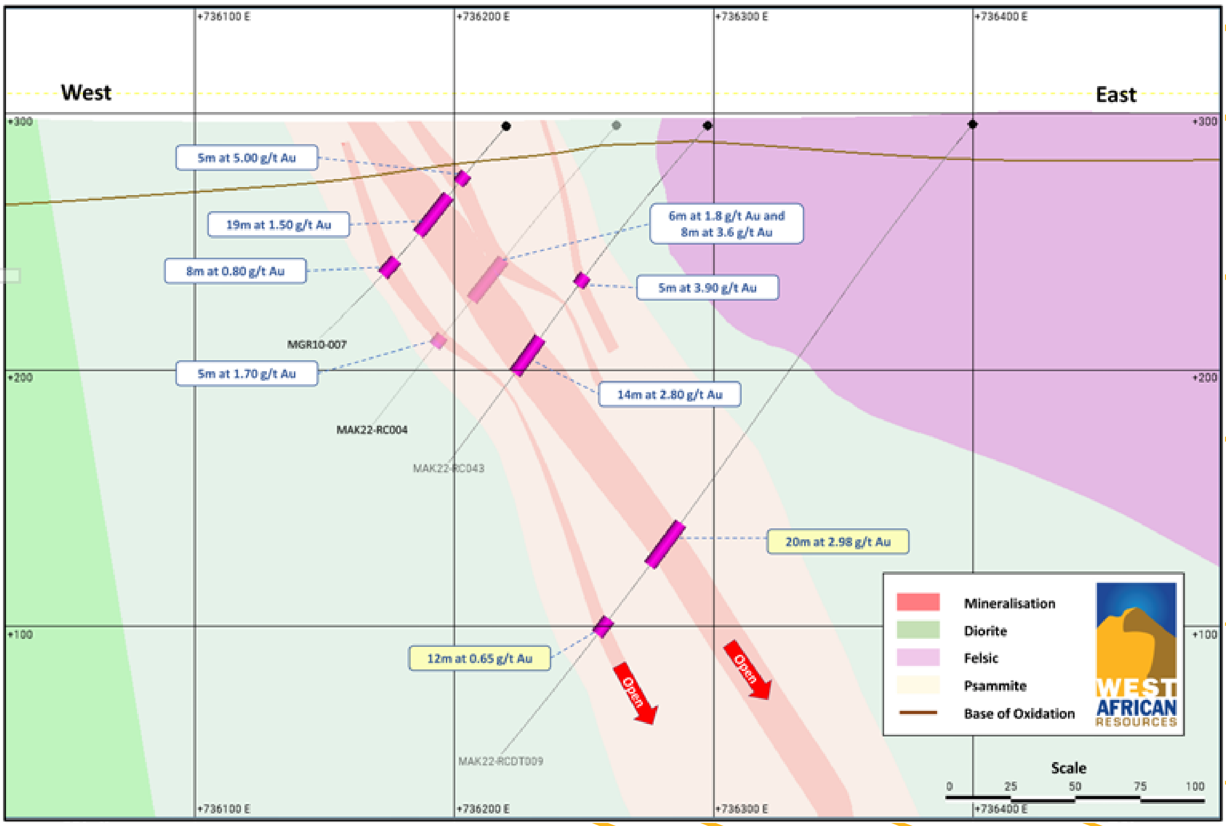


Figure 11 – MV3 East cross section 1340280mN (Section A)

GROWTH REVIEW (CONTINUED)

Strategic exploration position

With the acquisition of Kiaka and Toega in 2021, WAF has consolidated an exciting 2,000km² exploration land package over the prospective Markoyé fault region in central and southern Burkina Faso.

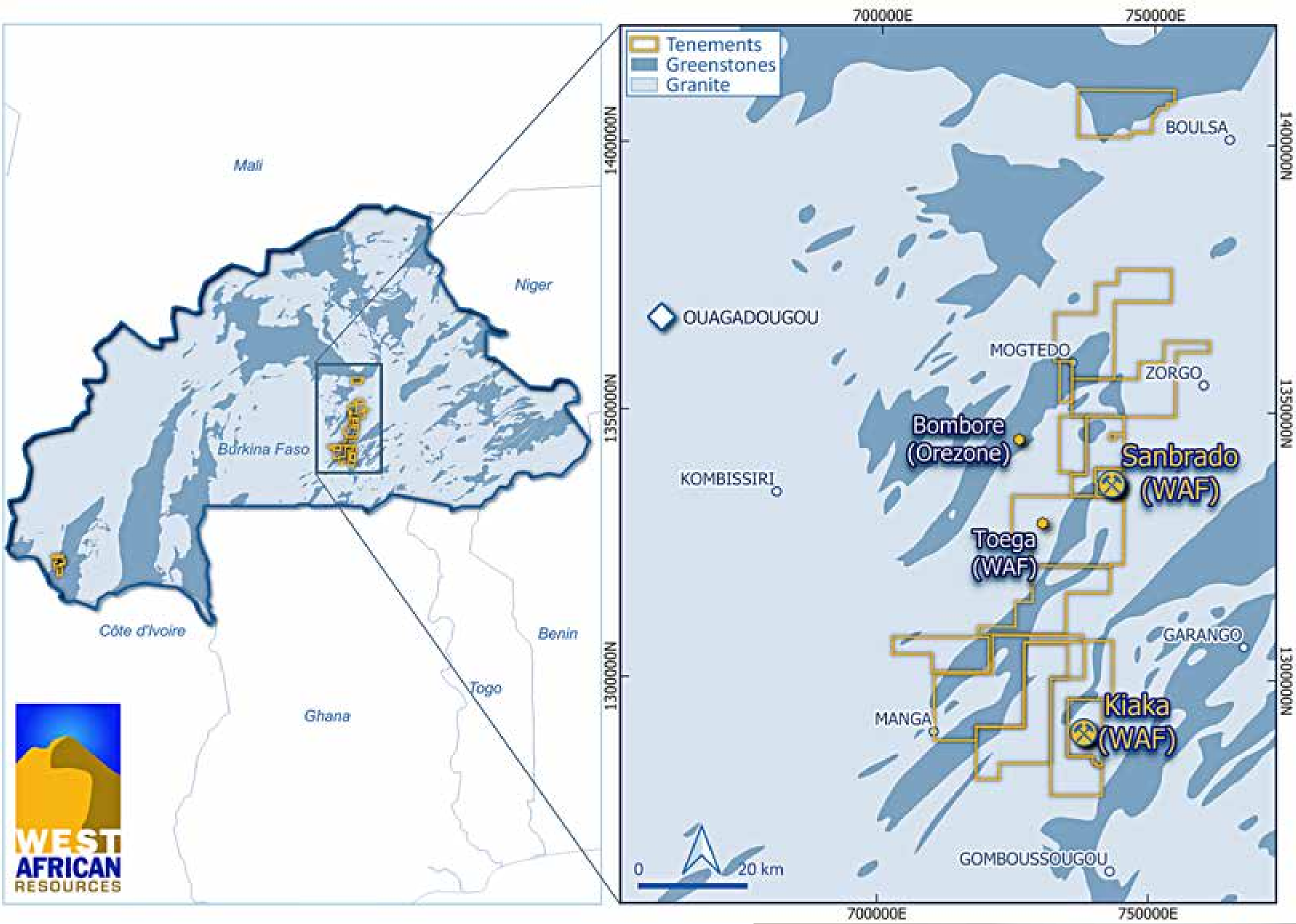


Figure 12 – Map showing location of WAF's mineral interests in Burkina Faso

FINANCIAL REVIEW

SUMMARY

	UNIT	2022	2021
Revenue	A$'000	**608,228**	712,140
Profit after tax	A$'000	**183,706**	214,438
Operating cash flow	A$'000	**184,098**	349,660
Free cash inflow/(outflow)	A$'000	**(12,702)**	188,953
Net asset/(debt) position	A$'000	**159,287**	170,256
Gold ounces sold	oz	**233,930**	295,215
Average sales price per ounce	US$/oz	**1,798**	1,808
All in sustaining cost ('AISC') per ounce sold	US$/oz	**1,086**	796

REVENUE, EARNINGS, AND UNIT COST PERFORMANCE

Group Revenue in 2022 was 15% lower than the prior year due to a 21% decrease in gold ounces sold, from 295,215 ounces in 2021 to 233,930 ounces in 2022, but this was partially offset by a A$180 per ounce higher realised average gold sales price in 2022.

	UNIT	2022	2021
Gold revenue	A$'000	**605,030**	710,265
Gold ounces sold	oz	**233,930**	295,215
Average sales price per ounce AUD	A$/oz	**2,586**	2,406
Average sales price per ounce USD	US$/oz	**1,798**	1,808
Average FX rate used for USD conversion	AUD/USD	**0.6953**	0.7513

Group profit after tax in 2022 decreased 14% from the prior year primarily due to a decrease in the operating margin reflected by the 6% increase in cost of sales compared with 15% lower revenue versus the prior year, partially offset by a $56,620,000 decrease in finance expenses. The increase in cost of sales over the prior year was driven by higher prices of significant operating inputs including fuel and explosives, plus a 7% lower average AUD/USD exchange rate in 2022 versus 2021. Finance expenses decreased by $56,620,000 from the prior year following the repayment of the Taurus debt facility and buy-back of the Taurus product fee in 2021.

Exploration and evaluation ('E&E') expenses of $4,895,000 in 2022 relate to regional exploration activities. Corporate and technical services were $2,044,000 higher than the prior year due to higher salary, listed entity and international travel costs. Other expenses increased by $3,519,000 over the prior year mainly reflecting a larger amount of withholding taxes on funds repatriated from Burkina Faso.

Income tax expense of $73,851,000 in 2022 mainly reflects Burkina Faso corporate income taxes on SOMISA's taxable profit at a rate of 27.5% (SOMISA being WAF's Burkina Faso subsidiary that owns 100% of Sanbrado).

COST PER OUNCE PERFORMANCE

The 'Adjusted operating cost', 'all in sustaining cost' ('AISC'), and 'all in cost' are per-ounce cost performance metrics recommended by the World Gold Council for use in the gold mining industry, but they are not defined by Australian Accounting Standards Board rules (i.e. they are non-AASB measures). WAF follows the World Gold Council's guidelines in the calculation of these metrics.

FINANCIAL REVIEW (CONTINUED)

The below table presents a year-on-year comparison of these non-AASB per ounce performance metrics for the Group including the underlying absolute costs from which they are calculated.

UNDERLYING MEASURE	UNIT	2022	2021
Gold sold	oz	233,930	295,215
Gold revenue	A$ '000	605,030	710,265
OP mining cost	A$ '000	74,443	82,451
UG mining cost	A$ '000	39,766	34,408
Processing cost	A$ '000	83,437	61,291
Site administration cost	A$ '000	30,731	31,009
Change in inventory	A$ '000	2,318	(3,408)
Royalties & production taxes	A$ '000	35,938	42,015
Refining and by product	A$ '000	(111)	(13)
Adjusted operating cost	A$ '000	**266,523**	247,752
Rehabilitation	A$ '000	1,413	2,530
Capital development	A$ '000	64,002	34,523
Sustaining capital	A$ '000	15,501	14,590
Sustaining leases	A$ '000	7,544	5,331
Corporate & share-based payments	A$ '000	10,241	8,233
All-in sustaining cost	A$ '000	**365,224**	312,958
Growth and development	A$ '000	-	1,218
Exploration non-sustaining	A$ '000	17,269	10,049
Capex non-sustaining	A$ '000	26,715	2,871
All-in cost	A$ '000	**409,208**	327,096
Performance metrics per gold ounce sold			
Adjusted operating cost	A$/oz	1,139	839
All in sustaining cost	A$/oz	1,561	1,060
All in cost	A$/oz	1,749	1,108
Average sales price	A$/oz	2,586	2,406
Average FX rate used for USD unit costs	AUD/USD	0.6953	0.7513
Adjusted operating cost	US$/oz	**792**	631
All in sustaining cost (AISC)	US$/oz	**1,086**	796
All in cost	US$/oz	**1,216**	832
Average sales price	US$/oz	**1,798**	1,808

The AISC per ounce increased 47% from A$1,060 in 2021 to A$1,561 in 2022 (and 36% in USD from US$796 in 2021 to US$1,086 in 2022). This year-on-year increase in the AUD AISC per ounce was mainly driven by a 21% lower grade of ore processed at Sanbrado in 2022 compared to the prior year, which resulted in a 21% decrease in the quantity of gold ounces sold, combined with a 17% increase in the AISC in AUD absolute terms from A$313 million in 2021 to A$365 million in 2022. The higher AUD absolute AISC in 2022 mainly reflects increased USD prices of significant operating costs including fuel, explosives, freight, and reagents plus a 7% lower average AUD/USD exchange rate experienced in 2022 versus 2021.

FINANCIAL REVIEW (CONTINUED)

RECONCILIATION OF NON-AASB MEASURES TO CONSOLIDATED FINANCIAL STATEMENTS

A reconciliation of the 'Adjusted operating cost per ounce' and AISC per ounce presented in the previous section of this report to the Group's Consolidated Financial Statements is presented below:

DESCRIPTION	FINANCIAL STATEMENT REFERENCE*	2022 $'000	2021 $'000
Cost of sales	P/L	324,677	306,805
(Less)/plus items:			
Depreciation	Note 4	(58,997)	(57,241)
Non-cash inventory movements	Note 4	1,947	(541)
By-product credits	N/A	(1,104)	(1,271)
Adjusted operating cost		266,523	247,752
(Less)/plus items:			
Reclamation & remediation (accretion & amortisation)	N/A	1,413	2,529
Corporate and technical services	P/L	7,785	5,741
Share-based payments	P/L	2,456	2,492
Capital development	Note 10	64,002	34,523
Sustaining capital	N/A	15,501	14,590
Sustaining leases	CF	7,544	5,331
Total All in sustaining cost (AISC)		365,224	312,958
Gold sold (ounces)		233,930	295,215
Adjusted operating cost per ounce ($A/oz)		1,139	839
AISC per ounce (A$/oz)		**1,561**	1,060

* The Financial Statement references in the above table are abbreviated as follows:
- P/L = Consolidated Statement of Profit or Loss and Other Comprehensive Income
- CF = Consolidated Statement of Cash Flows
- N/A = A direct cross reference to the Financial Statements is not available. Sustaining capital excludes growth-related capital.

BALANCE SHEET, CASH FLOW, AND CAPITAL COMMITMENTS

The Group's net assets increased by $186,160,000 during the year, reflecting a $74,458,000 increase in total assets and a $111,703,000 decrease in total liabilities.

Key asset movements:

Property, plant and equipment ('PP&E') increased by $188,504,000 mainly due to $134,648,000 of transfers from exploration and evaluation ('E&E') assets and $106,218,000 of PP&E additions partially offset by $54,322,000 of depreciation. The PP&E additions in 2022 were mainly comprised of $64,002,000 of capitalised open pit stripping at the M5 open pit and capitalised underground development at M1 South and $34,577,000 of capital-in-progress at Sanbrado.

E&E assets decreased by $117,874,000 mainly due to the transfer of $134,648,000 of Kiaka E&E costs to 'mines under construction' within PP&E, partially offset by $13,455,000 of E&E additions related to Toega, MV3, and Kiaka (prior to the reclassification in Q4 2022).

Key liabilities movements:

Trade and other payables decreased by $53,664,000, primarily reflecting cash settlement in 2022 of the US$45 million convertible note issued to B2Gold in the prior year as part consideration for the purchase of Kiaka. Loans and borrowings (current and non-current) were approximately in line with the prior year; however the full balance is classified as current. Current tax payable decreased by $70,978,000 due to a combination of SOMISA's lower Burkina Faso taxable profit in 2022 versus the prior year, and higher income tax instalments paid in 2022 versus the prior year.

FINANCIAL REVIEW (CONTINUED)

NET CASH/(DEBT) POSITION	2022 $'000	2021 $'000
Cash and cash equivalents	173,393	183,374
Loans and borrowings	(14,106)	(13,118)
Net cash/(debt)	159,287	170,256

The Group's net cash position decreased by $10,969,000 from the prior year, with strong pre-tax operating cash flow of $317,867,000 being reduced by $133,769,000 of income tax paid in 2022 resulting in net cash flow from operating activities of $184,098,000; and significant cash outflows from investing activities of $65,906,000 in relation to cash settlement in 2022 of the US$45 million convertible note issued to B2Gold in the prior year as part consideration for the purchase of Kiaka, and $102,533,000 of payments for PP&E, mainly related to capitalised development and equipment purchases at Sanbrado.

CALCULATION OF FREE CASH FLOW	2022 $'000	2021 $'000
Net increase/(decrease) in cash held in the period	**(12,401)**	87,141
Add/(subtract):		
Repayments of borrowings	**-**	235,064
Proceeds from issue of shares	**(120)**	(136,250)
Proceeds from exercise of share options	**(526)**	(1,042)
Payments for share issue costs	**345**	4,040
Free cash flow	**(12,702)**	188,953

The Group's free cash flow was approximately in-line with the overall change in the group's cash balance from 1 January to 31 December 2022, with no borrowing activity and negligible share issuances in the year.

CAPITAL COMMITMENTS

The Group's capital expenditure commitments for property, plant and equipment were $61,200,000 at 31 December 2022 (2021: $1,831,000), with $55,200,000 related to the Kiaka project and the $6,040,000 related to Sanbrado.

RESOURCES AND RESERVES STATEMENT

MINERAL RESOURCES

The following two tables provide the Mineral Resources for WAF at 3 August 2022 and 31 December 2021, respectively (refer to WAF's ASX announcement dated 3 August 2022 titled "West African Updates Resources, Reserves and Production Target" for further information on the 3 August 2022 Mineral Resources). WAF is currently updating its Mineral Resources, which are expected to be published in the coming weeks.

3 AUGUST 2022 RESOURCES BY DEPOSIT

		MEASURED RESOURCE			INDICATED RESOURCE			INFERRED RESOURCE			TOTAL RESOURCE*		
DEPOSIT	Cutoff g/t	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz
M1 South	0.5	20,000	5.5	4,000	60,000	3.6	7,000	0	0.0	0	80,000	4.2	11,000
M1 South UG	1.5	800,000	13.4	346,000	1,600,000	7.3	370,000	250,000	5.9	48,000	2,620,000	9.0	760,000
M1 South Deeps	1.5							2,060,000	12.4	820,000	2,060,000	12.4	820,000
M5	0.5	2,910,000	1.2	114,000	32,000,000	1.2	1,200,000	17,000,000	1.1	570,000	51,560,000	1.1	1,900,000
M1 North	0.5	60,000	2.0	4,000	480,000	2.1	32,000	400,000	2.0	26,000	940,000	2.0	62,000
M3	0.5	160,000	1.7	8,000	30,000	2.1	2,000	0	0	0	190,000	1.7	11,000
Sanbrado Stockpile		1,730,000	1.0	56,000							1,730,000	1.0	56,000
Toega	0.5				13,000,000	1.7	700,000	8,400,000	2.1	570,000	21,000,000	1.8	1,300,000
Kiaka	0.4				210,000,000	0.9	5,900,000	68,000,000	0.8	1,800,000	280,000,000	0.9	7,700,000
Total*		5,700,000	2.9	530,000	260,000,000	1.0	8,200,000	95,000,000	1.2	3,800,000	360,000,000	1.1	12,600,000

31 DECEMBER 2021 RESOURCES BY DEPOSIT

		MEASURED RESOURCE			INDICATED RESOURCE			INFERRED RESOURCE			TOTAL RESOURCE*		
DEPOSIT	Cutoff g/t	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz
M1 South	0.5	20,000	5.5	4,000	60,000	3.6	7,000	0	0.5	0	80,000	4.2	11,000
M1 South UG	1.5	800,000	13.4	346,000	1,600,000	7.3	370,000	250,000	5.9	48,000	2,620,000	9	760,000
M1 South Deeps	1.5							2,060,000	12.4	820,000	2,060,000	12.4	820,000
M5	0.5	2,910,000	1.2	114,000	32,000,000	1.2	1,200,000	17,000,000	1.1	570,000	51,560,000	1.1	1,900,000
M1 North	0.5	60,000	2.0	4,000	480,000	2.1	32,000	400,000	2.0	26,000	940,000	2.0	62,000
M3	0.5	160,000	1.7	8,000	30,000	2.1	2,000	0	0	0	190,000	1.7	11,000
Stockpile		1,730,000	1.0	56,000							1,710,000	1.0	53,000
Toega	0.5				13,130,000	1.7	698,000	8,350,000	2.1	569,000	21,000,000	1.8	1,300,000
Kiaka	0.5				169,300,000	1.0	5,236,000	51,570,000	0.9	1,539,000	220,870,000	1.0	6,775,000
Total*		5,700,000	2.9	532,000	217,000,000	1.1	7,540,000	79,000,000	1.4	3,600,000	302,000,000	1.2	11,600,000

* Due to rounding the totals in the above two tables may not precisely add up to, and ounces may not precisely calculate to, the amounts provided.

RESOURCES AND RESERVES STATEMENT (CONTINUED)

ORE RESERVES

The following two tables provide the Ore Reserves for WAF at 3 August 2022 and 31 December 2021, respectively (refer to WAF's ASX announcement dated 3 August 2022 titled "West African Updates Resources, Reserves and Production Target" for further information on the 3 August 2022 Ore Reserves). WAF is currently updating its Ore Reserves, which are expected to be published in the coming weeks.

3 AUGUST 2022 ORE RESERVE BY DEPOSIT

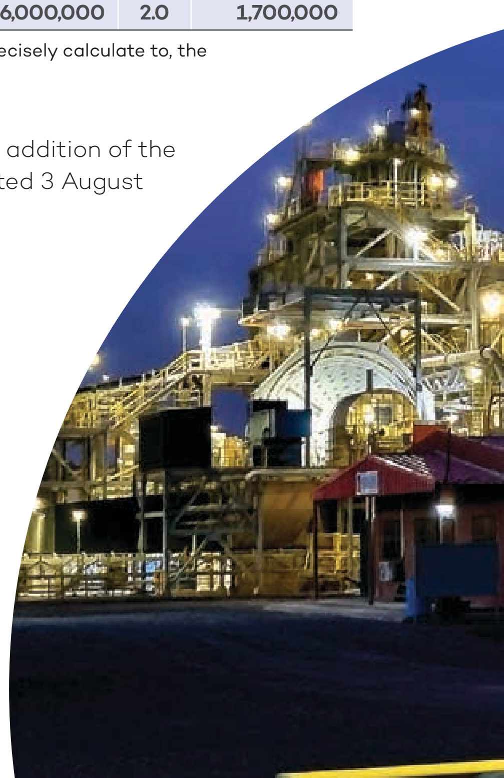
	PROVED			PROBABLE			PROVED + PROBABLE		
DEPOSIT	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz
M1 South UG	1,000,000	8.5	290,000	1,100,000	5.9	200,000	**2,100,000**	**7.1**	**490,000**
M1 South	50,000	5.1	9,000	0	0.0	0	**50,000**	**5.1**	**10,000**
M1 North	53,000	1.9	3,000	320,000	2.1	21,000	**370,000**	**2.0**	**24,000**
M5	2,500,000	1.3	100,000	10,000,000	1.4	420,000	**12,000,000**	**1.4**	**530,000**
M3	140,000	1.2	5,300	30,000	1.1	1,000	**170,000**	**1.2**	**6,300**
Toega				9,700,000	1.9	580,000	**9,700,000**	**1.9**	**580,000**
ROM Stockpile	1,700,000	1.0	56,000				**1,700,000**	**1.0**	**56,000**
Kiaka				155,000,000	0.9	4,500,000	**155,000,000**	**0.9**	**4,500,000**
Total*	**5,600,000**	**2.6**	**460,000**	**175,000,000**	**1.0**	**5,700,000**	**181,000,000**	**1.1**	**6,200,000**

31 DECEMBER 2021 ORE RESERVE BY DEPOSIT

	MEASURED RESOURCE			INDICATED RESOURCE			TOTAL RESOURCE*		
DEPOSIT	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz	Tonnes	Grade g/t	Contained Au oz
M1 South UG	1,000,000	8.5	290,000	1,100,000	5.9	200,000	**2,100,000**	**7.1**	**490,000**
M1 South	50,000	5.1	9,000	0	0.0	0	**50,000**	**5.1**	**10,000**
M1 North	53,000	1.9	3,000	320,000	2.1	21,000	**370,000**	**2.0**	**24,000**
M5	2,500,000	1.3	100,000	10,000,000	1.4	420,000	**12,000,000**	**1.4**	**530,000**
M3	140,000	1.2	5,300	30,000	1.1	1,000	**170,000**	**1.2**	**6,300**
Toega				9,700,000	1.9	580,000	**9,700,000**	**1.9**	**580,000**
ROM Stockpile	1,700,000	1.0	56,000				**1,700,000**	**1.0**	**56,000**
Total*	**5,600,000**	**2.6**	**460,000**	**21,000,000**	**1.9**	**1,200,000**	**26,000,000**	**2.0**	**1,700,000**

* Due to rounding the totals in the above two tables may not precisely add up to, and ounces may not precisely calculate to, the amounts provided.

The increase in the Ore Reserve from December 2021 to August 2022 reflects the addition of the Kiaka Probable Ore Reserve of 4.5 million ounces (refer to ASX announcement dated 3 August 2022 titled "Kiaka Feasibility Study Delivers 4.5Moz Gold Ore Reserve").



RESOURCES AND RESERVES STATEMENT (CONTINUED)

COMPETENT PERSONS STATEMENT

The Company's estimates of Mineral Resources and Ore Reserves for the Sanbrado Project (including the Toega Deposit) are set out in the announcement titled "WAF Resource, Reserve and production guidance update 2022" released on 22 February 2022. The Company confirms it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources and Ore Reserves for the Sanbrado Project in that announcement continue to apply and have not materially changed.

The Company's estimates of Mineral Resources and Ore Reserves for the Kiaka Project referred to in this report are set out in the announcement titled "Kiaka Feasibility Delivers 4.5Moz Gold Ore Reserve, 18.5 year Mine Life" released on 3 August 2022. The Company confirms it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources and Ore Reserves for the Kiaka Project in the announcement continue to apply and have not materially changed.

Information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by Brian Wolfe (Mineral Resources with the exclusion of M1 South Deeps), Niel Silvio (M1 South Deeps Mineral Resources), Andrew Fox (M1 South underground Ore Reserves) and Stuart Cruickshanks (open pit Ore Reserves) who are Competent Persons. Mr Wolfe is a specialist mineral resource consultant employed by International Resource Solutions Pty Ltd and a Member of the Australian Institute of Geoscientists. Mr Silvio is an employee of the company and a Member of the Australian Institute of Mining and Metallurgy. Mr Fox is a specialist mining consultant employed by Kenmore Mine Consulting Pty Ltd and a Member of the Australian Institute of Mining and Metallurgy. Mr Cruickshanks was an employee of the company and is now a consulting Mining Engineer. He is a Fellow of the Australian Institute of Mining and Metallurgy.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

CURRENT DIRECTORS

RICHARD HYDE

BSc (Geology and Geophysics), MAusIMM, MAIG

Executive Chairman and Chief Executive Officer

Richard Hyde is a geologist with over 25 years' experience in the mining industry and more than 20 years of experience in West Africa. He has managed large exploration and development projects for gold and base metals in Australia, Africa and Eastern Europe. He led the Company from incorporation in 2006, IPO in 2010, and through the discovery, development, and operation of the Sanbrado Gold Project.

Mr Hyde is a founding shareholder and commenced as a Director in 2006.

Committee memberships:
Technical, Risk, Nomination

Other ASX listed directorship:
Nil

Previous ASX listed directorship in the last 3 years:
Nil

LYNDON HOPKINS

BSc (Geology), MAusIMM, MAIG, MAICD

Executive Director and Chief Operating Officer

Lyndon Hopkins is a geologist with more than 30 years' experience in gold exploration, development and production in Australia and Africa. He was Chief Operating Officer of Equigold NL's Ivory Coast operations and managed the in-country aspects of the project development and feasibility study for the Bonikro Gold Mine. He was also Mine Manager for the construction of Regis Resources Ltd's Rosemont Gold Mine.

Mr Hopkins has been West African's Chief Operating Officer since 2015 and commenced as a Director on 6 September 2019.

Committee memberships:
Technical, Risk, Nomination

Other ASX listed directorship:
Nil

Previous ASX listed directorship in the last 3 years:
Nil

ELIZABETH (LIBBY) MOUNSEY

BBus (Human Resources and Industrial Relations), MAICD

Executive Director of Human Resources

Libby Mounsey has over 30 years' experience in human resources and industrial relations across the mining, construction, health, fisheries, and aviation industries. Over the last 15 years she has held senior positions with resource companies in various stages of development through feasibility, construction and operations. She holds a Bachelor of Business (Human Resources & Industrial Relations) from Edith Cowan University and is a Member of the Australian Institute of Company Directors. Ms Mounsey joined the Board on 29 May 2020.

Committee memberships:
Risk, Nomination

Other ASX listed directorship:
Nil

Previous ASX listed directorship in the last 3 years:
Nil

INFORMATION ON DIRECTORS AND COMPANY SECRETARY (CONTINUED)

CURRENT DIRECTORS

ROD LEONARD

BSc and MSc (Metallurgical Engineering), MAusIMM, GAICD

Lead Independent Director and Non-Executive Director

Rod Leonard is one of the founding Directors of Lycopodium (ASX: LYL) and served as an Executive Director of Lycopodium Limited from 2004 to 2019. He has more than 30 years' experience in the operation and project development of major projects in North and South America, Africa, Asia and Australia. He has been involved in many aspects of the mineral processing industry from process development, feasibility studies, and design assignments as well as commissioning of projects.

Mr Leonard joined the Board on 6 September 2019 and was appointed as Lead Independent Director on 2 February 2021.

Committee memberships: Technical, Risk (Chair), Audit, Remuneration, Nomination

Other ASX listed directorship:
Lycopodium Limited

Previous ASX listed directorship in the last 3 years:
Nil

NIGEL SPICER

BSc (Mining), CEng, MAusIMM

Non-Executive Director

Nigel Spicer is a Mining Engineer with more than 40 years' experience in mining and has held operational and executive management positions with mining companies in Africa, UK, Australia, Indonesia, PNG, Brazil and Philippines. He has extensive open pit and underground (narrow vein and bulk tonnage) mining experience across a range of commodities, including gold and copper. He has significant experience managing both owner and contract mining fleets and has been involved in the successful commissioning of a number of gold mines in Australia and Africa.

Mr Spicer joined the Board on 6 September 2019.

Committee memberships:
Technical (Chair), Risk, Audit, Nomination

Other ASX listed directorship:
Nil

Previous ASX listed directorship in the last 3 years:
Nil

ROBIN ROMERO

BCom (Accounting and Finance), LLB, CA ANZ, GAICD

Non-Executive Director

Robin Romero has more than 30 years of accounting, legal and commercial experience. She is a former General Counsel and Executive Director of mining contractor Barminco Limited and is Legal Counsel at FMR Investments Pty Ltd. She is a current NED of ASX-listed Euroz Hartleys Group Limited and a NED of not-for-profit group Greening Australia Limited.

Prior to these roles, Ms Romero spent more than 10 years working in large accounting and law firms including KPMG, EY, and King & Wood Mallesons.

She holds BComm and Bachelor of Laws degrees from the University of Western Australia, is a Chartered Accountant and an Australian Institute of Company Directors member.

Ms Romero joined the Board on 1 December 2022.

Committee memberships:
Risk, Audit (Chair), Remuneration, Nomination

Other ASX listed directorship:
Euroz Hartleys Group Limited

Previous ASX listed directorship in the last 3 years:
Nil

INFORMATION ON DIRECTORS AND COMPANY SECRETARY (CONTINUED)

CURRENT DIRECTORS

STEWART FINDLAY

BCom (Accounting and Finance), MAICD

Non-Executive Director

Stewart Findlay has over 25 years' financial markets experience and has provided project finance (senior secured debt and corporate facilities), equity investments, commodity hedging arrangements and corporate advice to a large number of resource companies. He has held senior positions in the metals and mining divisions of Macquarie Bank and National Australia Bank. He holds a Bachelor of Commerce (Accounting & Finance) from the University of New South Wales and is a Member of the Australian Institute of Company Directors.

Mr Findlay joined the Board on 29 May 2020.

Committee memberships:
Technical (Chair), Risk, Audit, Nomination

Other ASX listed directorship:
Nil

Previous ASX listed directorship in the last 3 years:
Nil

COMPANY SECRETARY

PADRAIG O'DONOGHUE

Chief Financial Officer since June 2018 and Company Secretary since May 2020.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PRINCIPAL ACTIVITIES

During the year, the principal activities of the Group were comprised of:

- operation of the Sanbrado Gold Project ('Sanbrado');
- completion of the Kiaka Gold Project ('Kiaka') feasibility study and preparations for Kiaka construction;
- completion of the Toega gold deposit ('Toega') feasibility study and advancement of the Toega mining licence application; and
- mineral exploration on the Group's exploration tenements located in Burkina Faso.

DIVIDENDS

No dividends have been paid or declared since the start of the year and the Directors do not recommend the payment of a dividend in respect of the year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the Group occurred in the year.

SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the Directors, likely developments in and expected results of the operations of the Group have been disclosed in the "Operating Review", "Financial Review" and "Significant Events After Balance Sheet Date" sections of this Annual Report. Disclosure of any further information regarding likely developments in the operations of the Group in future years and the expected results of those operations is likely to result in unreasonable prejudice to the Company.

SHARE OPTIONS AND PERFORMANCE RIGHTS

At the date of this report the unissued ordinary shares of the Company under option are:

ISSUE DATE	EXERCISE PRICE	EXPIRY DATE	NUMBER ISSUED
Options			
20-Jan-20	$0.6061	20-Jan-24	131,578
11-Jun-20	$0.6061	11-Jun-24	657,894
			789,472
Performance Rights*			
20-Jan-20	$0.0000	20-Jan-25	131,578
11-Jun-20	$0.0000	11-Jun-25	657,894
8-Dec-20	$0.0000	8-Dec-24	2,820,000
17-Dec-20	$0.0000	17-Dec-24	2,500,000
22-Jan-21	$0.0000	22-Jan-24	82,942
9-Apr-21	$0.0000	9-Apr-24	174,478
9-Apr-21	$0.0000	9-Apr-26	69,306
9-Apr-21	$0.0000	9-Apr-25	69,306
20-May-21	$0.0000	20-May-24	626,496
20-May-21	$0.0000	20-May-26	402,103
20-May-21	$0.0000	20-May-25	402,102
11-Jun-21	$0.0000	11-Jun-24	10,148
10-Feb-22	$0.0000	10-Feb-24	20,963
6-Apr-22	$0.0000	6-Apr-25	360,874
6-Apr-22	$0.0000	6-Apr-27	68,322
6-Apr-22	$0.0000	6-Apr-26	68,322
26-May-22	$0.0000	26-May-25	115,295
26-May-22	$0.0000	26-May-27	149,456
26-May-22	$0.0000	26-May-26	149,456
27-May-22	$0.0000	27-May-25	174,864
27-May-22	$0.0000	27-May-27	235,927
27-May-22	$0.0000	27-May-26	235,926
16-Feb-23	$0.0000	16-Feb-25	100,445
15-Mar-23	$0.0000	15-Mar-26	322,732
15-Mar-23	$0.0000	15-Mar-28	304,294
15-Mar-23	$0.0000	15-Mar-27	606,041
			10,859,270
Total options and performance rights on issue			**11,648,742**

* Performance rights are granted subject to various performance hurdles.

NON-AUDIT SERVICES

The Group may decide to employ the external auditor, HLB Mann Judd, on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. Fees that were paid or payable for non-audit services provided by the auditor of the parent entity during the year are outlined in note 26 of the accompanying financial statements. The Directors are satisfied that the provision of non-audit services during the year by the auditor are compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are of the opinion that the services as disclosed in the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

DIRECTORS' MEETINGS

The number of Directors' meetings held during the year and the number of meetings attended by each director were as follows:

DIRECTOR	BOARD MEETINGS		AUDIT COMMITTEE MEETINGS		REMUNERATION COMMITTEE MEETINGS		TECHNICAL & RISK COMMITTEE MEETINGS	
	A	B	A	B	A	B	A	B
Richard Hyde	6	6	-	-	-	-	4	4
Lyndon Hopkins	6	6	-	-	-	-	4	4
Libby Mounsey	6	6	-	-	2	2	-	-
Rod Leonard	6	6	3	3	2	2	4	4
Nigel Spicer	6	6	3	3	-	-	4	4
Stewart Findlay	6	6	3	3	2	2	-	-
Robin Romero	1	1	1	1	1	1	-	-

A – the number of meetings held whilst a Director or a committee member
B – the number of meetings the Director or committee member attended

There were no meetings of the newly-formed Nomination Committee during the year. The Technical & Risk Committee was separated into a Risk Committee and a Technical committee during the year. There were no meetings of these two newly-separated committees during the year.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in "ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191", issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report and accompanying financial statements. Amounts in the Directors' Report and accompanying financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars, or in certain noted cases, to the nearest dollar. All amounts are in Australian dollars, unless otherwise stated.

REMUNERATION REPORT (AUDITED)

The Directors of West African Resources Limited present the Remuneration Report for the Group for the year ended 31 December 2022. This Remuneration Report forms part of the Directors' Report and has been prepared in accordance with the Corporations Act 2001.

1. REMUNERATION REPORT OVERVIEW

This Remuneration Report details the remuneration arrangements for West African's Key Management Personnel ('KMP'), being:

- the Non-Executive Directors ('NEDs'); and
- the Executive Directors and the other senior executives with authority for planning, directing and controlling the major activities of the Group (together the 'Executives').

The KMP during the year are set out below:

NAME	POSITION	APPOINTED	RESIGNED
Non-Executive Directors			
Nigel Spicer	Non-Executive Director	September 2019	-
Rod Leonard	Non-Executive Director	September 2019	-
	Lead Independent Director	February 2021	-
Stewart Findlay	Non-Executive Director	May 2020	-
Robin Romero	Non-Executive Director	December 2022	-
Executive Directors			
Richard Hyde	Executive Chairman and Chief Executive Officer	September 2006	-
Lyndon Hopkins	Executive Director and Chief Operating Officer	September 2019	-
Libby Mounsey[1]	Executive Director of Human Resources	December 2022	-
Senior Executive			
Padraig O'Donoghue	Chief Financial Officer and	June 2018	-
	Company Secretary	May 2020	-

[1] Ms Mounsey was a non-executive director from May 2020 until November 2022.

2. GROUP PERFORMANCE AND ITS LINK TO SHAREHOLDER RETURNS

The following table provides the earnings per share, dividends per share, net profit (loss) and share price of West African Resources at 31 December 2022 compared to the 4 previous reporting periods.

PERIOD ENDING REPORTING PERIOD LENGTH	DECEMBER 2022 12 MONTHS	DECEMBER 2021 12 MONTHS	DECEMBER 2020 12 MONTHS	DECEMBER 2019 12 MONTHS	DECEMBER 2018 6 MONTHS
EPS (cents)	**16.1**	20.9	10.2	(0.5)	(0.5)
Dividends (cents per share)	**Nil**	Nil	Nil	Nil	Nil
Net profit / loss ($'000)	**183,706**	214,438	98,900	(4,334)	(3,551)
Share price ($)	**1.175**	1.320	1.050	0.430	0.250

3. REMUNERATION GOVERNANCE

A. REMUNERATION COMMITTEE RESPONSIBILITY

The Remuneration Committee is a subcommittee of the Board. It is primarily responsible for making recommendations to the Board on:

- Executive remuneration, including the executive incentive scheme framework and associated policies, targets, and awards;
- matters relating to Executive and Non-Executive Director ('NED') recruitment, retention, performance measurement and termination; and
- NED remuneration.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Executives and NEDs by reference to relevant employment market conditions in comparative peer companies both locally and internationally with the overall objective of maximising stakeholder benefit from the retention and incentivisation of a high performing Board and Executive team. Further information on the duties and responsibilities of the Remuneration Committee is contained in the Remuneration Committee Charter which is available on the Company's website.

B. USE OF REMUNERATION ADVISORS

External remuneration consultants may be engaged directly by the Board or the Remuneration Committee to provide information or advice. Where a remuneration recommendation is made relating to Board, Executive and KMP, the advice will be provided directly to an Independent Non-Executive Director and shall be free of influence from management.

In 2022, the Remuneration Committee engaged The Reward Practice Pty Ltd (The Reward Practice) to review and provide benchmarking for Executive and Non-Executive Remuneration. The Reward Practice recommendations were provided to the Remuneration Committee as an input into decision making and were used to assist the Remuneration Committee and Board in reviewing executive remuneration packages (base salaries and quantum/mix of incentives), and non-Executive fees, including Committee fees. The Reward Practice was paid $14,100 (excluding GST) in 2022 for the service.

C. EXECUTIVE REMUNERATION POLICY

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- fair, competitive and reasonable, enabling the Company to attract and retain high calibre talent;
- aligned to the Company's performance, strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- aligned with shareholders, linking both short and long term shareholder value creation.

The Company's approach to remuneration ensures that remuneration is competitive, performance focused, clearly links appropriate reward with desired business performance, efficient to administer, and easy to understand by Executives and shareholders.

In line with the remuneration policy, remuneration levels are reviewed annually to ensure alignment to the market and the Company's stated objectives.

D. REMUNERATION FRAMEWORK

The following executive remuneration framework adopted by the Board in 2018 was reviewed by Company's external remuneration experts and confirmed as still suitable for the Company by the Remuneration Committee in 2022.

TYPE	CATEGORY	DEFINITION OF CATEGORY	PURPOSE SUMMARY
Fixed remuneration	Total fixed remuneration	Pay which is linked to the present value and market rate of the role.	Pay for fulfilling the requirements of the role.
At-risk remuneration	Short term incentive	Pay for delivering the plan and growth agenda for WAF which must create value for shareholders. Incentive pay will be linked to the achievement of 'line-of-sight' performance goals. **It reflects 'pay for performance'.**	Incentive for the achievement of annual objectives and sustained business value.
At-risk remuneration	Long term incentive	Pay for creating value for shareholders. Reward pay is linked to shareholder returns. **It reflects 'pay for results'.**	Incentive for performance over the long term.

An important governance and legal component of the remuneration framework is the Company's Incentive Option & Performance Rights Plan ('Plan'). All equity incentives issued to Executives and other employees, including options and Performance Rights, are issued by the Company under the terms and conditions of the Plan. The Plan was most recently approved by shareholders at the Company's Annual General Meeting on 14 May 2021. The purpose of the Plan is to:

a. assist in the reward, retention and motivation of participants;
b. link the reward of participants to performance and the creation of shareholder value;
c. align the interests of participants more closely with the interests of shareholders; and
d. provide greater incentive for participants to focus on the Company's longer-term goals.

E. FIXED REMUNERATION

Total fixed remuneration ('TFR') consists of the base salary, superannuation, and other non-monetary benefits such as employee leave. TFR is intended to compensate the Executives for:

- competently and professionally fulfilling the scope of the Executive's roles and responsibilities; and
- the Executive's skills, experience, and qualifications.

F. AT-RISK REMUNERATION

Short-term incentive ('STI'):

- The primary purpose of the STI is to incentivise Executives to achieve the annual STI performance targets which are set by the Board at the beginning of the year. The STI performance targets clearly set out the annual performance targets the Board requires from management, and achievement of the targets is determined by the Board at the end of the year.
- The STI also enables the Executives to accumulate equity in the business which provides alignment with the shareholders for sustained strong business results.
- The STI also provides an employee-retention benefit to the Company due to the service vesting conditions of the STI equity award, which require a period of continuous service before the equity awards vest. This service condition is typically two years.

Long-term Incentive ('LTI'):

- The LTI is designed to incentivise Executives to achieve strategic objectives, delivering long-term shareholder value as evidenced by market and non-market measures. The LTI is designed to reward the Executives for the achievement of long-term performance targets set by the Board at the beginning of the long-term performance period. The long-term targets are intended to provide clear and measurable direction as to what the Board and shareholders require over the long-term performance period, which is typically a minimum of 3 years.
- The LTI also enables the Executives to accumulate equity in the business which provides alignment with the shareholders for sustained strong business results.
- The LTI also provides an employee retention benefit due to the LTI equity awards including a condition that requires Executives to remain in continuous service to the Company in order for them to vest.

4. NON-EXECUTIVE DIRECTOR REMUNERATION

West African Resources Limited's NED fee policy is designed to attract and retain high calibre Directors who can discharge the roles and responsibilities required in terms of good governance, strong oversight, independence, and objectivity.

The Company's constitution and the ASX listing rules specify that the NED fee pool limit shall be approved periodically by shareholders. The last determination at an AGM was an aggregate fee pool of $900,000 per year to ensure the Company can continue to attract and retain a high-performing Board of Directors with the appropriate overall skillset and composition.

The following table sets out the NED fee levels for 2022.

TITLE	ANNUAL FEE LEVEL
Lead Independent Director	**$112,500**
Other NEDs	**$90,000**

NED remuneration consists solely of director fees. There is no scheme to provide retirement benefits to NEDs other than statutory superannuation. Aside from being offered the option of receiving 30% of their director fees in the form of Performance Rights, NEDs do not participate in any performance related incentive programs.

Whilst WAF has no minimum shareholding policy for NEDs, the Board is of the view that it is beneficial for NEDs to hold an equity interest because it is an alignment with the Company's shareholders. The NED fee structure in 2022 was either one of the following, at the election of each individual NED:

i) 100% of NED fees paid in cash; or

ii) 70% of NED fees paid in cash and 30% paid in Performance Rights (30% equity component).

The 30% equity component of the structure has been approved, in respect of each participating Director, at a General Meeting of Shareholders of the Company. All of the Company's NEDs elected to participate in the 30% equity component in respect of their 2022 NED fees, except for Ms Romero who joined the Board in December 2022.

For 2022, the NED fees covered all activities associated with the Directors' role on the Board and no additional fees were paid to NEDs for being a chairperson or member of a Board committee.

NEDs are entitled to be paid, as the Board determines, for additional services provided to the Group outside of their Directorship responsibilities. They may also be reimbursed for out-of-pocket expenses they incur as a result of their directorships.

5. EXECUTIVE REMUNERATION

A. EXECUTIVE REMUNERATION STRUCTURE

The remuneration framework provides for total remuneration for each Executive to be split between the fixed and at-risk components. The following table sets out the apportionment of fixed and at-risk remuneration that applied in 2022.

EXECUTIVE*	FIXED REMUNERATION	AT-RISK REMUNERATION (STI AND LTI)
Executive Chairman & CEO	**42%**	**58%**
Chief Operating Officer	**45%**	**55%**
CFO & Company Secretary	**50%**	**50%**

* Commencing 2023, the apportionment for the new Executive Director of HR position will be 50% fixed, 50% at-risk.

The 'at-risk' apportionment for each Executive is comprised as follows, which shows a significant weighting towards the long-term (LTI) component. In the Board's view this provides a balance of Executive incentivisation that aligns with shareholders for both short-term results and long-term sustainable returns.

EXECUTIVE*	STI CASH INCENTIVE	STI EQUITY INCENTIVE	LTI EQUITY INCENTIVE
Executive Chairman & CEO	**14%**	**25%**	**61%**
Chief Operating Officer	**17%**	**25%**	**58%**
CFO & Company Secretary	**20%**	**40%**	**40%**

* Commencing 2023, the weighting for the new Executive Director of HR position will be 20% cash, 40% STI equity, and 40% LTI equity.

The proportions in the above tables are used as a guide by the Remuneration Committee to recommend to the Board the maximum of each component of at-risk remuneration that can be earned by the Executives each year. The equity incentives are awarded by the Board early in the year, with the number awarded calculated based on the 7-day VWAP of WAF shares at the beginning of the incentive performance period. The number of equity incentives that will ultimately vest and become exercisable by the Executives is determined by the Board based on their assessment of the achievement of the vesting conditions set out when the equity incentives were awarded. The vesting conditions of the equity awards represent the market and non-market performance targets established by the Board that the Executive must achieve to earn that portion of their at-risk remuneration.

The equity incentives also provide an employee-retention benefit to the Company, in addition to the performance target incentives. For example, the STI equity incentives include a 2-year continuous service vesting condition, and each LTI equity incentives includes a condition that it will lapse if the Executive's employment terminates before the LTI equity award has vested.

B. EXECUTIVE SERVICE AGREEMENTS

The terms and conditions of employment of Executives are set out in their Executives' Service Agreements ('ESAs'). A summary of Executive's ESAs is shown in the following table.

EXECUTIVE	TOTAL FIXED REMUNERATION^ (ANNUAL)	CONTRACT TERM	COMPANY NOTICE-PERIOD	EMPLOYEE NOTICE-PERIOD	TERMINATION BENEFIT*
Richard Hyde	**$718,250**	Until terminated by either party	6-months' notice	3-months' notice	Nil termination benefit
Lyndon Hopkins	**$552,500**	Same as above	Same as above	Same as above	Same as above
Padraig O'Donoghue	**$442,000**	Same as above	Same as above	Same as above	Same as above
Libby Mounsey**	**$386,750**	Same as above	Same as above	Same as above	Same as above

^ Amount shown includes fixed base annual salary, plus superannuation. The Executives' total fixed remuneration was changed on 1 July 2022 in relation to the change in superannuation guarantee from 10% to 10.5%.

* Termination benefits shown assume that termination was not due to a change of control of the Company. Shareholder approval was obtained at the 29 May 2020 Annual General Meeting for purposes of sections 200B and 200E of the Corporations Act in relation to termination benefits Messrs Hyde, Hopkins, and O'Donoghue may become entitled to if their employment under the ESA is terminated.

** Ms Mounsey was appointed as an Executive on 1 December 2022 and accordingly she only received fixed remuneration in 2022 and did not participate in the 2022 at-risk incentive component of Executive remuneration explained below in section C of this remuneration report.

C. AT-RISK REMUNERATION

At the beginning of 2022 the Board set out STI and LTI performance targets for Executives to earn their at-risk remuneration. The following table summarises the Executives' 2022 STI targets and their level of achievement as determined by the Board at the end of the year. These targets were the same for all of the Executives and the same targets applied to both the cash incentive portion of the STI and the equity incentive portions (as set out in section 5A of this report).

STI CATEGORY	STI TARGET	WEIGHTING	LEVEL OF ACHIEVEMENT
Gateway hurdle	200,000 ounces of gold is produced in 2022.	Gateway hurdle which determines if any STI will be paid for 2022	Gateway achieved
Gold production	2022 production guidance is achieved, being 220,000 to 240,000 ounces of gold.	30%	100%
Costs	2022 cost guidance is achieved, being AISC of US$1,040 to US$1,100 per ounce.	30%	100%
Growth	Application for Toega mining licence is submitted to the Burkina Faso government.	10%	Not achieved
	Construction of Kiaka Gold Project is commenced.	10%	100%
Social & Environment	There are no significant social or environmental incidents reported.	10%	100%
Safety	The 12-month rolling Total Recordable Injury Frequency Rate (TRIFR) is below the annual gold industry 'reportable injuries frequency rate' as published by DMIRS - Western Australia.	10%	100%
Overall level of achievement for 2022			**90%**

For 2022, the Executives earned 90% of the cash portion of their 2022 STI and this is reflected in the 'Remuneration Outcomes' table in section 6A of this remuneration report (2021: 100%). The 2022 STI equity incentive portion was comprised of Performance Rights with an expiry period of 3 years and an additional vesting condition that the Executive must remain an employee of the Company for two years from the date the Performance Rights were issued. The Board has determined that 90% of each Executive's 2022 STI Performance Rights will vest, subject to them satisfying the remainder of their 2-year service period.

The following table sets out the vesting conditions of the 2022 LTI equity instruments issued to Executives at the beginning of 2022 along with their proportion of each Executive's overall 2022 equity LTI and end-of-year vesting status.

<table>
<tr><th>LTI EQUITY INSTRUMENT</th><th>PROPORTION OF 2022 EQUITY LTI</th><th colspan="2">VESTING CONDITIONS</th><th>VESTING STATUS</th></tr>
<tr><td>2022 Production LTI Performance Rights
(expire 5 years from issue date)</td><td>50%</td><td colspan="2">At least 600,000 ounces of gold is poured within the 3-year period from 1 January 2022 to 31 December 2024.</td><td>Unvested</td></tr>
<tr><td>2022 Growth LTI Performance Rights
(expire 4 years from issue date)</td><td>25%</td><td colspan="2">The proportion of Performance Rights that vest will be determined by the board based on the achievement of the following Kiaka development milestone: Kiaka reaches 50% completion of project development by 31 December 2024.</td><td>Unvested</td></tr>
<tr><td rowspan="5">2022 Reserve Replacement LTI Performance Rights
(expire 4 years from issue date)</td><td rowspan="5">25%</td><td colspan="2">The proportion of Performance Rights that vest will be determined by the board based on replacement of Ore Reserves due to depletion over the three-year period from 1 January 2022 to 31 December 2024 using the following guidelines:</td><td rowspan="5">Unvested</td></tr>
<tr><th>ORE RESERVE CHANGE</th><th>VESTING PROPORTION</th></tr>
<tr><td>Ore reserve is depleted</td><td>nil</td></tr>
<tr><td>Ore reserve is maintained</td><td>50%</td></tr>
<tr><td>Ore reserve is maintained or grown up to 20%</td><td>50% to 100% (straight line basis)</td></tr>
</table>

The 2022 STI and LTI equity awards issued to the Executive Directors were approved by shareholders at the Company's 13 May 2022 Annual General Meeting and additional details of these awards are contained in the corresponding notice of meeting.

6. REMUNERATION OUTCOMES

A. SUMMARY OF REMUNERATION PAID TO EXECUTIVE KMP IN 2022

The remuneration disclosures of the executive KMP for the year ended 31 December 2022, prepared in accordance with the requirements of the Corporations Act 2001 and the relevant Australian Accounting Standards, are detailed in the following table.

		FIXED REMUNERATION				VARIABLE REMUNERATION				PERFORMANCE BASED % OF REMUNERATION		
		CASH SALARY AND FEES $	SUPER $	ANNUAL AND LONG SERVICE LEAVE $	TOTAL $	CASH BONUS** $	OPTIONS $	PER-FORMANCE RIGHTS $	TOTAL $	TOTAL REMUNER-ATION $	FIXED REMUNER-ATION %	REMUNER-ATION LINKED TO PER-FORMANCE %
Executive Directors												
Richard Hyde	**31 Dec 22**	**702,087**	**14,538**	**64,925**	**781,550**	**129,285**	**-**	**1,003,154**	**1,132,439**	**1,913,989**	**41%**	**59%**
	31 Dec 21	551,164	35,171	50,549	636,884	117,534	13,032	891,830	1,022,396	1,659,280	38%	62%
Lyndon Hopkins	**31 Dec 22**	**530,548**	**20,702**	**61,745**	**612,995**	**99,450**	**-**	**655,156**	**754,606**	**1,367,601**	**45%**	**55%**
	31 Dec 21	423,973	27,055	44,725	495,753	90,411	7,886	594,669	692,966	1,188,719	42%	58%
Libby Mounsey*	**31 Dec 22**	**25,191**	**3,000**	**2,305**	**30,496**	**-**	**-**	**-**	**-**	**30,496**	**100%**	**0%**
	31 Dec 21	-	-	-	-	-	-	-	-	-	-	-
Executive												
Padraig O'Donoghue	**31 Dec 22**	**419,664**	**21,336**	**44,578**	**485,578**	**79,560**	**-**	**358,110**	**437,670**	**923,248**	**53%**	**47%**
	31 Dec 21	324,696	26,104	32,559	383,359	70,320	6,196	296,835	373,351	756,710	51%	49%
Total	**31 Dec 22**	**1,677,490**	**59,576**	**173,553**	**1,910,619**	**308,295**	**-**	**2,016,420**	**2,324,715**	**4,235,334**	**45%**	**55%**
	31 Dec 21	1,299,833	88,330	127,833	1,515,996	278,265	27,114	1,783,334	2,088,713	3,604,709	42%	58%

* Libby Mounsey was appointed as Executive Director on 1 December 2022.
** Current year and prior year are presented on the accrual basis.

6. REMUNERATION OUTCOMES (CONTINUED)

B. SUMMARY OF REMUNERATION PAID TO NON-EXECUTIVE KMP IN 2022

The remuneration disclosures of the non-executive KMP for the year ended 31 December 2022, prepared in accordance with the requirements of the Corporations Act 2001 and the relevant Australian Accounting Standards, are detailed in the following table.

		CASH SALARY AND FEES $	SUPER $	ANNUAL AND LONG SERVICE LEAVE $	TOTAL $	CASH BONUS $	OPTIONS $	PERFORMANCE RIGHTS $	TOTAL $	TOTAL REMUNERATION $
Rod Leonard	**31 Dec 22**	**71,429**	**7,321**	**-**	**78,750**	**-**	**-**	**28,316**	**28,316**	**107,066**
	31 Dec 21	79,151	7,724	-	86,875	-	-	45,534	45,534	132,409
Nigel Spicer	**31 Dec 22**	**60,007**	**2,993**	**-**	**63,000**	**-**	**-**	**22,780**	**22,780**	**85,780**
	31 Dec 21	63,750	-	-	63,750	-	-	45,534	45,534	109,284
Stewart Findlay	**31 Dec 22**	**63,000**	**-**	**-**	**63,000**	**-**	**-**	**23,390**	**23,390**	**86,390**
	31 Dec 21	63,750	-	-	63,750	-	-	49,515	49,515	113,265
Libby Mounsey*	**31 Dec 22**	**225,558**	**5,857**	**-**	**231,415**	**-**	**-**	**23,390**	**23,390**	**254,805**
	31 Dec 21	168,579	5,671	-	174,250	-	-	49,515	49,515	223,765
Robin Romero**	**31 Dec 22**	**6,787**	**713**	**-**	**7,500**	**-**	**-**	**-**	**-**	**7,500**
	31 Dec 21	-	-	-	-	-	-	-	-	-
Total	**31 Dec 22**	**426,781**	**16,884**	**-**	**443,665**	**-**	**-**	**97,876**	**97,876**	**541,541**
	31 Dec 21	375,230	13,395	-	388,625	-	-	190,098	190,098	578,723

* Cash salary and fees include $168,415 (2021: $110,500) paid to Just HR Pty Ltd, for whom Ms Mounsey is a director and shareholder, for HR consulting services on normal commercial terms whilst she was a Director of the Company. Libby Mounsey was appointed as Executive Director on 1 December 2022.

** Robin Romero was appointed as Non-Executive Director on 1 December 2022.

7. DETAILS OF SHARE-BASED COMPENSATION

OPTIONS HELD BY KMP

	BALANCE 1 JAN 2022	GRANTED AS REMUNERATION	NUMBER EXERCISED	NET CHANGE OTHER	BALANCE 31 DEC 2022	AT 31 DECEMBER 2022		
						TOTAL	VESTED	UNVESTED
Directors								
Richard Hyde	994,933	-	(588,235)	-	406,698	406,698	406,698	-
Lyndon Hopkins	607,128	-	(355,932)	-	251,196	251,196	251,196	-
Executive								
Padraig O'Donoghue	411,239	-	(279,661)	-	131,578	131,578	131,578	-
Total	**2,013,300**	**-**	**(1,223,828)**	**-**	**789,472**	**789,472**	**789,472**	**-**

PERFORMANCE RIGHTS HELD BY KMP

	BALANCE 1 JAN 2022	GRANTED AS REMUNERATION	NUMBER EXERCISED	NET CHANGE OTHER	BALANCE 31 DEC 2022	AT 31 DECEMBER 2022		
						TOTAL	VESTED	UNVESTED
Directors								
Richard Hyde	3,262,093	666,146	(515,282)	-	3,412,957	3,412,957	551,764	2,861,193
Lyndon Hopkins	2,156,415	427,017	-	-	2,583,432	2,583,432	710,872	1,872,560
Rod Leonard	22,277	26,203	(22,277)	-	26,203	26,203	-	26,203
Nigel Spicer	22,277	20,963	(22,277)	-	20,963	20,963	-	20,963
Stewart Findlay	50,863	20,963	(50,863)	-	20,963	20,963	-	20,963
Libby Mounsey	50,863	20,963	(50,863)	-	20,963	20,963	-	20,963
Robin Romero	-	-	-	-	-	-	-	-
Executive								
Padraig O'Donoghue	1,496,234	273,289	-	-	1,769,523	1,769,523	469,009	1,300,514
Total	**7,061,022**	**1,455,544**	**(661,562)**	**-**	**7,855,004**	**7,855,004**	**1,731,645**	**6,123,359**

7. DETAILS OF SHARE-BASED COMPENSATION (CONTINUED)

OPTIONS GRANTED DURING THE YEAR AS REMUNERATION TO KMP

There were no options granted to KMP in 2022.

Performance Rights granted during the year as remuneration to KMP

GRANT DATE	TYPE	NUMBER GRANTED	VALUE EACH	TOTAL VALUE
10-Feb-22	in lieu of 30% of Directors' fees	89,092	$1.1900	$106,019
30-Mar-22	STI	136,645	$1.2550	$171,489
30-Mar-22	LTI	136,644	$1.2550	$171,488
13-May-22	STI	322,398	$1.1750	$378,818
13-May-22	LTI	770,765	$1.1750	$905,649
Total		**1,455,544**		**$1,733,463**

Options and Performance Rights exercised during the year by KMP

EXERCISE DATE	NO. OF PERFORMANCE RIGHTS	NO. OF OPTIONS	VALUE EACH ON EXERCISE DATE
1-Feb-22	50,863	-	$1.1350
2-Feb-22	22,277	-	$1.1800
1-Sep-22	22,277	-	$1.1700
21-Oct-22	50,863	-	$0.9900
2-Nov-22	-	279,661	$1.0800
16-Dec-22	515,282	-	$1.1500
19-Dec-22	-	588,235	$1.1500
20-Dec-22	-	355,932	$1.1150
Total	**661,562**	**1,223,828**	

OPTIONS AND PERFORMANCE RIGHTS FORFEITED/LAPSED DURING THE YEAR BY KMP

There were no Options or Performance Rights that were forfeited or lapsed by KMP during the year.

Share holdings of KMP

	BALANCE 1 JAN 2022	ISSUED AS REMUNERATION	ISSUED ON EXERCISE OF OPTIONS/ PERFORMANCE RIGHTS	NET CHANGE OTHER	BALANCE 31 DEC 2022
Directors					
Richard Hyde	18,353,433	-	1,103,517	(3,000,000)	16,456,950
Lyndon Hopkins	3,818,267	-	355,932	(1,499,846)	2,674,353
Rod Leonard	92,911	-	22,277	80,000	195,188
Nigel Spicer	84,911	-	22,277	(32,000)	75,188
Stewart Findlay	-	-	50,863	16,000	66,863
Libby Mounsey	70,747	-	50,863	-	121,610
Robin Romero	-	-	-	-	-
Executive					
Padraig O'Donoghue	959,835	-	279,661	-	1,239,496
Total	**23,380,104**	**-**	**1,885,390**	**(4,435,846)**	**20,829,648**

8. LOANS TO KMP

There were no loans to KMP during the year.

END OF AUDITED REMUNERATION REPORT.

AUDITOR INDEPENDENCE

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This written Auditor's Independence Declaration is set out on page 91 and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.

RICHARD HYDE
Executive Chairman & CEO
Perth, 17 March 2023

FINANCIAL REPORT

CONTENTS

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

	Note	**2022 $'000**	2021 $'000
Revenue from continuing operations	3	**608,228**	712,140
Cost of sales	4(a)	**(324,677)**	(306,805)
Exploration and evaluation expenses		**(4,895)**	(2,284)
Corporate and technical services		**(7,785)**	(5,741)
Growth and development		**-**	(1,218)
Share-based payments		**(2,456)**	(2,492)
Other expenses	4(b)	**(9,695)**	(6,176)
Finance expenses		**(2,110)**	(58,730)
Net foreign exchange gain/(loss)		**947**	(7,147)
Profit before tax		**257,557**	321,547
Income tax expense	5	**(73,851)**	(107,109)
Profit after tax		**183,706**	214,438
OTHER COMPREHENSIVE INCOME:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**9,050**	(2,265)
Other comprehensive profit/(loss), net of income tax		**9,050**	(2,265)
Total comprehensive profit for the year		**192,756**	212,173
Profit attributable to:			
Owners of the parent		**164,443**	188,964
Non-controlling interest	24	**19,263**	25,474
		183,706	214,438
Total comprehensive profit attributable to:			
Owners of the parent		**173,493**	186,699
Non-controlling interest	24	**19,263**	25,474
		192,756	212,173
Basic profit per share (cents per share)	6	**16.1**	20.9
Diluted profit per share (cents per share)	6	**15.9**	20.7

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2022

	Note	2022 $'000	2021 $'000
CURRENT ASSETS			
Cash and cash equivalents	7	**173,393**	183,374
Restricted cash		**10,272**	1,626
Trade and other receivables	8	**43,367**	42,507
Inventories	9	**68,031**	58,977
Financial assets		**-**	39
Total current assets		**295,063**	286,523
NON-CURRENT ASSETS			
Property, plant and equipment	10	**518,060**	329,556
Right-of-use assets	11	**7,469**	12,713
Exploration and evaluation assets	12	**57,581**	175,455
Other non-current assets	13	**532**	-
Total non-current assets		**583,642**	517,724
TOTAL ASSETS		**878,705**	804,247
CURRENT LIABILITIES			
Trade and other payables	14	**52,408**	106,072
Loans and borrowings	15	**14,106**	214
Lease liabilities	16	**6,624**	5,591
Current tax payable		**14,440**	85,418
Total current liabilities		**87,578**	197,295
NON-CURRENT LIABILITIES			
Loans and borrowings	15	**-**	12,904
Lease liabilities	16	**1,450**	7,096
Provisions	17	**14,376**	12,579
Deferred tax liabilities	18	**34,734**	19,967
Total non-current liabilities		**50,560**	52,546
TOTAL LIABILITIES		**138,138**	249,841
NET ASSETS		**740,567**	554,406
EQUITY			
Issued capital	19	**335,630**	335,334
Reserves	20	**15,785**	4,173
Accumulated profit		**349,083**	185,540
Equity attributable to owners of the parent		**700,498**	525,047
Non-controlling interest		**40,069**	29,359
TOTAL EQUITY		**740,567**	554,406

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

	Issued capital $'000	Accumulated profit/(losses) $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Non-controlling interest $'000	Total $'000
Balance at 1 January 2021	165,263	(3,885)	(6,096)	9,947	7,036	172,265
Profit after tax	-	188,963	-	-	25,475	214,438
Other comprehensive profit/(loss) for the period	-	-	(2,265)	-	-	(2,265)
Total comprehensive profit/(loss) for the period	-	188,963	(2,265)	-	25,475	212,173
Shares issued during the period net of transaction costs	170,071	-	-	-	-	170,071
Transfer to non-controlling interest	-	462	-	-	(462)	-
Share-based payments	-	-	-	2,587	-	2,587
Subsidiary minority interest profit distribution	-	-	-	-	(2,690)	(2,690)
Balance at 31 December 2021	335,334	185,540	(8,361)	12,534	29,359	554,406
Balance at 1 January 2022	**335,334**	**185,540**	**(8,361)**	**12,534**	**29,359**	**554,406**
Profit after tax	-	164,443	-	-	19,263	**183,706**
Other comprehensive profit/(loss) for the period	-	-	9,050	-	-	**9,050**
Total comprehensive profit/(loss) for the period	-	164,443	9,050	-	19,263	**192,756**
Shares issued during the period net of transaction costs	296	-	-	-	-	**296**
Transfer to non-controlling interest	-	(900)	-	-	900	**-**
Share-based payments	-	-	-	2,562	-	**2,562**
Subsidiary minority interest profit distribution	-	-	-	-	(9,453)	**(9,453)**
Balance at 31 December 2022	**335,630**	**349,083**	**689**	**15,096**	**40,069**	**740,567**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022

	Note	**2022 $'000**	2021 $'000
OPERATING ACTIVITIES			
Receipts from customers		**606,134**	687,597
Payments to suppliers and employees		**(289,591)**	(301,151)
Income tax paid		**(133,769)**	(36,538)
Interest received		**2,046**	602
Interest paid		**(722)**	(850)
Net cash inflow from operating activities	21(a)	**184,098**	349,660
INVESTING ACTIVITIES			
Payments for property, plant and equipment		**(102,533)**	(48,254)
Capitalised exploration and evaluation expenditure		**(12,348)**	(7,003)
Payment for acquisition of assets, net of cash acquired		**(65,906)**	(52,704)
Net cash outflow from investing activities		**(180,787)**	(107,961)
FINANCING ACTIVITIES			
Proceeds from issue of shares	19(b)	**120**	136,250
Proceeds from exercise of share options	19(b)	**526**	1,042
Proceeds from borrowings		**-**	-
Repayment of borrowings	21(b)	**-**	(235,064)
Subsidiary minority interest profit distribution		**(7,292)**	(2,690)
Payments for share issue costs		**(345)**	(4,040)
Payments for lease liabilities	21(b)	**(7,544)**	(5,331)
Interest paid on borrowings		**(653)**	(13,395)
Financing costs		**-**	(31,330)
Transaction costs related to loans and borrowings		**(524)**	-
Net cash outflow from financing activities		**(15,712)**	(154,558)
Net (decrease)/increase in cash held		**(12,401)**	87,141
Cash at the beginning of the financial period		**183,374**	95,027
Effect of exchange rate changes on the balance of cash held in foreign currencies		**2,420**	1,206
Cash at the end of the financial period	7	**173,393**	183,374

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

1 BASIS OF PREPARATION

A. BASIS OF ACCOUNTING

These consolidated financial statements are presented in Australian dollars and are general purpose financial statements which have been prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory professional reporting requirements in Australia (including the Australian equivalents of International Financial Reporting Standards). They have also been prepared on the historical cost basis and do not take into account changing money values. The accounting policies are consistent with those of the previous financial period, unless otherwise stated.

The financial information for the parent entity, West African Resources Limited, is disclosed in note 31 and has been prepared on the same basis as the Group.

B. ROUNDING OF AMOUNTS

The Company is of a kind referred to in Rounding Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Rounding Instrument to the nearest thousand dollars ($000's), unless otherwise stated.

C. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which West African Resources Limited had control.

D. ADOPTION OF NEW AND REVISED STANDARDS

There have been no new or amended accounting standards or interpretations issued by the Australian Accounting Standard's Board (AASB) that have been applied for the first time in the current reporting period.

There are no forthcoming standards and amendments that are expected to have a material impact on the Group in the current or future reporting periods, or on foreseeable future transactions.

E. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of this financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

1 BASIS OF PREPARATION (CONTINUED)

E. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

Exploration and evaluation costs

On a case-by-case basis, assessing whether the acquisition costs and exploration and evaluation expenses of particular mineral properties will be expensed or whether it is appropriate to capitalised them as exploration and evaluation (E&E) assets.

Valuation of rehabilitation provision

- Estimating the future cash flows to settle mine restoration obligations.
- Setting the discount rate and inflation rate used in the calculation of the rehabilitation provision.

Property, plant and equipment

- Estimating future life of mine costs and gold mineralisation for amortisation of mine development assets.
- Setting the useful lives and depreciation rates for plant and equipment.
- Assessing assets for impairment of their carrying value.

Group consolidation

Setting the functional currency used for each entity in the Group.

Income tax

- Interpreting tax legislation in a number of countries.
- Estimating future tax outcomes.

Share-based payments

- Estimating the fair value of share-based payments at the date at which they are granted.
- Estimating number of share-based payment awards to employees that will ultimately vest at each reporting date.

Value added tax receivable

Estimating the amount recoverable and timing of recovery of VAT receivable from the Burkina Faso government.

F. REVENUE

The Group primarily generates revenue from the sale of gold bullion. Such sales revenue is recognised when ownership of the metal is transferred to the buyer. This typically occurs when physical bullion, from a contracted sale, is transferred from the Group's metal account to the metal account of the buyer.

Where the Group receives provisional payments from buyers, in advance of transfer of ownership, the Group classifies the provisional payment as a deferred revenue liability until ownership is transferred and the associated revenue is recognised.

G. INCOME TAXES

The income tax expense or benefit for the period is based on the profit or loss for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted as at balance date.

Deferred tax is provided on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxation profit or loss.

Deferred income tax assets are recognised to the extent that it is probable that the future tax profits will be available against which deductible temporary differences will be utilised. The amount of the benefits brought to account, or which may be realised in the future, is based on the assumption that no adverse change will occur in the income taxation legislation and the anticipation that the economic unit will derive sufficient future assessable income to enable the benefits to be realised and comply with the conditions of deductibility imposed by law.

1 BASIS OF PREPARATION (CONTINUED)

H. OTHER TAXES

Revenues, expenses and assets are recognised net of the amount of value added taxes ('VAT') except:

- when the VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of VAT included.

Australian goods and services tax ('GST') is a type of VAT.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the taxation authority.

I. CASH AND CASH EQUIVALENTS

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

J. INVENTORIES

Ore stockpiles, gold in circuit and finished goods (being gold doré and gold bullion) inventories are valued at the lower of weighted average cost and net realisable value. Costs include direct production costs and an appropriate allocation of attributable overheads. Depreciation and amortisation attributable to production of the inventory are also included in the cost of inventory.

Inventories of consumable supplies and spare parts are valued at the lower of weighted average cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion, and the estimated costs necessary to make the sale.

1 BASIS OF PREPARATION (CONTINUED)

K. PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment ('PP&E') is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The cost of an item of PP&E consists of the purchase price, applicable borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The carrying amount of the PP&E is reviewed at each balance sheet date to assess whether there is any indication that the assets may be impaired. If any such indication exists, then the recoverable amount of the assets is estimated. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposal of PP&E are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

Mines under construction

Expenditure on the construction, installation, and completion of infrastructure facilities for mining properties is capitalised to mines under construction. The expenditure includes direct costs of construction, drilling costs and removal of overburden to gain access to the ore, borrowing costs capitalised during construction and an appropriate allocation of attributable overheads. The capitalised amount is net of proceeds from the sale of ore extracted during the construction phase to the extent that it is considered integral to the development of the mine. Any costs incurred in testing the assets to determine if they are functioning as intended are capitalised, net of any proceeds received from selling any product produced while testing. Where these proceeds exceed the cost of testing, any excess is recognised in the statement of profit or loss and other comprehensive income.

After reaching pre-determined levels of operating capacity intended by management, known as 'commencement of commercial production', the assets included in mines under construction are transferred out of mines under construction to their appropriate PP&E category and depreciation and amortisation commence.

Mine development assets

Mine development represents expenditure incurred in relation to overburden removal based on underlying mining activities and related mining data and construction costs and underground development previously accumulated and carried forward in relation to mineral properties in which mining has now commenced. Such expenditure comprises direct costs and an allocation of directly related overhead expenditure.

All expenditure incurred prior to the commencement of production from each development property is carried forward to the extent to which recoupment out of future revenue from the sale of production, or from the sale of the property, is reasonably assured. When further development expenditure is incurred in respect of a mine property after the commencement of commercial production, such expenditure is carried forward as part of the cost of the mine property only when future economic benefits are reasonably assured, otherwise the expenditure is classified as part of the cost of production and expensed as incurred. Such capitalised development expenditure is added to the total carrying value of the mine development being amortised.

Mine development costs (as transferred from exploration and evaluation and/or mines under construction) are amortised on a units-of-production basis over the life of mine to which they relate. In applying the units of production method, amortisation is calculated using the expected total contained ounces as determined by the life-of-mine plan specific to that mine property. For development expenditure undertaken during production, the amortisation rate is based on the ratio of total development expenditure (incurred and anticipated) over the expected total contained ounces as estimated by the relevant life-of-mine plan to achieve a consistent amortisation rate per ounce. The rate per ounce is typically updated annually as the life of mine plans are revised.

1 BASIS OF PREPARATION (CONTINUED)

K. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation

Depreciation of non-mine specific PP&E is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives determined as follows:

Land and buildings	3 to 10 years
Office equipment	3 to 10 years
Plant and equipment	3 to 10 years
Light vehicles	3 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

L. EXPLORATION AND EVALUATION

Exploration and evaluation ('E&E') costs are captured separately for each area of interest. Such costs comprise direct costs and an appropriate portion of related overhead expenditure. E&E costs, including acquisition costs, are capitalised when incurred in areas limited to a size related to a known mineral resource capable of supporting a mining operation for which the Group has rights of (or is acquiring rights of) tenure and where activities have reached a stage which permits a reasonable assessment of the existence of economically recoverable ore reserves, and active and significant operations in relation to the area are continuing. Each capitalised area of interest is regularly reviewed. If the project is abandoned or if it is considered unlikely that capitalised costs will be recouped through development or sale of the project then accumulated costs to that point are written off immediately.

Where a decision has been made to proceed with development in respect of a particular area of interest, the associated E&E assets are transferred to PP&E and all future E&E costs for the area of interest are classified as PP&E within either mines under construction or mine development assets, as appropriate.

M. RECOVERABLE AMOUNT OF NON-CURRENT ASSETS

The carrying amounts of non-current assets are reviewed annually to ensure they are not more than the recoverable amounts from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employed and subsequent disposal. The expected net cash flows have been or will be discounted to present values in determining recoverable amounts.

N. TRADE AND OTHER ACCOUNTS PAYABLE

Trade and other accounts payable represent the principal amounts outstanding at balance date, plus, where applicable, any accrued interest.

O. BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

1 BASIS OF PREPARATION (CONTINUED)

O. BORROWINGS (CONTINUED)

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

P. LEASE LIABILITIES

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Right-of-use assets

Right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

1 BASIS OF PREPARATION (CONTINUED)

Q. PROVISION FOR REHABILITATION

Rehabilitation costs are recognised in full at present value as a liability when an obligation arises to decommission or restore a site to a certain condition. An equivalent amount is capitalised as part of the cost of the related asset

The Group's assessment of the present value of the rehabilitation and mine closure provision requires the use of estimates and judgements, including the future cost of performing the work, timing of the cash flows, discount rates, and final remediation strategy. Changes in the estimates or other assumptions are accounted for on a prospective basis. The provision can also be impacted prospectively by changes to legislation or regulations.

Adjustments to the provision are offset by a change in the carrying value of the related asset. Where the provisions are for assets no longer in use, such as mines and processing sites that have been closed, any adjustment is reflected directly in profit or loss.

R. ISSUED CAPITAL

Ordinary Shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

S. EMPLOYEE BENEFITS

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

T. SHARE-BASED PAYMENTS

The Group provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by a valuation using Black-Scholes or Binomial option pricing models.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the estimated number of awards that will ultimately vest. This estimate is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

1 BASIS OF PREPARATION (CONTINUED)

U. FOREIGN CURRENCY TRANSLATION

Both the functional and presentation currency of West African Resources Limited and its Australian subsidiary are Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of the foreign subsidiaries, Wura Resources Pty Ltd SARL, West African Resources Development SARL, Tanlouka SARL, Société des Mines de Sanbrado SA, Volta Properties SARL, Kiaka Gold SARL and Kiaka SA, is the Communaute Financière Africaine Franc ('CFA'). The functional currency of the foreign subsidiary, Channel Resources Ltd is the Canadian Dollar ('CAD'). The functional currency of the foreign subsidiaries, Channel Resources (Cayman I) Ltd, Channel Resources (Cayman II) Ltd, Volta Resources (Cayman) Inc., and Volta II Ltd is the United States Dollar ('USD').

As at the reporting date the assets and liabilities of the subsidiaries are translated into the presentation currency of West African Resources Limited at the rate of exchange ruling at the balance date and their income and expenses are translated at the average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

1 BASIS OF PREPARATION (CONTINUED)

V. FINANCIAL ASSETS

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, at fair value through other comprehensive income (OCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financial component or for which the Group has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost of fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

i. Financial assets at amortised cost (debt instruments);
ii. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
iii. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or
iv. Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objectives to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

2 SEGMENT REPORTING

A. DESCRIPTION OF SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board and the executive management team in assessing performance and in determining the allocation of resources. The operating segments of the Group are:

Mining Operations: comprise the Sanbrado Gold Project operations located in Burkina Faso.

Construction and E&E: comprises mines under construction and exploration and evaluation (E&E) projects in locations other than Sanbrado.

B. SEGMENT INFORMATION

	Mining operations $'000	**Construction and E&E $'000**	**Other $'000**	**Total $'000**
2021				
Total segment revenue	712,130	-	10	712,140
Total segment expenses	305,626	3,463	6,959	316,048
Total segment results	406,504	(3,463)	(6,949)	396,092
Segment assets at 31 December 2021	584,190	131,165	88,892	804,247
Segment liabilities at 31 December 2021	179,541	554	69,746	249,841
2022				
Total segment revenue	**608,064**	**36**	**128**	**608,228**
Total segment expenses	**324,677**	**4,895**	**7,785**	**337,357**
Total segment results	**283,387**	**(4,859)**	**(7,657)**	**270,871**
Segment assets at 31 December 2022	**628,227**	**140,441**	**110,037**	**878,705**
Segment liabilities at 31 December 2022	**132,112**	**2,815**	**3,211**	**138,138**

Segment result is reconciled to the profit before income tax as follows:

	2022 $'000	2021 $'000
Total segment results	**270,871**	396,092
Share-based payments	**(2,456)**	(2,492)
Finance expenses	**(2,110)**	(58,730)
Other expenses	**(9,695)**	(6,176)
Net foreign exchange gain/(loss)	**947**	(7,147)
Profit before income tax	**257,557**	321,547

All metal sales in the year were made to MKS PAMP SA.

3 REVENUE

	2022 $'000	2021 $'000
Metal sales	**606,134**	711,536
Interest received	**2,007**	603
Other income	**87**	1
	608,228	712,140

4 EXPENSES

	2022 $'000	2021 $'000
(a) Cost of sales		
Production expenses	**228,378**	209,157
Royalties and other selling costs	**36,931**	43,273
Depreciation and amortisation	**58,997**	57,241
Changes in inventory (cash)	**2,318**	(3,407)
Changes in inventory (non-cash)	**(1,947)**	541
	324,677	306,805
(b) Other expenses		
Accretion of rehabilitation provision	**350**	255
Depreciation and amortisation	**359**	53
Withholding tax expense	**8,986**	5,868
	9,695	6,176
(c) Other required disclosures		
Employee benefits (excluding share-based payments)	**34,662**	30,189

5 INCOME TAX

A. INCOME TAX RECOGNISED IN PROFIT OR LOSS

	2022 $'000	2021 $'000
Current tax	**56,423**	103,819
Deferred tax	**14,761**	(692)
Under provided in prior years	**2,667**	3,982
	73,851	107,109

B. NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE

	2022 $'000	2021 $'000
Accounting profit before tax	**257,557**	321,547
Income tax expense at 30%	**77,267**	96,464
Add/(Deduct):		
Non-deductible expenses	**2,964**	7,184
Effect of differences in foreign tax rates	**(5,930)**	(8,266)
Effect of differences in foreign exchange	**631**	(241)
Deferred tax movement re borrowing costs	**-**	(793)
Other permanent adjustment	**5,747**	4,629
Movement in unrecognised deferred tax assets	**(6,828)**	8,132
Income tax expense	**73,851**	107,109

5 INCOME TAX (CONTINUED)

C. UNRECOGNISED DEFERRED TAX BALANCES

	2022 $'000	2021 $'000
(a) Unrecognised deferred tax assets		
Annual leave provision	**92**	73
Accrued expenses	**145**	107
Long service leave provision	**33**	20
Borrowings	**14,132**	14,406
Leases	**41**	68
Tax losses	**20,447**	23,590
Section 40-880 undeducted losses	**-**	634
(b) Unrecognised deferred tax liabilities		
Cash and short-term deposits	**(2,844)**	-
Prepayments	**(5)**	(2)
Right-of-use assets	**(36)**	(63)
Net unrecognised deferred tax asset	**32,005**	38,833

6 EARNINGS PER SHARE

	2022 $	2021 $
Basic profit per share (cents per share)	**16.1**	20.9
Diluted profit per share (cents per share)	**15.9**	20.7

The profit and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

Attributable profit for the year	**164,442,151**	188,963,472
Weighted average number of shares outstanding during the period used in calculations of basic profit per share	**1,021,110,697**	901,991,086
Weighted average number of diluted shares outstanding during the period used in calculations of diluted profit per share	**1,031,263,524**	912,120,649

7 CASH AND CASH EQUIVALENTS

	2022 $'000	2021 $'000
Cash at bank	**173,298**	183,277
Cash in hand	**95**	97
	173,393	183,374

8 TRADE AND OTHER RECEIVABLES

	2022 $'000	2021 $'000
Current		
Prepayments	**2,856**	6,294
Other receivables	**40,511**	36,213
	43,367	42,507

Other receivables include value added tax receivable from the Burkina Faso government of $40,103,000 (202 $35,668,000). The full balance was assessed to be collectible and no provision for doubtful receivables wa applied.

9 INVENTORIES

	2022 $'000	2021 $'000
Ore stockpiles – cost	**34,230**	34,646
Finished goods – cost	**5,800**	6,086
Gold in circuit – cost	**3,510**	2,913
Consumable supplies and spares – cost	**24,491**	15,332
	68,031	58,977

10 PROPERTY, PLANT AND EQUIPMENT

Cost and accumulated depreciation	Mine development assets $'000	Mines under construction $'000	Capital in progress $'000	Land and buildings $'000	Office equipment $'000	Plant and equipment $'000	Light vehicles $'000	Total $'000
31 December 2021								
Gross carrying amount at cost	136,719	28	1,238	33,393	659	232,817	5,606	410,460
Accumulated depreciation	(35,333)	-	-	(6,894)	(609)	(34,524)	(3,544)	(80,904)
Net carrying amount	101,386	28	1,238	26,499	50	198,293	2,062	329,556
31 December 2022								
Gross carrying amount at cost	**202,930**	**142,580**	**32,593**	**34,729**	**734**	**236,451**	**6,093**	**656,110**
Accumulated depreciation	**(66,754)**	**-**	**-**	**(9,939)**	**(657)**	**(55,629)**	**(5,071)**	**(138,050)**
Net carrying amount	**136,176**	**142,580**	**32,593**	**24,790**	**77**	**180,822**	**1,022**	**518,060**

Carrying value								
31 December 2021								
At the beginning of the period	93,826	-	11,527	29,063	25	192,645	2,501	329,587
Assets acquired under acquisition	-	-	90	516	56	149	83	894
Transfers to property, plant and equipment	-	-	(26,560)	-	-	26,560	-	-
Additions	34,523	28	16,325	185	-	787	633	52,481
Depreciation expensed for the period	(28,951)	-	-	(2,920)	(30)	(19,558)	(1,130)	(52,589)
Change in rehabilitation provision	3,011	-	-	-	-	-	-	3,011
Effects of movement in foreign exchange	(1,023)	-	(144)	(345)	(1)	(2,290)	(25)	(3,828)
Net of accumulated depreciation	101,386	28	1,238	26,499	50	198,293	2,062	329,556
31 December 2022								
At the beginning of the period	**101,386**	**28**	**1,238**	**26,499**	**50**	**198,293**	**2,062**	**329,556**
Transfers to property, plant and equipment	**-**	**-**	**(3,230)**	**569**	**74**	**2,136**	**451**	**-**
Transfers from E&E assets	**-**	**134,093**	**-**	**555**	**-**	**-**	**-**	**134,648**
Additions	**64,002**	**7,639**	**34,577**	**-**	**-**	**-**	**-**	**106,218**
Depreciation expensed for the period	**(30,000)**	**-**	**-**	**(2,886)**	**(46)**	**(20,052)**	**(1,338)**	**(54,322)**
Depreciation capitalised for the period	**-**	**-**	**-**	**-**	**-**	**(30)**	**(114)**	**(144)**
Change in rehabilitation provision	**1,311**	**-**	**-**	**-**	**-**	**-**	**-**	**1,311**
Effects of movement in foreign exchange	**(523)**	**820**	**8**	**53**	**(1)**	**475**	**(39)**	**793**
Net of accumulated depreciation	**136,176**	**142,580**	**32,593**	**24,790**	**77**	**180,822**	**1,022**	**518,060**

11 RIGHT-OF-USE ASSETS

	Property $'000	Equipment $'000	Total $'000
Balance at 1 January 2021	299	15,921	16,220
Additions	-	1,462	1,462
Depreciation charge for the year	(90)	(4,705)	(4,795)
Effects of movement in foreign exchange	-	(174)	(174)
Balance at 31 December 2021	209	12,504	12,713
Balance at 1 January 2022	**209**	**12,504**	**12,713**
Additions	**-**	**-**	**-**
Depreciation charge for the year	**(90)**	**(5,034)**	**(5,124)**
Effects of movement in foreign exchange	**-**	**(120)**	**(120)**
Balance at 31 December 2022	**119**	**7,350**	**7,469**

The components of the 31 December 2022 balance will be depreciated over the remaining unexpired period of their respective lease agreements, which currently expire in 2024 unless extended.

12 EXPLORATION AND EVALUATION ASSETS

	2022 $'000	2021 $'000
Balance at 1 January	**175,455**	15,255
Additions	**13,455**	163,101
Transfer to property, plant and equipment	**(134,648)**	-
Effects of movement in foreign exchange	**3,319**	(2,901)
Balance at 31 December	**57,581**	175,455

In 2022, on transfer of $134,648,000 of exploration and evaluation assets related to the Kiaka gold project to property, plant and equipment management performed an impairment test and concluded no impairment was required (2021: nil transferred to PP&E). Exploration and evaluation additions in 2021 included $155,161,000 of purchase consideration paid for the Kiaka Gold Project and the Toega Gold Project.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

13 OTHER NON-CURRENT ASSETS

	2022 $'000	2021 $'000
Transaction costs	**532**	-
	532	-

At 31 December 2022, the transaction costs represent amounts directly attributable to establishing the project debt facility for Kiaka mine construction prior to execution and drawdown of the facility.

14 TRADE AND OTHER PAYABLES

	2022 $'000	2021 $'000
Current		
Trade payables	**23,853**	21,570
Accruals	**27,528**	21,580
Other payables	**1,027**	1,007
Convertible note	**-**	61,915
	52,408	106,072

In 2022, the Company cash-settled the US$45 million convertible note that was issued to B2Gold Corp in 2021 as part consideration for the purchase of the Kiaka Gold Project.

15 LOANS AND BORROWINGS

	2022 $'000	2021 $'000
Current	**14,106**	214
Non-current	**-**	12,904
	14,106	13,118

The 2022 loans and borrowings balance represents the loan facility that was entered into with Byrnecut Burkina Faso SARL in 2019 as a component of the Sanbrado underground mining services contract. The facility has a limit of US$10 million and interest is charged at a rate of 9.75% per annum. Interest is payable half-yearly and the principal is due 6 months before termination of the 5-year services contract. The balance outstanding under the facility at 31 December 2022 was US$9.6 million inclusive of accrued interest (2021: US$9.6 million).

16 LEASES

	2022 $'000	2021 $'000
Current	**6,624**	5,591
Non-current	**1,450**	7,096
	8,074	12,687
Amounts recognised in profit or loss		
Interest on lease liabilities	**722**	850
Expenses relating to short-term leases	**55**	22
	777	872
Amounts recognised in the statement of cash flows		
Total cash outflow for leases	**7,544**	5,331

17 PROVISIONS

	2022 $'000	2021 $'000
Non-current		
Long service leave provision	**110**	67
Rehabilitation provision	**14,266**	12,512
	14,376	12,579
Reconciliation of movements in rehabilitation provision:		
Balance at the start of the period	**12,512**	9,362
Increase in rehabilitation provision during the year	**1,675**	3,266
Effects of movement in foreign exchange	**79**	(116)
Balance at the end of the period	**14,266**	12,512

The Group's rehabilitation provision has been calculated with an inflation rate of 2.5% (2021: 2.5%) and by discounting the cash flows at a rate of 2.75% (2021: 2.75%).

18 DEFERRED TAX LIABILITIES

	2022 $'000	2021 $'000
Deferred tax liabilities		
Trade and other receivables	**2,840**	507
Property, plant and equipment	**24,999**	10,311
Trade and other payables	**(549)**	-
Borrowings	**3,130**	3,695
Borrowing costs	**4,314**	5,454
Net deferred tax liabilities	**34,734**	19,967
Movements:		
Opening balance	**19,967**	21,648
Charged/(Credited) to profit and loss	**11,220**	(692)
Under/(Over) provision in prior years	**3,547**	(989)
Closing balance	**34,734**	19,967

19 ISSUED CAPITAL

	2022 $'000	2021 $'000
Fully paid ordinary shares	**335,630**	335,334

(a) Number of shares	**No.**	**No.**
At start of period	**1,020,773,845**	878,682,646
Issue of shares on exercise of options	**1,972,148**	5,969,467
Issue of shares from capital raising	**96,000**	109,000,000
Issue of shares as consideration for acquisition	**-**	27,121,732
Balance at end of period	**1,022,841,993**	1,020,773,845

(b) Value of shares	**$'000**	**$'000**
At start of period	**335,334**	165,263
Issue of shares on exercise of options	**526**	1,042
Issue of shares from capital raising	**120**	136,250
Issue of shares as consideration for acquisition	**-**	36,819
Share issue costs	**(350)**	(4,040)
Balance at end of period	**335,630**	335,334

20 RESERVES

	2022 $'000	2021 $'000
Foreign currency translation reserve	**689**	(8,361)
Share-based payments reserve	**15,096**	12,534
	15,785	4,173

Nature and purpose of reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record the Group's exchange differences arising from the translation of loans to foreign subsidiaries that are expected to be repaid in the long term and the translation of the financial statements of foreign subsidiaries.

(b) Shared-based payments reserve

The shared-based payments reserve is used to recognise the fair value of options and rights issued by the Company to Directors, employees and other suppliers or consultants that are not exercised or expired.

21 CASH FLOW INFORMATION

A. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2022 $'000	2021 $'000
Profit after income tax	**183,706**	214,438
Adjustment for:		
Depreciation and amortisation	**59,355**	57,294
Share-based payments	**2,456**	2,492
Other non-cash items	**(1,727)**	-
Accretion of rehabilitation provision	**350**	255
Financing costs	**2,110**	57,880
Net foreign exchange (gain)/loss	**(11,678)**	1,223
	234,572	333,582
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	**(3,097)**	(19,818)
(Increase)/Decrease in inventories	**(9,142)**	(7,607)
(Decrease)/Increase in trade and other payables	**21,682**	(27,068)
(Decrease)/Increase in current tax payable	**(74,678)**	72,252
(Decrease)/Increase in deferred tax liabilities	**14,761**	(1,681)
Net cash flows from operating activities	**184,098**	349,660

B. RECONCILIATION OF LOANS AND BORROWINGS AND LEASES TO NET CASH FLOWS FROM FINANCING ACTIVITIES

	Loans and borrowings $'000	Lease liabilities $'000	Total $'000
Balance at 1 January 2021	226,333	15,806	242,139
Cash outflow from financing activities	(235,064)	(5,331)	(240,395)
Leases entered into during the year	-	1,462	1,462
Other balance movements	21,719	-	21,719
Effect of changes in foreign exchange rates	130	750	880
Balance at 31 December 2021	13,118	12,687	25,805
Balance at 1 January 2022	**13,118**	**12,687**	**25,805**
Cash outflow from financing activities	**(524)**	**(7,544)**	**(8,068)**
Leases entered into during the year	**-**	**-**	**-**
Other balance movements	**-**	**-**	**-**
Effect of changes in foreign exchange rates	**979**	**2,932**	**3,911**
Balance at 31 December 2022	**13,573**	**8,075**	**21,648**

22 DIVIDENDS

No dividends have been paid or declared payable during the year (2021: nil).

23 COMMITMENTS AND OTHER CONTINGENCIES

A. EXPLORATION AND MINING LEASE COMMITMENTS

In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay rental fees and to meet the minimum expenditure requirements. These discretionary costs are not provided for in the financial statements and will be payable as follows:

	2022 $'000	2021 $'000
Due within 1 year	**2,429**	1,378
Due after 1 year but not more than 5 years	**2,661**	2,756
Due after 5 years	**-**	-
	5,090	4,134

B. CAPITAL COMMITMENTS

The Group's capital expenditure commitments for property, plant and equipment were $61,240,000 at 31 December 2022 (2021: $1,831,000).

C. CONTINGENT LIABILITIES

(i) Burkina Faso Income Tax

Société des Mines de Sanbrado SA ('SOMISA') is in discussions with the Burkina Faso tax authority in relation to a reassessment resulting from an audit of its 2020 corporate income taxes. No amount in relation to this has been provided in the Group's financial statements as the parties have not yet come to a common understanding of the underlying transactions being reassessed and the correct tax treatment under the tax code.

(ii) Royalty agreements

During 2021, the Group entered into royalty agreements with third parties in respect of the acquisition of the Kiaka Gold Project ('Kiaka') and the Toega Gold Project ('Toega'). Royalties will become payable under the agreements when refined gold is produced from ore extracted from the physical areas covered by the agreements.

- Royalty agreements in respect of gold produced from Kiaka comprise:
    - a 3% net smelter return ('NSR') royalty on the first 2.5 million ounces; and
    - a 0.5% NSR royalty on the next 1.5 million ounces.

- Royalty agreements on the first 1.5 million gold ounces produced from the Nakomgo exploration permit area were provided in respect of Toega comprising:
    - a 3% NSR royalty to a value of US$25 million; and
    - thereafter a 0.5% NSR royalty.

(iii) Other contingent liabilities

There were no other material contingent liabilities at 31 December 2022 (2021: nil).

24 INTEREST IN SUBSIDIARIES

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

		Ownership interest	
		2022	2021
Entities	**Country of incorporation**	**%**	%
Parent company			
West African Resources Limited	Australia		
Direct subsidiaries			
WAF Finance Pty Ltd	Australia	**100**	100
Wura Resources Pty Ltd SARL	Burkina Faso	**100**	100
West African Resources Development SARL	Burkina Faso	**100**	100
Channel Resources Ltd	Canada	**100**	100
Volta II Ltd	Cayman Islands	**100**	100
Indirect subsidiaries			
Channel Resources (Cayman I) Ltd	Cayman Islands	**100**	100
Channel Resources (Cayman II) Ltd	Cayman Islands	**100**	100
Tanlouka SARL	Burkina Faso	**100**	100
Société des Mines de Sanbrado SA[1]	Burkina Faso	**90**	90
Volta Resources (Cayman) Inc.	Cayman Islands	**100**	100
Volta Properties SARL	Burkina Faso	**100**	100
Kiaka Gold SARL	Burkina Faso	**100**	100
Kiaka SA[1]	Burkina Faso	**90**	90

[1] *The remaining 10% is held by the government of Burkina Faso.*

All intercompany balances and transactions, including unrealised gains and losses arising from intra-group transactions, have been eliminated in preparing the consolidated financial statements.

24 INTEREST IN SUBSIDIARIES (CONTINUED)

A. SUMMARISED FINANCIAL INFORMATION FOR SOCIETE DES MINES DE SANBRADO BEFORE INTRAGROUP ELIMINATIONS

	2022 $'000	2021 $'000
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Revenue	**608,064**	710,265
Profit for the year:		
Attributable to owners of the parent	**173,289**	229,276
Attributable to non-controlling interest	**19,254**	25,475
	192,543	254,751
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	**225,100**	230,868
Non-current assets	**393,097**	342,293
	618,197	573,161
Liabilities		
Current liabilities	**152,055**	213,091
Non-current liabilities	**64,521**	65,461
	216,576	278,552
Equity		
Attributable to owners of the parent	**361,458**	265,148
Attributable to non-controlling interest	**40,162**	29,461
	401,620	294,609
STATEMENT OF CASH FLOWS		
Net cash from operating activities	**188,951**	367,332
Net cash used in investing activities	**(95,102)**	(50,782)
Net cash used in financing activities	**(123,484)**	(234,249)
	(29,635)	82,301

24 INTEREST IN SUBSIDIARIES (CONTINUED)

B. SUMMARISED FINANCIAL INFORMATION FOR KIAKA SA BEFORE INTRAGROUP ELIMINATIONS

	2022 $'000	2021 $'000
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Revenue	**-**	-
Profit for the year:		
Attributable to owners of the parent	**85**	(5)
Attributable to non-controlling interest	**9**	(1)
	94	(6)
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	**1,244**	5
Non-current assets	**98,818**	84,191
	100,062	84,196
Liabilities		
Current liabilities	**1,824**	4
Non-current liabilities	**99,166**	85,212
	100,990	85,216
Equity		
Attributable to owners of the parent	**(836)**	(918)
Attributable to non-controlling interest	**(93)**	(102)
	(929)	(1,020)
STATEMENT OF CASH FLOWS		
Net cash from operating activities	**-**	(1)
Net cash used in investing activities	**(12,332)**	-
Net cash from in financing activities	**13,525**	-
	1,193	(1)

25 SUBSEQUENT EVENTS AFTER THE BALANCE DATE

There has not arisen in the interval between the end of the reporting period and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

26 AUDITORS' REMUNERATION

	2022	2021
	$	$
The auditor of West African Resources Limited is HLB Mann Judd		
Audit or review of the financial statements	**73,000**	80,000
	73,000	80,000
Amounts received or due and receivable by non HLB Mann Judd audit firms		
Audit or review of the Burkina Faso financial reports	**22,423**	17,086
	22,423	17,086

27 DIRECTORS AND EXECUTIVE DISCLOSURES

A. DETAILS OF KEY MANAGEMENT PERSONNEL

Non-Executive Directors		**Appointed**	**Resigned**
Rod Leonard	Non-Executive Director and Lead Independent Director	September 2019[1]	-
Nigel Spicer	Non-Executive Director	September 2019	-
Stewart Findlay	Non-Executive Director	29 May 2020	-
Robin Romero	Non-Executive Director	1 December 2022	-
Executive Directors			
Richard Hyde	Executive Chairman and CEO	September 2006	-
Lyndon Hopkins	Executive Director and COO	September 2019[2]	-
Libby Mounsey	Executive Director of Human Resources	29 May 2020[3]	-
Other Executive (KMP)			
Padraig O'Donoghue	Chief Financial Officer and Company Secretary	June 2018[4]	-

[1] *Date appointed as Lead Independent Director was February 2021 (NED since September 2019).*

[2] *Date appointed as Executive Director (employed since January 2017).*

[3] *Date appointed as Executive Director was December 2022 (NED from May 2020 to November 2022).*

[4] *Date appointed as Company Secretary was May 2020 (CFO since June 2018).*

B. COMPENSATION OF KEY MANAGEMENT PERSONNEL

	2022	2021
	$'000	$'000
Short-term employee benefits	**2,586**	1,893
Post-employment benefits	**76**	110
Share-based payments	**2,114**	2,001
	4,776	4,004

C. COMPENSATION BY CATEGORY OF KEY MANAGEMENT PERSONNEL FOR THE YEAR

Consulting fees were paid to Directors, details of which are included in the Remuneration Report in the Directors' Report. Salaries were paid to the Chief Executive Officer, Chief Operating Officer, Executive Director of Human Resources, and Chief Financial Officer, details of which are included in the Remuneration Report in the Directors' Report.

27 DIRECTORS AND EXECUTIVE DISCLOSURES (CONTINUED)

D. LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans provided to Key Management Personnel during the year (2021: nil).

E. OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL

There were no other transactions and outstanding balances with Key Management Personnel for the year ended 31 December 2022 that are not already included in the Remuneration Report in the Directors' Report.

28 FINANCIAL INSTRUMENTS

	2022 $'000	2021 $'000
Financial assets		
Cash and cash equivalents (note 7)	**173,393**	183,374
Trade and other receivables (note 8)	**43,367**	42,507
Financial assets	**-**	39
	216,760	225,920
Financial liabilities		
Trade and other payables (note 14)	**(52,408)**	(106,072)
Loans and borrowings (note 15)	**(14,106)**	(13,118)
Lease liabilities (note 16)	**(8,074)**	(12,687)
	(74,588)	(131,877)

29 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and gold price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

A. MARKET RISK

(i) Interest rate risk

The Group's main interest rate risk arises from its cash balances. Cash held at variable rates expose the Group to cash flow interest rate risk while cash deposits at fixed rates expose the Group to fair value interest rate risk. During the year, the Group's cash deposits at variable rates were denominated in Australian Dollars ('AUD'), United States Dollars ('USD'), Euros ('EUR'), and Communaute Financière Africaine Francs ('CFA'), being the currency of Burkina Faso.

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

A. MARKET RISK (CONTINUED)

(i) Interest rate risk (continued)

The tables below analyse the Group's financial assets and financial liabilities into maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

	Consolidated						
			Fixed Interest Rate Maturing				
	Weighted Average Effective Interest Rate	**Floating Interest Rate $'000**	**Within Year $'000**	**1 to 5 Years $'000**	**Over 5 Years $'000**	**Non-interest bearing $'000**	**Total $'000**
31 December 2021							
Financial assets							
Cash and cash equivalents	0.4%	159,512	-	-	-	23,862	183,374
Trade and other receivables	0.0%	-	-	-	-	42,507	42,507
Financial assets	0.5%	-	39	-	-	-	39
Total financial assets		159,512	39	-	-	66,369	225,920
Financial liabilities							
Trade and other payables	0.00%	-	-	-	-	106,072	106,072
Loans and borrowings	9.75%	-	1,289	13,641	-	-	14,930
Lease liabilities	6.50%	-	5,591	7,096	-	-	12,687
Total financial liabilities		-	6,880	20,737	-	106,072	133,689
31 December 2022							
Financial assets							
Cash and cash equivalents	1.09%	**121,950**	**-**	**-**	**-**	**51,443**	**173,393**
Trade and other receivables	0.00%	**-**	**-**	**-**	**-**	**43,367**	**43,367**
Financial assets	0.00%	**-**	**-**	**-**	**-**	**-**	**-**
Total financial assets		**121,950**	**-**	**-**	**-**	**94,810**	**216,760**
Financial liabilities							
Trade and other payables	0.00%	**-**	**-**	**-**	**-**	**52,408**	**52,408**
Loans and borrowings	9.75%	**-**	**14,106**	**-**	**-**	**-**	**14,106**
Lease liabilities	6.50%	**-**	**6,624**	**1,450**	**-**	**-**	**8,074**
Total financial liabilities		**-**	**20,730**	**1,450**	**-**	**52,408**	**74,588**

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

A. MARKET RISK (CONTINUED)

(ii) Interest rate sensitivity

At 31 December, if variable interest rates for the full year were -/+ 0.5% from the year-end rate with all other variables held constant, pre-tax profit for the year would have moved as per the table below.

	2022 $'000	2021 $'000
+0.5%	**918**	707
-0.5%	**(918)**	(707)

The sensitivity is calculated using the average cash position for the year ended 31 December 2022. The interest income in note 3 of $2,006,698 (31 December 2021: $602,635) reflects cash balances in the year that ranged between $88,040,733 and $160,906,423 (31 December 2021: $39,759,579 and $133,134,574).

(iii) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk primarily arising from costs denominated in CFA and USD, and loans and borrowings denominated in USD.

The Group also has transactional currency exposures. Such exposures arise from purchases by an operating entity in currencies other than the functional currency.

The Group does not have a policy to enter into forward contracts or other hedge derivatives.

At 31 December, the Group had the following exposure to CFA, EUR, and USD foreign currencies expressed in AUD equivalents:

	2022 $'000	2021 $'000
Financial assets		
Cash and cash equivalents	**166,960**	162,974
Trade and other receivables	**40,152**	37,876
	207,112	200,850
Financial liabilities		
Trade and other payables	**105,590**	195,053
Loans and borrowings	**13,879**	13,002
Lease liabilities	**7,937**	12,460
Tax liabilities	**34,734**	19,967
	162,140	240,482

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

A. MARKET RISK (CONTINUED)

(iv) Exchange rate sensitivity

A 10 per cent strengthening or weakening of the AUD against the following currencies at 31 December would have increased (decreased) net assets by the amounts shown in the below table. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for the year ended 31 December 2021.

	+10%		-10%	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
USD	**(244)**	2,968	**298**	(3,627)
CFA	**(56,351)**	(49,123)	**68,873**	60,040
EUR	**(4,067)**	(2)	**4,971**	2

(v) Price risk

The Group is exposed to commodity price risk on its finished goods and future gold production. This risk is estimated by management using forecasts of the quantity and cost of future gold production. While the Group's price risk could be partially managed using a range of different types of hedging instruments, the Group did not have any open hedge instruments at 31 December 2022 (2021: nil).

B. CREDIT RISK

Credit risk arises mainly from

- the Group's cash and cash equivalents held with financial institutions (the banks the Group uses for cash deposits and transactions are limited to high credit quality financial institution);
- receivables related to gold sales (all gold sales have been carried out with MKS PAMP SA); and
- value added tax receivable from the government of Burkina Faso.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised at the beginning of this note.

C. LIQUIDITY RISK

Liquidity risk is the risk the Group will not be able to meet its financial obligations as they fall due. Liquidity risk management involves maintaining sufficient cash on hand or undrawn credit facilities to meet the operating requirements of the business. This is currently managed through cash and cash equivalents ($173,393,000 as at 31 December 2022) and prudent cash flow and financial commitment management. The tables below analyse the Group's financial assets and liabilities into maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

29 FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturity analysis of financial assets and liabilities based on management's expectation

	Consolidated				
	<6 months $'000	**6-12 months $'000**	**1-5 years $'000**	**>5 years $'000**	**Total $'000**
31 December 2021					
Financial assets					
Cash and cash equivalents	183,374	-	-	-	183,374
Trade and other receivables	42,507	-	-	-	42,507
Financial assets	39	-	-	-	39
Total financial assets	225,920	-	-	-	225,920
Financial liabilities					
Trade and other payables	(106,072)	-	-	-	(106,072)
Loan and borrowings	(639)	(650)	(13,641)	-	(14,930)
Lease liabilities	(3,206)	(3,206)	(7,932)	-	(14,344)
Total financial liabilities	(109,917)	(3,856)	(21,573)	-	(135,346)
Net maturity	116,003	(3,856)	(21,573)	-	90,574
31 December 2022					
Financial assets					
Cash and cash equivalents	**173,393**	**-**	**-**	**-**	**173,393**
Trade and other receivables	**43,367**	**-**	**-**	**-**	**43,367**
Financial assets	**-**	**-**	**-**	**-**	**-**
Total financial assets	**216,760**	**-**	**-**	**-**	**216,760**
Financial liabilities					
Trade and other payables	**(52,408)**	**-**	**-**	**-**	**(52,408)**
Loans and borrowing	**(682)**	**(14,572)**	**-**	**-**	**(15,254)**
Lease liabilities	**(3,205)**	**(3,205)**	**(2,003)**	**-**	**(8,413)**
Total financial liabilities	**(56,295)**	**(17,777)**	**(2,003)**	**-**	**(76,075)**
Net maturity	**160,465**	**(17,777)**	**(2,003)**	**-**	**140,685**

30 SHARE-BASED PAYMENTS

A. RECOGNISED SHARE-BASED PAYMENTS

The expenses recognised for services received during the year are shown in the table below:

	2022 $'000	2021 $'000
Net share-based payments to Directors	**1,662**	1,603
Net share-based payments to employees	**876**	818
Net share-based payments/(recoveries) to third parties	**(82)**	71
	2,456	2,492

The share-based payment plans are described below. There have been no cancellations or modifications to the plan during the year.

B. TRANSACTIONS SETTLED USING SHARES

No transactions were settled in the current year using shares.

C. EMPLOYEE SHARE AND OPTION PLAN

Under the Incentive Options and Performance Rights Plan ('Incentive Plan'), grants are made to senior executives and other staff members who have made an impact on the Group's performance. Grants are delivered in the form of options or performance rights which vest over periods as determined by the Board of Directors.

D. PERFORMANCE RIGHTS

Performance rights are granted under the Incentive Plan for nil consideration and are subject to vesting conditions as determined by the Board of Directors. Any performance rights that do not vest by their expiry date, or otherwise become unexercisable, will lapse. Upon vesting, these performance rights will be settled in ordinary fully paid shares of the Company.

(a) Summary of performance rights granted under the Incentive Plan

	2022 Number	**2022 WAEP***	**2021 Number**	**2021 WAEP***
Outstanding at the beginning of the year	**9,714,249**	**-**	**12,557,727**	-
Granted during the year	**1,751,894**	-	**1,925,989**	-
Exercised during the year	**(748,320)**	-	**(3,141,048)**	-
Lapsed/cancelled during the year	**(351,951)**	-	**(1,628,419)**	-
Outstanding at the end of the year	**10,365,872**	**-**	**9,714,249**	-
Exercisable at the end of the year	**1,793,022**	**-**	**540,234**	-

**WAEP = weighted average exercise price*

The performance rights outstanding at the end of the year had a weighted average remaining contractual life of 761 days (31 December 2021: 1,003 days)

30 SHARE-BASED PAYMENTS (CONTINUED)

D. PERFORMANCE RIGHTS (CONTINUED)

(b) Fair value of performance rights granted

The fair value of the performance rights granted during the year was determined using the Black-Scholes, Monte Carlo Simulation and Binomial pricing methods.

Number issued	Grant date	Vesting condition*	Original expiry period	Dividend yield	Expected volatility	Risk-free interest rate	Exercise price	Share price on grant date
89,092	10-Feb-22	A	2 years	0%	65%	2.75%	Nil	$1.1900
432,995	30-Mar-22	A & B	3 years	0%	63%	2.54%	Nil	$1.2550
68,322	30-Mar-22	B	5 years	0%	58%	2.79%	Nil	$1.2550
68,322	30-Mar-22	B	4 years	0%	60%	2.79%	Nil	$1.2550
322,398	13-May-22	A & B	3 years	0%	63%	2.57%	Nil	$1.1750
385,383	13-May-22	B	5 years	0%	58%	3.05%	Nil	$1.1750
385,382	13-May-22	B	4 years	0%	60%	3.05%	Nil	$1.1750

** Notations refer to the following vesting conditions:*
A = Performance Rights will vest upon service conditions being met.
B = Performance Rights will vest upon performance conditions being met, as outlined on page 44 in the Remuneration Report.

E. OPTIONS

Options are issued for nil consideration. The exercise price, vesting conditions and expiry date are determined by the Board of Directors. Any options that are not exercised by the expiry date, or otherwise become unexercisable, will lapse. Upon vesting, these options will be settled in ordinary fully paid shares of the Company.

(a) Summary of options granted by the Group

	2022 Number	2022 WAEP*	2021 Number	2021 WAEP*
Outstanding at the beginning of the year	**2,013,300**	**$0.4991**	4,841,719	$0.4228
Granted during the year	**-**	**-**	-	-
Exercised during the year	**(1,223,828)**	**$0.4300**	(2,828,419)	$0.3685
Lapsed/cancelled during the year	**-**	**-**	-	-
Outstanding at the end of the year	**789,472**	**$0.6061**	2,013,300	$0.4991
Exercisable at the end of the year	**789,472**	**$0.6061**	2,013,300	$0.4991

**WAEP = weighted average exercise price*

The share options outstanding at the end of the year had a weighted average remaining contractual life of 503 days (31 December 2021: 561 days).

(b) Fair value of options granted

There were no options granted during the period (31 December 2021: Nil).

30 SHARE-BASED PAYMENTS (CONTINUED)

F. OPTIONS AND PERFORMANCE RIGHTS BALANCES

The outstanding balance of performance rights as at 31 December 2022 is presented in the following table:

		Number of Performance Rights				
Grant date	Expiry date	Granted	Lapsed / Cancelled	Exercised	On issue	Vested
9-Jan-20	20-Jan-23	315,866	-	-	315,866	315,866
9-Jan-20	20-Jan-25	131,578	-	-	131,578	131,578
29-May-20	11-Jun-23	867,041	-	(515,282)	351,759	351,759
29-May-20	11-Jun-25	657,894	-	-	657,894	657,894
2-Jul-20	8-Jul-23	176,951	(176,951)	-	-	-
22-Sep-20	29-Sep-23	86,758	-	(86,758)	-	-
27-Nov-20	8-Dec-24	2,995,000	(175,000)	-	2,820,000	-
17-Dec-20	17-Dec-22	57,172	-	(57,172)	-	-
17-Dec-20	17-Dec-24	2,500,000	-	-	2,500,000	-
18-Jan-21	22-Jan-23	89,108	-	(89,108)	-	-
21-Jan-21	22-Jan-24	82,942	-	-	82,942	82,942
4-Apr-21	9-Apr-24	174,478	-	-	174,478	-
4-Apr-21	9-Apr-26	69,306	-	-	69,306	-
4-Apr-21	4-Apr-25	69,306	-	-	69,306	-
17-May-21	20-May-24	626,496	-	-	626,496	252,983
17-May-21	20-May-26	402,103	-	-	402,103	-
17-May-21	20-May-25	402,102	-	-	402,102	-
3-Jun-21	11-Jun-24	10,148	-	-	10,148	-
4-Feb-22	10-Feb-24	89,092	-	-	89,092	-
30-Mar-22	6-Apr-25	279,692	-	-	279,692	-
30-Mar-22	6-Apr-27	68,322	-	-	68,322	-
30-Mar-22	6-Apr-26	68,322	-	-	68,322	-
4-Apr-22	6-Apr-25	153,303	-	-	153,303	-
13-May-22	26-May-25	128,105	-	-	128,105	-
13-May-22	26-May-27	149,456	-	-	149,456	-
13-May-22	26-May-26	149,456	-	-	149,456	-
13-May-22	27-May-25	194,293	-	-	194,293	-
13-May-22	27-May-27	235,927	-	-	235,927	-
13-May-22	27-May-26	235,926	-	-	235,926	-
Total performance rights		**11,466,143**	**(351,951)**	**(748,320)**	**10,365,872**	**1,793,022**

All Performance Rights have a nil exercise price.

The outstanding balance of options as at 31 December 2022 is presented in the following table:

			Number of options				
Grant date	Expiry date	Exercise price	Granted	Lapsed / Cancelled	Exercised	On issue	Vested
28-Dec-18	28-Dec-22	$0.4300	1,223,828	-	(1,223,828)	-	-
20-Jan-20	20-Jan-24	$0.6061	131,578	-	-	131,578	131,578
11-Jun-20	11-Jun-24	$0.6061	657,894	-	-	657,894	657,894
Total options			**2,013,300**	**-**	**(1,223,828)**	**789,472**	**789,472**

31 PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	Parent	
	2022	2021
	$'000	$'000
STATEMENT OF FINANCIAL POSITION		
Current assets	**49,976**	46,921
Non-current assets	**308,078**	248,450
Total assets	**358,054**	295,371
Current liabilities	**2,659**	1,157
Non-current liabilities	**145**	203
Total liabilities	**2,804**	1,360
Net assets	**355,250**	294,011
Equity		
Issued capital	**335,630**	335,334
Reserves	**15,097**	12,535
Accumulated profit/(losses)	**4,523**	(53,858)
Total equity	**355,250**	294,011
PROFIT FOR THE REPORTING PERIOD	**58,382**	23,415
Income tax benefit	**-**	-
Total comprehensive profit	**58,382**	23,415

Contingent liabilities of the parent entity

As at 31 December 2022, the parent entity had contingent liabilities as guarantor under each of the royalty agreements detailed in note 23(c)(ii). (2021: royalty agreements detailed in note 23(c)(ii) and US$45 million convertible note detailed in note 14).

Commitments of the parent entity for the acquisition of property, plant and equipment

As at December 2022, the parent entity had nil contractual commitments for the acquisition of property, plant and equipment (2021: nil).

DIRECTORS' DECLARATION

In the opinion of the Directors:

a. The financial statements, notes and the additional disclosures included in the Directors' Report, designated as audited, of the consolidated entity are in accordance with the Corporations Act 2001 including:

   (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and Corporations Regulations 2001.

b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c. The financial statements also comply with International Financial Reporting Standards as disclosed in note 1A.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 31 December 2022.

This declaration is signed in accordance with a resolution of the Board of Directors.

RICHARD HYDE
Executive Chairman & CEO
17 March 2023


AFRICAN MINING SERVICES
AFRICAN MINING SERVICES
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AUDITOR'S INDEPENDENCE DECLARATION

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of West African Resources Limited for the year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
17 March 2023

B G McVeigh
Partner

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INDEPENDENT AUDITOR'S REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT
To the members of West African Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of West African Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition Note 3 to the financial report	
The Group generates revenue predominantly from the sale of gold. The Group recognised sales revenue of $608.2 million for the year (2021: $712.1 million). Revenue recognition is considered to be a key audit matter given the significance of revenue to the Group's results as well as the fraud risk around cut-off including: • An overstatement of revenues through premature revenue recognition or recording of fictious revenues. • Revenue not being recognised when control is transferred to the customer, resulting in it not being recognised in the correct accounting period. Revenue is recognised when control is transferred to the buyer and the amount of revenue can be reliably determined. This occurs for the Group when the refining process is completed and ownership is transferred.	Our audit procedures included but were not limited to the following: • Understanding the Group's process for revenue and controls in place around gold sales. • Testing all gold sales transactions during the year to invoice and receipt of cash. • Assessing the Group's policies for recognition of revenue against the requirements of the accounting standards and checked these were adequately disclosed in the financial statements. • Sales cut-off procedures focussing on sales in December 2022 and January 2023, testing a sample of transactions to underlying documentation and assessing the period in which they were recognised. • Matching gold produced against gold sold for the year.
Recoverability of mine assets Note 10 to the financial report	
As at 31 December 2022 the Group had mine development assets of $136.2 million. Assessing the recoverability and carrying value of this balance was considered to be a key audit matter due to the judgements and estimations involved. These estimations and judgements surround two areas being impairment indicators and the amortisation and depreciation associated with this asset. Impairment indicators involve assessing future forecasts and judgement around recoverability of the asset. Amortisation and depreciation involves using estimated reserves and resources (used as the denominator in a "units-of-production"" calculation) of the mines.	Our audit procedures included but were not limited to the following: • Testing impairment indicators to ensure that no such indicators exist at year end. • Reviewing future plans for the mine assets and ensuring that such plans support the recoverability of the mine. • Assessing the current carrying value of the mine development assets and ensuring items capitalised during the year were appropriate to capitalise. • Assessing the application of reserves and resources in the amortisation models by comparing them to the latest published statement and underlying mining records. • Testing the mathematical accuracy of the amortisation models. • Assessing the adequacy of the Group's disclosures relating to amortisation.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Recoverability of capitalised exploration expenditure Note 12 to the financial statements	
As at 31 December 2022 the Group had exploration and evaluation assets of $57.6 million. In accordance with its accounting policy, the Group capitalises costs for areas of interest related to a known mineral resource capable of supporting a mining operation for which the Group has rights to tenure for and where activities have reached a stage which permits a reasonable assessment of the existence of economically recoverable ore reserves. Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset, because this is one of the significant assets of the Group. There is a risk that the capitalised expenditure no longer meets the recognition criteria of AASB 6 . In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.	Our audit procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest. • We considered the Directors' assessment of potential indicators of impairment. • We obtained evidence that the Company has current rights to tenure of its areas of interest. • We examined the exploration budget for the year and discussed with management the nature of planned ongoing activities. • We enquired with management, reviewed ASX announcements and reviewed minutes of Directors' meetings to ensure that the Company had not resolved to discontinue exploration and evaluation at any of its areas of interest. • We examined the disclosures made in the financial report.

Transition of Kiaka exploration expenditure to mines under development Notes 10 and 12 to the financial statements	
During the year the Group made the decision to move the Kiaka Gold project from the exploration phase to the development phase. As such, they transferred $134.1 million from exploration and evaluation assets to mines under construction. In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources when a group transitions to the development phase there is a requirement to test the balance for recoverability of the balance. The evaluation of recoverable amount is considered a key audit matter as it was based upon a value-in-use calculation which required significant judgement and estimation. In addition, the balance is material to the users of the financial statements and involved the most communication with management.	Our audit procedures included but were not limited to the following: • Critically evaluating management's methodology used in the mine model and the basis for key assumptions. • Reviewing the mathematical accuracy of the mine model. • Performing sensitivity analyses around the key inputs used in the model such as operating costs, construction costs grade and gold prices. • Considering the appropriateness of the discount rate used. • Comparing net present value of the future cashflows to the exploration expenditure transferred to mines under construction. • Assessing the appropriateness of the disclosures included in the relevant notes to the financial report.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of West African Resources Limited for the year ended 31 December 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B G McVeigh
Partner

Perth, Western Australia
17 March 2023

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 20 February 2023.

DISTRIBUTION OF SHARES

Distribution	Number of holders	Securities held
1 – 1,000	785	425,519
1,001 – 5,000	1,302	3,663,766
5,001 – 10,000	706	5,685,965
10,000 – 100,000	1,188	38,756,873
100,001 – and over	284	975,045,624
Total	**4,265**	**1,023,577,747**

The number of shareholdings held in less than marketable parcels is 562.

SUBSTANTIAL SHAREHOLDERS

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below.

	Shareholder Name	No. of shares held	% Holding
1	VANECK GLOBAL (NEW YORK)	123,960,155	12.11%
2	BLACKROCK GROUP	51,505,705	5.03%
	Total	**175,465,860**	**17.14%**

TWENTY LARGEST SHAREHOLDERS

	Shareholder Name	No. of shares held	% Holding
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	363,052,614	35.47%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	156,299,522	15.27%
3	CITICORP NOMINEES PTY LIMITED	95,889,270	9.37%
4	BNP PARIBAS NOMS PTY LTD <DRP>	54,049,849	5.28%
5	NATIONAL NOMINEES LIMITED	35,833,495	3.50%
6	MR AND MRS ANTHONY POLI	29,400,000	2.87%
7	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	25,172,196	2.46%
8	B2GOLD CORP	22,190,508	2.17%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	21,085,176	2.06%
10	MR RICHARD HYDE	16,456,950	1.61%
11	STICHTING LICHFIELD US\C <A/C 051 52041 9>	13,250,000	1.29%
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	9,278,648	0.91%
13	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	9,048,679	0.88%
14	BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP A/C>	6,360,801	0.62%
15	GAMS-MINING F&I LTD	4,931,224	0.48%
16	MR GRAEME JOHN HAINES + MRS SHARNI GAY HAINES + MR MALCOLM ARNOLD HAINES <G & S HAINES SF A/C>	4,515,882	0.44%
17	MR PHILLIP RICHARD PERRY	3,793,834	0.37%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	3,296,591	0.32%
19	MR LYNDON HOPKINS	3,026,112	0.30%
20	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	2,601,268	0.25%
	Total	**879,532,619**	85.93%

STOCK EXCHANGE LISTING

Listing has been granted for the ordinary shares (ASX code: WAF) of the Company on the Australian Securities Exchange Limited ('ASX') with 1,023,577,747 ordinary shares on the Company's register.

VOTING RIGHTS

All shares carry one vote per unit without restriction.

UNLISTED OPTIONS

10,415,672 options and performance rights are held by 28 option holders.

Neither options nor performance rights carry a right to vote.

SUMMARY OF TENEMENTS

At 20 February 2023

Tenement name	Registered holder	% held	Tenement number	Grant date	Expiry date	Tenement type	Area (km^2)	Geographical location
Goudré[1]	Wura Resources Pty Ltd SARL	100%	No 2018-186/MMC/SG/DGCM	5-Sep-18	23-Mar-21	EL	175	Ganzourgou Province
Manessé II	Tanlouka SARL	100%	No 2020-254/MMC/SG/DGCM	13-Nov-20	12-Nov-23	EL	86.87	Ganzourgou Province
Bollé	Wura Resources Pty Ltd SARL	100%	No 2022-116/MMC/SG/DGCM	22-Nov-20	21-Nov-23	EL	205.36	Ganzourgou Province
Diakora	Jean Donessoune	100%	No 2022-139/MMC/SG/DGCM	7-Sep-20	6-Sep-23	EL	58.47	Comoe Province
Dounougou	Jean Donessoune	100%	No 2022-140/MMC/SG/DGCM	7-Sep-20	6-Sep-23	EL	132.08	Comoe Province
Tieradeni I	Jean Donessoune	100%	No 2022-133/MMC/SG/DGCM	7-Sep-20	6-Sep-23	EL	141.28	Comoe Province
Nakomgo	Kiaka Gold SARL	100%	No 2021-187/ MEMC/SG/DGCM	24-Oct-20	23-Oct-23	EL	249.19	Bazega and Ganzourgou Provinces
Mankarga V3[2]	Jacques Teegawêndé Zongo	100%	No 2020-170/ MMC/SG/DGCM	16-Jul-20	15-Jul-23	EL	52.595	Ganzourgou Province
Woura[3]	Steven Lewis Pingwende Kinda	100%	No 2019-101/MMC/SG/DGCM	29-May-19	28-May-22	EL	237.81	Zoundweogo and Boulgou Provinces
Bola[3]	Wend-Dinmadegre Narcisse Kabore	100%	No 2019-55/MMC/SG/DGCM	15-May-19	14-May-22	EL	202.027	Zoundweogo and Boulgou Provinces
Koudre II[3]	Kalilou Ghislain Diasso	100%	No 2019-187/MMC/SG/DGCM	4-Nov-19	3-Nov-22	EL	91.046	Zoundweogo Province
Sanbrado	Société des Mines de Sanbrado SA	90%	Décret No 2017 – 104/PRES/PM/MEMC/MINEFID/ME EVCC Arrêté No 2018-139/MMC/SG/DGMG	13-Mar-17	12-Mar-24	ML	25.9	Ganzourgou Province
Kiaka	Kiaka SA	90%	Décret No 2016 – 590/PRES/PM/MEMC/MINEFID/ME EVCC	9-Jul-16	7-Jul-36	ML	54.02	Zoundweogo Province
Sana	Kiaka Gold SARL	100%	No 2021-186/MEMC/SG/DGCM	24-Oct-20	23-Oct-23	EL	143.43	Zoundweogo and Ganzourgou Provinces
Kiaka II	Kiaka Gold SARL	100%	No 2020-313/MMC/SG/DGCM	24-Oct-20	23-Oct-23	EL	179.9	Zoundweogo and Boulgou Provinces

[1] Exceptional renewal application in progress.
[2] Application for transfer to the name of Wura Resources Pty Ltd SARL in progress.
[3] Renewal application in progress.

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