



Anton Mauve
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DIRECT FROM CAMEROON

West African Minerals (AIM:WAFM) is focused on an emerging high-grade iron ore corridor in southern Cameroon that managing director Anton Mauve believes may prove to be West Africa's answer to Brazil's mammoth Carajás. Co-founded by Brad Mills, former head of BHP Billiton base metals, and Stephen Dattels, early Barrick executive and financier, WAFM debuted on the AIM exchange in London early in 2012.

Can you elaborate on West African Minerals' DSO iron ore assets and its development strategy?

Our search for high-grade DSO iron ore took us to Cameroon in 2010, a frontier only then becoming recognized for its large-scale potential due to the Mbalam discovery. Dubbed the new Pilbara, the Cameroon-Congo iron basin is an epicenter of investment activity, led by the Chinese. Infrastructure projects are popping up—power plants, deepwater ports, rail networks—to support the next wave of shipments to China. We did an aeromagnetic survey that confirmed the region's vast potential and sought to acquire three virgin exploration licenses there—Lélé, Djadom, and Dja, each measuring 1,000 square kilometers—as well as three licenses near the Cameroonian coast: Minko, Binga, and Sanaga. These together total 6,000 square kilometers. In less than a year we completed a large geophysical program and more recently a gravity gradiometry survey, and are proceeding through a 20,000-meter RC scout drilling exploration program to test the major geophysical anomalies on Binga, Lélé, and Djadom. This is contributing significantly to our understanding of the formation of the host rock and where the high-grade hematite resides.

In the heart of this iron basin—which we believe is capable of hosting multibillion-ton resources of high-grade iron ore—WAFM has the largest land position adjacent to advanced deposits. We just recently reported on the results of the first 42 holes at one section of our South Djadom license, in an area of approximately six kilometers by four kilometers. Hematite mineralization and enriched banded iron formation were demonstrated to occur over widespread areas. Over the next several months we expect to test the entire 25-kilometer coincident gravity and magnetic anomaly. We are also starting logistical planning to mobilize a second RC drill and a diamond drill rig to start infilling the areas of hematite mineralization identified to date. We expect to release a couple of maiden resources during this year.

The success of any major iron ore investment depends heavily on access to infrastructure. Can you describe the infrastructure environment in Cameroon?

This is another reason we really love Cameroon—it has everything we need to handle annual iron ore production of up to 100Mt. A preliminary study on the cost of extracting and exporting the DSO to China pegged the price between \$35 and \$46 per ton. With iron ore prices projected to hover between \$80 and \$120 per ton in the long term, our Cameroon project can offer margins that work for shareholders. The port nearest the iron basin is Kribi, a container port now under development. Kribi will include a facility just to the south to load the bulk ore onto ships. We plan to first develop near-shore deposits, truck the ore to port, and generate early cash flow until the multi-user rail system is available to access our much larger projects to the southeast.

What are the advantages of DSO over magnetite?

There are multiple iron ore deposits throughout the world of varying grades. Magnetite, which ranges from 25% to 35% Fe, is far more abundant and requires capital-intensive processing to bring the grade and quality to the standards required by blast furnaces in steel production. In other words, ton-for-ton you would need much more ore in the ground to equal a DSO resource. We are looking at massive deposits of DSO, which we qualify as everything above 60% Fe, with low contaminants. DSO is worth about \$2.50 per ton in the ground and has been valued at prices as much as ten times that of magnetite. We aim to seek out those areas of DSO, drill them, verify them, build a resource, and revalue West African Minerals in that premium range.

Mining in Cameroon has only begun to formalize over the last three years. Why?

Cameroon's mining sector is young because until now the country has focused on offshore oil and gas reserves. On our first trip there Brad Mills and I quickly

2Bt-7Bt

ESTIMATED IRON ORE RESERVES OF THE CAMEROON-CONGO BASIN



West African Minerals holds six permits in Cameroon that together make up its "CMC Permits" package

recognized Cameroon as a fantastic country. We find it quite exciting to be involved in a virgin discovery in West Africa. The Congo Basin is the same age as the Carajás in Brazil and holds similar potential in the order of 2Bt–7Bt of iron ore. Cameroon is also adept at regulating land use and managing its forests, especially the rainforests that cover the country's south. The government has established a general conservation practice and we have partnered with WWF to enhance this. Our mining license areas tend to cover 100,000 square kilometers; we intend to leave a footprint over just 1%–2% of that area, allowing us to create a sphere of protected influence and to enhance conservation.

Has Cameroon's short mining history affected your dealings with its government?

Since independence in 1960 Cameroon has remained stable and its government consistent. In fact, the country leads the region in terms of stability; over the last decade many of its neighbors have suffered conflicts. The Cameroonian state understands that it must manage its mineral wealth to encourage investment, though it has not yet defined a royalty regime. In the typical process, the state grants an exploration license in three iterations of three years, with the company relinquishing 50% at each iteration. Miners should then be ready to negotiate over royalties. [Secretary of State for Mines, Industries, and

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Technological Development] Dr. Fuh Calistus Gentry leads negotiations for the government; he studied at Imperial College London and has a deep technical understanding of the sector. The state also employs an independent South African geologist to verify details. The government understands

investment, returns, and relative royalties, and provides favorable incentives to encourage investment.

West African Minerals holds five exploration licenses in Sierra Leone. What progress have you made there thus far?

Our focus remains firmly set on DSO. Sierra Leone is in a strategic decision phase as exploration has shown 35%–40% Fe. We

can easily upgrade this —London Mining has decided to take this route. But right now this project has been rather overshadowed by our work in Cameroon.

Plinian Capital, in which you and Brad [Mills] are involved, has other investments in West Africa. Can you tell us about Plinian's other regional projects?

We are developing the high-grade gold resource at Nimini Gold, in Sierra Leone, which we hope to bring into production in 2014. In addition, we have just launched CE Mining, designed to acquire and develop or participate in early-stage projects. 