

## Quarterly Activities Report

### Highlights

#### South Africa

- The Global Mineral Resource Estimate (GMRE) at WWI's Witwatersrand Basin Project (WBP) increased a significant 1.88Moz to 3.26Moz, with 75% of the GMRE now classified in the Measured and Inferred categories
- In November 2017, the WBP moved to a self-sustaining footing with monthly ore production averaging 12-15,000t and net-cash flow exceeding management's A\$200-250k target range

#### Australia

- WWI opportunistically acquired two projects – Mt Cecelia & Tambina – located in the highly prospective Pilbara conglomerate hosted gold region
- Both projects are underlain by rocks of the Lower Fortescue Group with geological similarities to Novo Resources (TSC-V: NVO) Purdy's Reward and Beaton's projects.
- The Tambina project, comprises three granted mining leases which are key assets and place WWI ahead of peers, as most regulatory hurdles to rapidly commence operations are in place

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West Wits Mining Limited ("WWIs" or "the Company") is pleased present its latest quarterly report for the period ending 31 December 2017.

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### Review of Operations

#### SOUTH AFRICA

##### Witwatersrand Basin Project, Central Rand (WWI: 66.6%)

WWI reached a significant milestone during the quarter as WBP moved to a self-sustaining footing, with proceeds from operations at Witwatersrand One Project (W1) exceeding the targeted net monthly cashflow range (A\$200-250k) in November and December 2017. Further, over this two-month period, monthly ore production has averaged 12-15,000t and gold sales circa 1,000 ounces. Benefiting from economies of scale, the cost of production has fallen from US\$1,000/oz to circa \$800/oz. As the Board believes the resource at W1 is only adequate for the next 12-15 months, subsequent to the reporting period plans were announced to secure a mining permit to ensure operations can continue at the current, if not higher, production rate<sup>1</sup>.

WWI received the completion of engineering and geological studies which resulted in an increase of WBP's JORC 2012 resource from 1.88Moz to 3.26Moz<sup>2</sup>. The Company is undertaking incremental work to potentially lift the resource size further; under the JORC 1997 code the previous resource was 12.8 Moz<sup>3</sup>.

## AUSTRALIA

### **Mt Cecelia Project, WA (WWI: 100%)**

During the period, WWI announced the acquisition of 100% equity interest in Northern Reserves Pty Ltd, which owns the Mt Cecelia project area (Exploration Licence Application EL45/5045 - ELA). This ELA is located in the eastern Pilbara and is prospective for conglomerate hosted gold mineralisation, as a portion of the lease covers rocks of the Lower Fortescue Group according to the Geological Survey of Western Australia. Not only does this purchase complement the existing portfolio held by WWI, its geology characteristics are of a similar style to the current WBP in South Africa, on which the team has had significant experience and exposure. The exploration licence application is well progressed and expected to be completed relatively soon, which will enable the exploration plan to be implemented.

### **Tambina Project, WA (WWI: 100%)**

To further expand its exposure to the Pilbara, WWI announced the acquisition of the three mining leases, M45/988, M45/990 and M45/991, within the Tambina conglomerate hosted gold project. This project is located 150km southeast of Port Hedland and also covers rocks of the Lower Fortescue Group. The due diligence process highlighted there was potential for the Tambina project to support a modest sized mining operation, but further exploration is required. Of its two Pilbara assets, the Tambina project will be the core focus area given it's prospectivity and the fact that it already has three granted mining leases.

## INDONESIA

WWI has continued to work with its Indonesian business alliance partners to resolve tenure issues at the Derewo River Gold Project. Whilst progress has been slower than expected the Board remain confident in the capacity of our partners to successfully resolve these issues. During the next quarter we believe that all arrangements will be concluded with our Indonesian partners to allow for the recommencement of the alluvial project and hard rock exploration.

## CORPORATE

To provide working capital for the new Australian projects, Mt Cecilia and Tambina, WWI raised \$2.34m from investors through two share placements and a share purchase plan<sup>6</sup>. As the South African business is now on a self-sustaining footing, capital raised will be put towards funding exploration plans for the newly acquired Pilbara assets.

As noted in its Notice of General Meeting dated 18 December 2017, the Company has obtained a waiver of Listing Rule 7.3.2 to permit the issue of:

- up to 10,000,000 fully paid ordinary shares to the vendors of Northern Reserves Pty Ltd more than 3 months after shareholder approval of the issue but no later than 18 January 2019, subject to the satisfaction of certain milestones (**NR Milestone 1 Shares**). The NR Milestone 1 Shares shall be issued upon, and subject to, the exploration licence application EL 45/5045 made pursuant to the Mining Act 1978 (WA) (**Licence Application**) being granted (see the explanatory memorandum for Resolution 4 that formed part of the Company's Notice of General Meeting date 18 December 2017 for more details in relation to the NR Milestone 1 Shares);
- up to 35,000,000 fully paid ordinary shares to the vendors of Northern Reserves Pty Ltd more than 3 months after shareholder approval of the issue but no later than 18 January 2020, subject to the satisfaction of certain milestones (**NR Milestone 2 Shares**). The NR Milestone 2 Shares shall be issued upon, and subject to, the commencement by the Company of a reverse circulation-percussion drilling program within the area comprised in the Licence Application (see the explanatory memorandum for Resolution 5 that formed part of the Company's Notice of General Meeting date 18 December 2017 for more details in relation to the NR Milestone 2 Shares);

- up to 15,000,000 fully paid ordinary shares to the vendors of Tambina Gold Pty Ltd more than 3 months after shareholder approval of the issue but no later than 18 January 2020, subject to the satisfaction of certain milestones (**TG Milestone 1 Shares**). The TG Milestone 1 Shares shall be issued upon, and subject to, the Company's total ground expenditure in relation to the Tambina mining leases reaching \$300,000 (see the explanatory memorandum for Resolution 2 that formed part of the Company's Notice of General Meeting date 18 December 2017 for more details in relation to the TG Milestone 1 Shares); and
- up to 15,000,000 fully paid ordinary shares to the vendors of Tambina Gold Pty Ltd more than 3 months after shareholder approval of the issue but no later than 18 January 2021, subject to the satisfaction of certain milestones (**TG Milestone 2 Shares**). The TG Milestone 2 Shares shall be issued upon, and subject to, the delineation of an inferred Mineral Resource (as defined by The Australasian Code for Report of Exploration Results, Mineral Resources and Ore Reserves) of at least 50,000 ounces of gold on the Tambina project at a cut-off grade of not less than 2 grams per tonne (see the explanatory memorandum for Resolution 3 that formed part of the Company's Notice of General Meeting date 18 December 2017 for more details in relation to the TG Milestone 2 Shares);

None of the shares to which the waiver of the ASX Listing Rules relates were issued during the period to which this Appendix 4C relates. As noted above, further information in respect of the issues of shares to which the waiver of the ASX Listing Rules relates can be found in the explanatory memorandum that formed part of the Company's Notice of General Meeting dated 18 December 2017.

For and on behalf of the Board



Michael Quinert  
Chairman  
West Wits Mining Limited

**Investor Relations:**

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Otherwise, for further information visit: [www.westwitsmining.com](http://www.westwitsmining.com)

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1) ASX release 15 January 2018  
2) ASX release 18 December 2017  
3) ASX release 6 December 2017  
4) ASX release 9 November 2017  
5) ASX release 21 November 2017  
6) ASX Releases 2 & 16 November 2017; 4 December 2017

## Interests in Mining Tenements

Tenements	Location	Held at end of Quarter	Acquired during the quarter	Disposed during the quarter
GP183PR	Underground rights – Witwatersand Basin, West Rand, South Africa **	66.6%*	-	-
Production IUP – NO. 47/2010	Paniai Regency, Indonesia	29%*	-	-
Exploration IUP – NO. 76/2010	Paniai , Indonesia	64%*	-	-
Exploration IUP – NO.31/2010	Intan Jaya, Indonesia	64%*	-	-
Exploration IUP – NO. 543/142/SET	Nabire, Indonesia	64%*	-	-

\* Minority positions are held by local parties in compliance with local legislation in relation to foreign ownership and mineral and production rights.

\*\* Rights are subject to an appeal for reinstatement