

Quarterly Activities Report - December 2018

Highlights

South Africa

- Production delivers 49% increase in recovered grade to 2.16g/t Au
- Successful deployment of rock-breaking technology, NonEx™, delivers production efficiencies and extends access to Pit 3's hard rock ore bodies
- Agreements reached with significant landowners for consent to mining license application areas, reaching a significant milestone

Australia

- Review of regional data identifies the Mt Cecelia Project is on the geological contact between the copper-gold rich Paterson Province and the Pilbara Craton providing an exciting exploration opportunity
- The area surrounding West Wit's Mt Cecelia Project has recently been pegged by Rio Tinto Ltd highlighting the areas prospectivity
- One Native Title Party withdraws objection to West Wits' pending Mt Cecelia Project Exploration License application (ELA45/5054)

Corporate

- Share Purchase Plan and Placement raises \$665,200 which was underpinned by the take up of \$80k from Director & Key Management interests
- Hiring of experienced Mining Executive, Jac van Heerden, as CEO of West Wits' South African subsidiary to drive development towards full scale mining

West Wits Mining Limited ("WWIs" or "the Company") is pleased to present its latest quarterly report for the period ending 31st December 2018.

Review of Operations

SOUTH AFRICA

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

Exploration

The primary exploration activities during the period focused on furthering the understanding of the two open-pit target areas, “Rugby Club” & “Kimberley West”, for the purpose of mine plan assessment.

On the Rugby Club, situated on the Main & South Reef, the Geology team performed additional trenching to determine the thickness of the crown pillar and delineate the high-grade ore shoots (termed ‘pay shoots’ on the Witwatersrand) in the eastern portion of the target area. In addition to trenching, two members of the geology team engaged the Mountain Club of South Africa to explore the underground mine works and in doing so, determine the existence of target reefs at depth (Image 1).

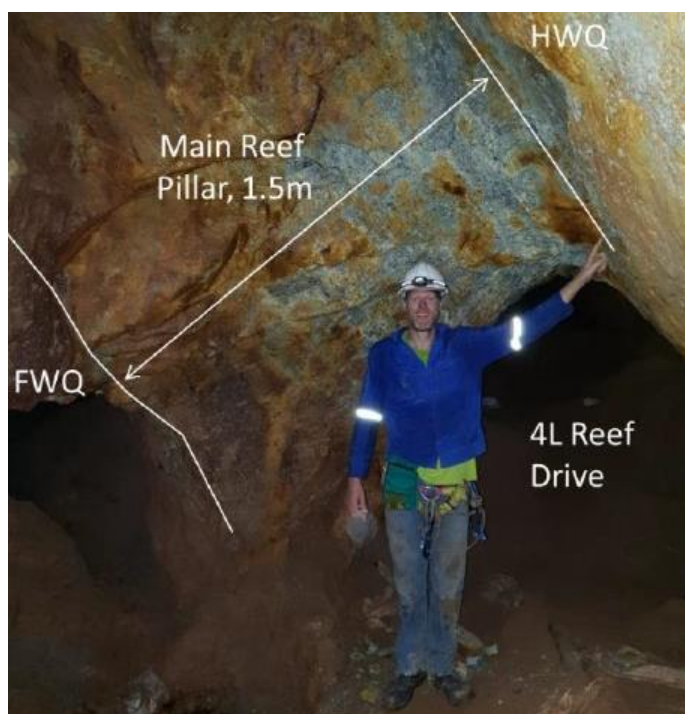


Image 1: Main Reef pillar up-dip of 4 Level reef drive, close to the cross-cut position. The Main Reef Leader occurs about 1m in the hanging-wall of the Main Reef at this portion of the Rugby Field target area

The Company previously announced an inferred Mineral Resource of 75Mt @ 2.7g/t for 7,000 oz Au (Table 1) for the Kimberley West Open-Pit Project (previously known as the Marquis Project) on the 10th May 2016, titled “Sol Plaatjies Agreement Finalised in South Africa” which is available on the ASX website. Hermanus Swart and Dr Andrew Tunks were the competent persons, the Company is not aware of any new information or data that materially effects the information, nor has it been materially modified in presentation.

Category	Tonnes (Kt)	Grade g/t Au	Ounces Au
Inferred @ 1.0 g/t cut-off -Headline 2009	300	1.72	16,000
Inferred at 2.0 g/t cut-off - Current	75	2.7	7,000
Total (current MRE 2 @.0 g/t)	75	2.7	7,000

Table 1: The table shows the MRE comparison between the 26/02/2009 resource reported at 1 g/t and the updated figure reported within JORC 2012 Code reported at a 2.0 g/t cut-off. Number differences may occur due to rounding errors.

The Company commenced trenching of the Kimberley West target area during the period to confirm the surface location and gold grades of the various Kimberley reefs. The Reefs in question are the K4, K5, K9A, K9B and Big Pebble Conglomerate reefs, the Company is waiting on the results of the trenching to complete the mine plan at period end.

The Kimberley West Open-Pit Project is the subject of one of the mining permit applications. The resource outlined above (Table 1) forms part of the Global MRE of 33.9Mt @ 3.4 g/t for 3.656M oz. Previously announced on the 27th September 2018, titled “2018 Annual Report to Shareholders” which is available on the ASX website. Hermanus Swart and Dr Andrew Tunks were the competent persons, the Company is not aware of any new information or data that materially effects the information, nor has it been materially modified in presentation.

Development

The Company has reached agreement with key landowners on WBP’s mining license application areas, including the City of Johannesburg, reaching a significant milestone in the application process.

Agreement with key land owners provides a pathway to the Department of Mineral Resources (DMR) Environmental Authorization (EA) stage for the two mining permit application areas.

The DMR will move soon to complete its’ assessment of WWI’s Final Scoping Report on the broader Mining Right application. The Company’s next step will be to run the Environmental Impact Report phase which is currently progressing as planned and the granting process forecast to be completed in 2Q 2019.

Production

Production during the quarter steadied as the team focused on head-grade delivery and toll processing. Recovered grade increased by 49% to 2.16g/t Au, above target range, significantly increasing the profitability of ore and contributing to the 28% drop in average cost to USD1,134/oz (Table 2).

Category	Target range*	Results relative to target range
Grade (g/t Au)	2.0	2.16
Ore produced (t)	37,500 – 45,000	23,463
Ore processed (t)	37,500 – 45,000	24,729
Gold produced (oz)	2,300 – 2,800	1,630
Average cost (US\$/oz)	800 – 1,000	1,134
Net cashflow (A\$)	450,000 – 750,000	Below target range

Table 2: December 2018 Quarterly Production Results

The majority of production during the period was derived from Pit 4 (Image 2) as the Xcentric Rippers hit hard rock in Pit 3, resulting in higher wear and tear on equipment and machine outages.



Image 2: Xcentric Ripper's and excavator's extending the western bench of Pit 4

With the restrictions on blasting in the area, the project's Management Team sourced an alternative rock-breaking technology (Nonex™), a non-explosive, in-situ, rock breaking method, which was successfully tested at the beginning of December (Image 3). The new technique is expected to deliver improved production efficiencies, particularly in areas of hard rock.

The hard rock in Pit 3 and Christmas break reduced production during the quarter to 23,463T, below the target range, however this is expected to alleviate with the roll-out of the new mining technique. In line with the mining plan, the average stripping ratio continued to reduce with December's ratio at 9:1 adding to efficiencies.



Image 3: Hard rock from the western end of Pit 3 successfully cracked after the trial of NonEx™

Rehabilitation of Pit 1 was completed during the period and backfilling of Pit 2 is expected to be completed in the current quarter (Image 4). West Wits' delivery on the rehabilitation of historical mine works continues to demonstrate the benefits of the Company operating in the area, assisting West Wits' positive engagement with Community Groups, Landholders and Government.



Image 4: Pit 1's rehabilitation completed in the far left of image whilst Pit 2 rehabilitation nears completion on centre right

AUSTRALIA

Pilbara Projects

West Wits' has been monitoring tenure application and exploration activity in the region in close proximity to its' Mt Cecelia Project (Figure 1) whilst Mt Cecelia's exploration license is in the granting process. The recent Exploration Licence applications by Rio Tinto indicates the potential prospectivity of the area. The Paterson Province is highly prospective for gold and copper mineralisation, including mining operations such as Metals X Limited's (ASX: MLX) Nifty copper mine and Newcrest's Telfer gold mine.

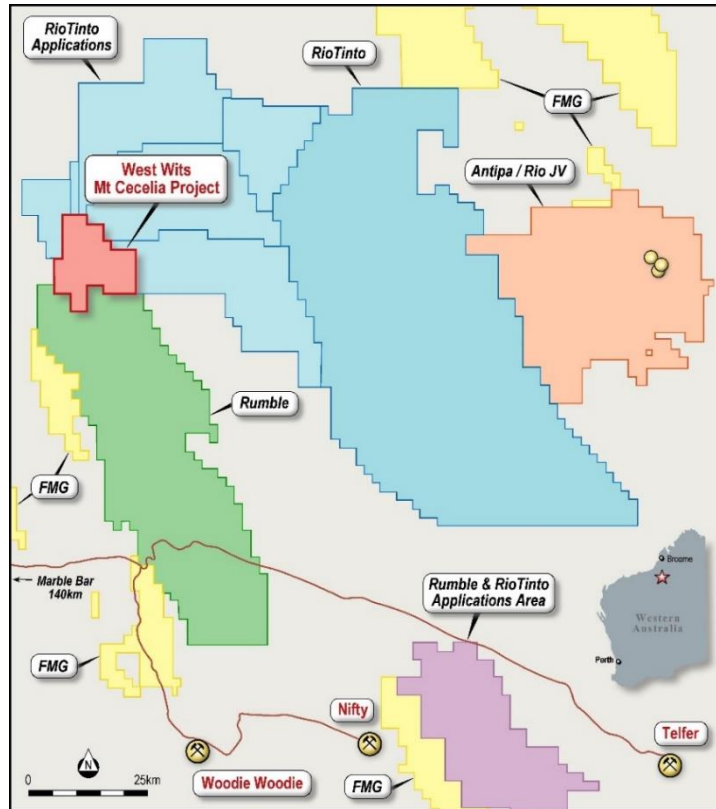


Figure 1: Mt Cecelia and neighbouring East Kimberley tenements

The Mt Cecelia project overlies the geological contact between the copper-gold rich Paterson province and the Archaean aged Pilbara Craton which is prospective for conglomerate hosted gold, as well as a third NNE SSW mineralisation corridor that contains gold and base metals (Figure 2). West Wits' is progressing the exploration licence application for the Mt Cecelia project and intends to commence a detailed desktop study on the gold and base metal potential¹.

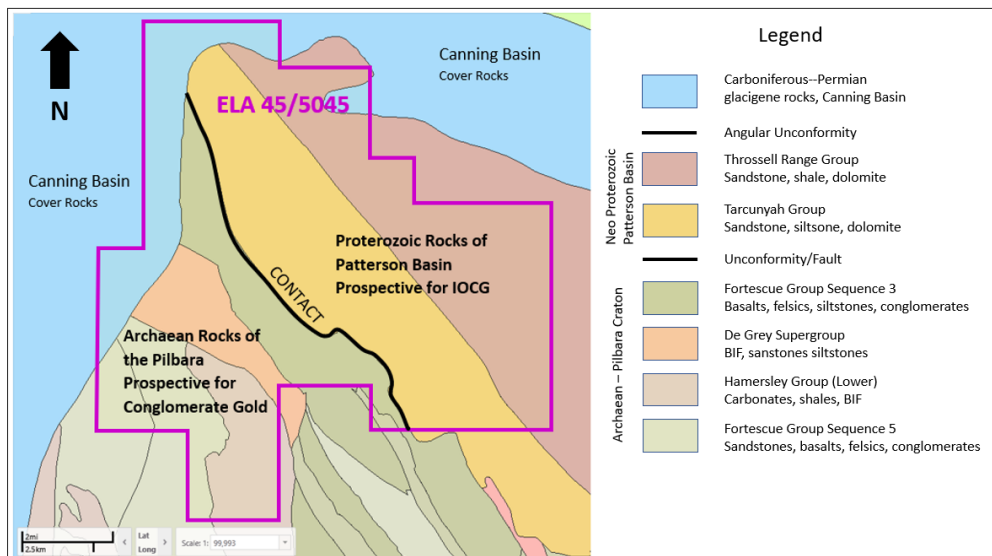


Figure 2: Stratigraphy map of Mt Cecelia's tenement area highlights the older Archaean rocks to the south west and the younger Proterozoic rocks to the north east which are associated with IOCG deposits. Recent work throughout the Pilbara has found gold bearing conglomerates within the sub-units (eg Hardey Formation and Bellary Formation) of the Fortescue Group.

Management is pleased to report that discussions with one of the two Native Title Parties has resulted in the withdrawal of that party's objection to West Wits ELA. The Company is continuing to work with the remaining Native Title Party through the National Native Title Tribunal process and is confident in reaching an outcome that benefits both parties, moving the application closer to granting.

During the quarter the Company looked at several options to further advance the Tambina Project, with consideration being given to a shallow drilling program versus some small-scale surface mining and treatment of previously identified mineralised zones.

INDONESIA

Management is continuing to work through options to progress the Derewo River Gold Project (Papua) through the existing JV partners and is reviewing the project's structure.

CORPORATE

The Company completed a capital raise totalling \$665,200.01 (before costs) through a Share Purchase Plan and Placement, issuing 55,433,323 ordinary fully paid shares at a price of \$0.012 per share².

Director's and Key Management's interests took up \$80,000 of the SPP allotment which demonstrates their belief in the quality of the project, as well as the investment opportunity at the issue price of \$0.012.

The funds raised enable the acceleration of activities for the completion of the mining right/permit and the development of WBP's first underground target, through the commissioning of scoping studies and resource upgrade of the Kimberly reef package.

WWI hired experienced mining executive, Jac van Heerden, as CEO of the Company's South African subsidiary, West Wits MLI. The Board determined that it was critical to introduce a senior executive to drive activities as WBP continues to grow, moving from exploration with small scale open-pit mining towards underground mine development.

Jac's qualifications include a B.Eng (Mining) and MBA. He has extensive mining experience across the mining lifecycle having fulfilled technical, operating and management roles at companies that include Aquarius Platinum Ltd and ERG Africa. As President and General Manager of ERG Africa's Democratic Republic of Congo (DRC) mine, Jac oversaw a Cobalt (5,000tpa) and Copper (50,000tpa) operation which includes a processing plant, employing over 3,800 personnel and supporting the local community hospital and school with over 8,000 students.

Jac's qualifications and experience make him the perfect candidate for CEO as the Board anticipates WBP to enter the next stage of growth.

For and on behalf of the Board

A handwritten signature in black ink, appearing to be 'Michael Quinert', written over a large, faint circular watermark or stamp.

Michael Quinert
Chairman
West Wits Mining Limited

Investor Relations:

Contact Simon Whyte on: +61 459 797 101

Otherwise, for further information visit: www.westwitsmining.com

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- 1) ASX Announcement "Revised – Regional Data Review – Mt Cecelia Prospectivity" on 7th December 2018
 - 2) ASX Announcement "West Wits Raises \$665k to Accelerate WBP Development" on 17th December 2018

Interests in Mining Tenements

Tenements	Location	Held at end of Quarter	Acquired during the quarter	Disposed during the quarter
GP183PR	Underground rights – Witwatersrand Basin, West Rand, South Africa **	66.6%*	-	-
Mining Lease – M45/988	Pilbara region, Western Australia	100%	-	-
Mining Lease – M45/990	Pilbara region, Western Australia	100%	-	-
Mining Lease – M45/991	Pilbara region, Western Australia	100%	-	-
Exploration License Application – EL 45/5045	Pilbara region, Western Australia***	100%		
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

*** Exploration License subject to granting

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

WEST WITS MINING LIMITED (ASX: WWI)

ABN

89 124 894 060

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,422	4,273
1.2 Payments for		
(a) exploration & evaluation	(171)	(263)
(b) development	-	-
(c) production	(2,629)	(4,881)
(d) staff costs	(86)	(199)
(e) administration and corporate costs	(34)	(207)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Reimbursement of Exploration Cost)	-	-
1.9 Net cash from / (used in) operating activities	(498)	(1,277)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	655	655
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	39	194
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	694	849
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	582	1,209
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(498)	(1,277)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	694	849
4.5	Effect of movement in exchange rates on cash held	-	(3)
4.6	Cash and cash equivalents at end of period	778	778

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	778	582
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	778	582

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
46
-

Director Fees at normal commercial rates.
Amounts exclude GST where applicable.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter*	\$A'000
9.1 Exploration and evaluation	180
9.2 Development	-
9.3 Production	2,690
9.4 Staff costs	90
9.5 Administration and corporate costs	50
9.6 Other (provide details if material)	100
9.7 Total estimated cash outflows	3,110

* To understand the Company's subsequent quarter cash position, cash inflows from production should also be considered. Consistent with previous quarters, it is reasonable to conclude that the company will derive receipts from customers in relation to its' production expenditure. As of the date of this report, the company expects to generate an estimate of \$3.24m of cash inflows from its production activities.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director)

Date: 31st January 2019

Print name: Michael Quinert

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.