

**ASX Announcement and Media Release**  
Wednesday, 9 March 2022

## **Sustainable Profitability for WBP Development Confirmed Through Financial Analysis**

### **Cautionary Statement**

*The Scoping Study referred to in this announcement is a preliminary technical and economic study of the potential viability of developing the Witwatersrand Basin Project (“WBP”) as a mine and was carried out to enable the Company to make a decision on proceeding to more definitive studies of the WBP. The Scoping Study referred to in this announcement is based on lower-level technical and preliminary economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or certainty that the conclusions of the Scoping Study will be realised by West Wits Mining Ltd.*

*A Definitive Feasibility Study (“DFS”) was completed on the first stage of WBP’s development, Qala Shallows area and released in a Public Report (ASX Announcement) on 2<sup>nd</sup> September 2021 with the declaration of an Ore Reserve of 3MT at 2.88g/t for 278,000oz<sup>1</sup>. This report incorporates the Qala Shallows DFS as Stage 1 of the WBP Scoping Study.*

*The Company has concluded it has reasonable grounds for disclosing a Production Target, given that the Scoping Study assumes that the Inferred material processed during the first ten years of life-of-mine (LOM) accounts for approximately 27% of total production, increasing to approximately 47% over the 27-year LOM.*

*There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of further Measured or Indicated Mineral Resources or that the Production Target or preliminary economic assessment will be realised.*

*The Scoping Study is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.*

*To achieve the potential mine development outcomes indicated in the Scoping Study, funding in the order of US\$ 77 million will likely be required over the Life-of Mine. Investors should note that there is no certainty that the Company will be able to raise funding when needed, however the Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it has a “reasonable basis” to expect it will be able to fund the development of the WBP.*

*It is also possible that such funding may only be available on terms that may be dilutive to, or otherwise affect the value of the Company’s existing shares. It is also possible that the Company could pursue other strategies to provide alternative funding options including project finance.*

*Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.*

## HIGHLIGHTS

- **Four phased scenarios (“Scenarios 1-4”) identified through financial analysis** for investment feasibility based on five development stages (“Stages 1-4”) of the Witwatersrand Basin Project (WBP)
- **Scenario 4** has been recognised as the optimal development model, delivering a **27-year Life-of-Mine (“LOM”)** with an estimated **16.1M tonnes at a Run of Mine (“ROM”) grade of 3.11g/t Au for 1.61Moz of Gold** from mining Stages 1-4
  - **All In Sustaining Cost (“AISC”) of US\$ 1,138/oz** for production above 800m (72% of total production), **increasing to US\$ 1,198/oz** including Stage 4 Qala Deepes (>800m)
  - **Financial Modelling Results at US\$ 1,750 Gold Price highlighted by:**
    - **Free Cashflow of US\$ 511m (A\$ 712m)<sup>5</sup>**
    - **NPV<sub>7.5</sub> – Pre-tax of US\$ 227m (A\$ 316m)<sup>5</sup> and Post-tax of US\$ 160m (A\$ 223m)<sup>5</sup>**
    - **IRR – Pre-tax of 33% & Post-tax of 29%**
- **Sensitivity analysis confirms profitability:** at a low gold price of US\$ 1,500/oz, the project remains viable; **at a gold price of US\$ 2,250/oz, the NPV more than doubles**
- Scoping Study results demonstrate the WBP’s potential to be **WWI’s cornerstone project** as the Company aims to become a mid-tier gold producer
  - **65,000oz pa – 25 Years - Average ROM Gold Production**
  - **76,500oz pa – Years 5 – 16 - Average ROM Gold Production**
  - **92,000oz – achieved in Year 6 - Maximum Annual ROM Gold Production**
- **Further upside potential, production schedule excludes:**
  - Bird Reef Central (Stage 5) which is subject to the recently updated Uranium Exploration Target<sup>2</sup>, providing the potential opportunity to become a standalone gold and uranium project.
  - Main Reef and Bird Reef East areas constrained to <200m below surface, areas >200m below surface are to be introduced on completion of engineering studies to determine access below the water table
- Definitive Feasibility Study (“DFS”) completed for Stage 1 and development commenced on the WBP’s Early Mining Initiative at Qala Shallows, with **first ore produced in Feb-22**

**West Wits Mining Limited (ASX:WWI, “West Wits”, “WWI” or “the Company”) Managing Director Mr Jac van Heerden said:** *“I’m very pleased to bring this report to shareholders. These excellent and robust results from the Scoping Study confirm our clear strategy to advance the WBP into a significant gold production operation targeting 65,000oz per annum over a long life of 27 years at highly attractive economics. The team has also commenced a new initiative, Project 200, which aims to increase production at WBP to 200,000oz per annum by increasing the Qala Adits throughput capacity. Stage 1 is well-advanced with the completion of the Qala Shallows DFS and commencement of the Early Mining Initiative which aims to achieve early cashflow from estimated production of 5,000 – 8,500t ore per month from April 2022. This will provide an excellent production springboard as we ramp up Qala Shallows production and advance Stage 2 and 3 feasibilities. The recent Uranium Exploration Target highlights the potential for Uranium as a by-product to Gold at the WBP which could add significant value to our operation, benefiting the Company’s growth and shareholder value.”*

WBP's financial analysis was undertaken with a phased scenario approach, to frame the financial feasibility of investment for each of the target areas in the WBP as follows:

- Qala Shallows (**Stage 1**) – *DFS complete and Early Mining Initiative commenced*
- Main Reef Package (**Stage 2**)
- Bird Reef East (**Stage 3**)
- Qala Deeps (**Stage 4**)
- Bird Reef Central (**Stage 5**) is excluded from the analysis due to its lower recovered grade profile and standalone infrastructure costs. The recent restatement of the **Uranium Exploration Target** under JORC (2012) code<sup>3</sup> sits within the Bird Reef Central area and will be subject to further exploration and evaluation.

Of the four scenarios identified, **Scenario 4 currently presents the most beneficial all-inclusive financial outcome** which involves mining Stages 1-4, excluding the Bird Reef Central (Stage 5). However, the Company will continue to monitor the potential for reintroducing Bird Reef Central having particular regard to its sensitivity to a positive move in the gold price and the potential for remodelling that stage as a combined gold and uranium project.

A gold price of US\$ 1,750 per oz was used with an exchange rate of ZAR 15 to US\$.

**Table 1** details the key baseline financial metrics for Scenario 4.

**TABLE 1: WBP'S KEY FINANCIAL METRICS AT DIFFERENT GOLD PRICES**

METRIC	UNIT	US\$ 1,500/oz	US\$ 1,750/oz	US\$ 2,000/oz	US\$ 2,250/oz
Revenue	US\$'m	2,226	<b>2,597</b>	2,968	3,339
Free Cashflow	US\$'m	276	<b>511</b>	743	977
Pre-Tax Project NPV <sub>7.5</sub>	US\$'m	93	<b>227</b>	361	495
Post-Tax Project NPV <sub>7.5</sub>	US\$'m	65	<b>160</b>	253	346
Pre-Tax Project IRR	%	19%	<b>33%</b>	46%	58%
Post-Tax Project IRR	%	17%	<b>29%</b>	40%	50%
Operating Margin	%	38%	<b>47%</b>	54%	59%
Profitability Index	ul	1.4	<b>2.1</b>	2.7	3.4
Peak Funding Requirement	US\$'m	93	<b>77</b>	61	54
Payback Period	years	7	<b>5</b>	5	4

## FINANCIAL MODELLING OVERVIEW

Results from Bara Consulting Pty Ltd's ("**Bara**") financial modelling on the WBP's Scoping Study ("**the Report**") confirm Scenario 4 as currently the optimal development model for the WBP to transform West Wits into a long-term gold producer, with average steady state annual ROM production of 65,000oz for 25-years, over a 27-year LOM for 1.6Moz of gold.

The Scoping Study provides an AISC of US\$ 1,138/oz for stages 1 – 3 combined (production above 800m) which increases to US\$ 1,198/oz with the inclusion Stage 4 (Qala Deeps), which is below 800m depth and ramps up from Year 14 as ore from the Qala Shallows is depleted.

The WBP has the potential to build up to a peak production rate of over 92,000 oz per annum and the Report's production target averages 79,500oz from Years 5 to 16 as production reaches steady state from Stages 1, 2 and 3.

The Report provides free-cashflow of US\$ 511m, a pre-tax NPV of US\$ 227m and post-tax NPV of US\$ 160m at a 7.5% discount rate, utilising the same gold price (US\$ 1,750/oz) and rate of exchange (ZAR 15/US\$) assumptions as the Stage 1 DFS<sup>1</sup>.

The Report's estimated free-cashflow of US\$ 511m for the WBP represents an increase of 113% on the Stage 1 DFS of US\$ 240m<sup>1</sup> and a 51% increase from the post-tax NPV<sub>7.5</sub> of US\$ 106M<sup>1</sup> to US\$ 160m.

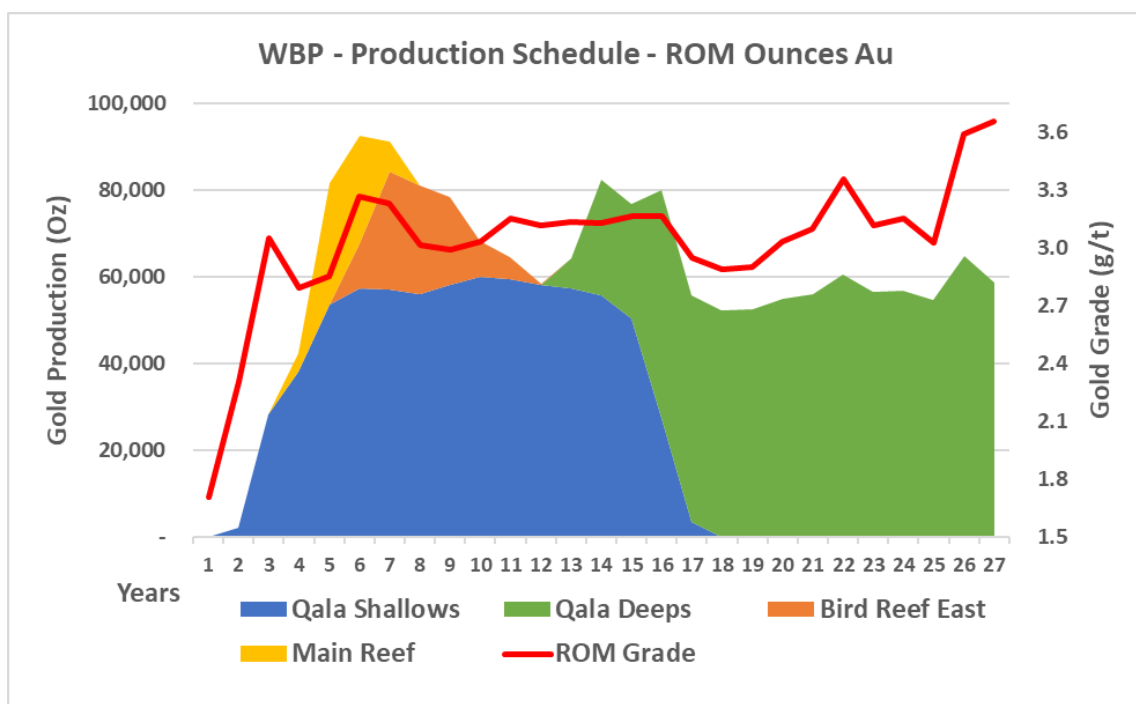
Key production metrics are detailed in **Table 2** below.

**TABLE 2: WBP'S KEY PRODUCTION METRICS**

WBP – SCOPING STUDY – PRODUCTION DATA	SCENARIO 4
LOM (Construction to Relinquishment)	27 Years
Total Years of Production <sup>1</sup>	25 Years
Total Production (Ore Tonnes)	16,150,000
Max Production Rate (Ore Tonnes)	890,000tpa
Run-of-Mine (“ROM”) Grade Au (Average)	3.11g/t Au
LOM Gold Produced (“ROM”)	1,615,000oz
Metallurgical Recovery Au (Overall)	92%
Average Annual Gold Production <sup>1</sup>	65,000oz
Max Gold Production (Year 6)	92,500oz

**Image 1** provides a graphical representation of the WBP's production profile and incremental contributions of each development stage identified by the Report.

**Image 1:** The WBP Scoping Study's ROM production schedule in annual ounces of gold by stage over the WBP's 27-year LOM



The Scoping Study identified four distinct reef packages to develop mining operations. The Qala Shallows and Qala Deeps areas, underpinned by the Kimberley Reef Package, still have extensive life left and form the backbone of the WBP. The other areas of operation will supplement additional tonnes through the Qala operations LOM.

## DEFINING STAGES 1-5

### Stage 1 – Qala Shallows (“Shallows”)

A key factor in the Report’s prioritisation of the Shallows for initial development is the Kimberley Reef’s ore profile, where modelling demonstrates it is best suited to provide the optimal steady rate of production over WBP’s mine life. In turn, production from Stage 1 would support the development of other distinct target areas during subsequent development phases. In addition, mine design undertaken details that the Qala Adit provides a feasible access point for early mining development and future mechanised mining operations, as well as access to the Stage 3 and Stage 4 Mineral Resource bodies.

A DFS has been completed over the Qala Shallows, whereas the remaining four stages are currently at Scoping Study level and will be subjected to individual DFS as WWI progresses.

The DFS forecast a pre-tax NPV<sub>7.5</sub> of US\$ 150 million<sup>1</sup> (AU\$ 209m)<sup>6</sup> at a gold price of US\$ 1,750 for Qala Shallows as a standalone project, which confirms the Scoping Study’s finding that Qala Shallows forms the backbone of the WBP’s development model.

At the Qala Shallows, the Kimberly Reef has the potential to ramp-up to a ROM peak annual production rate of approx. 60,000oz Au<sup>1</sup>. First ore is expected to be extracted 12-months from the commencement of development, building up to a production rate of 25,000 oz Au per annum after 30 months and reaching a full steady state production rate of 53,000 oz Au per annum after year four. **This will see Qala Shallows alone contributing projected steady state ROM production to WBP at a rate of 56,000oz Au per annum for approximately 11 years<sup>1</sup>.**

An Early Mining Initiative, additional to the tonnes outlined in the DFS, has been launched at Qala Shallows over a six-month period from October 2021 to March 2022. First ore was produced in February 2022 and initial production aims to deliver 5,000t to 8,500t ore per month from April 2022.

As depicted in **Image 1**, Qala Shallows production will be augmented progressively with ore sourced from Main Reef (Stage 2) and Bird Reef East (Stage 3) to increase overall production rates. Once the Qala Shallows is depleted, production in that area will continue by starting Stage 4, Qala Deeps, utilising most of the existing infrastructure established and already funded from Stage 1.

### Stage 2 – Main Reef Package (“MRP”)

The MRP, which comprises the Main Reef and Main Reef Leader reef bands, is identified for the second stage of development and a priority target due to the higher ROM gold grade of 3.36g/t.

Access development to the MR and MRL starts in Year 2 of the project. The MR/MRL is a low tonnage, high grade resource and is planned to be mined at a moderate production rate of 150,000 tpa and used to blend with the lower grade Kimberley and Bird Reef ore to maintain ROM grade for the project.

**The Report estimates the MRP section will provide 593,000t at a ROM grade of 3.36g/t Au for 64,000oz of additional production over years 4 to 7 combined.**

Access to the MRP is planned from the existing No.6 shaft site. The next stage of feasibility for the MRP will also assess the potential of continuing development from the Bird Reef East (Stage 3) area, only a further 1,000m to the north, as an alternative access point to MRP for further optimisation.

The Scoping Study has constrained the MRP to areas above the water table (200m below surface). However, with the geological block models extending down to 1,000m there is potential to significantly expand this stage of the project to incorporate the deeper resources. Additional engineering studies will be carried out during the pending definitive feasibility studies stage to determine the available methods and costs to enable access to these additional resources currently below the water table.

### **Stage 3 – Bird Reef East (“BRE”)**

BRE has been identified for Stage 3 of development with Bara recommending access from the existing Qala Shallows Stage 1 decline. Once the Qala Shallows operation reaches a depth of approximately 150m and nears steady state production, a drive will be established to the BRE with a development distance of approximately 1,000m. This enables Stage 3 to utilise the infrastructure established in Stage 1 and importantly obviates the need to open a separate shaft complex.

The BRE ore will replace the Main Reef tonnage as the Main Reef area is depleted. Development of BRE is scheduled to start in Year 6 and stoping commences in Year 7. This stage 3 has a production life of seven years reaching steady state productions of 230 ktpa for approximately three years.

**The Report estimates the BRE section will provide 897,000t at a ROM grade of 3.34g/t Au for 96,000oz of additional production over years 6 to 12 combined.**

The Scoping Study has also constrained the BRE to areas above the water table (200m below surface) being that area above the exiting water table. However, once again with the geological block models extending down to 1,000m there is potential to significantly expand this stage of the project to incorporate the deeper resources. Additional engineering studies will be carried out during the pending definitive feasibility study stage to determine the available methods and costs to enable access to these additional resources currently below the water table.

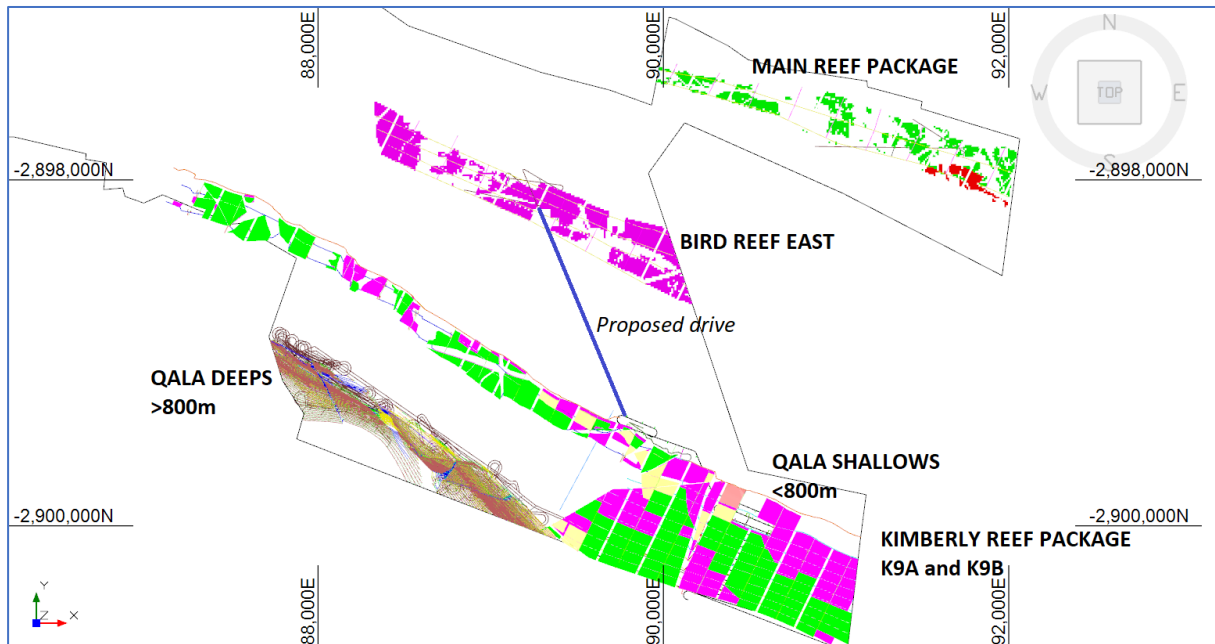
### **Stage 4 – Qala Deeps (“Deeps”)**

The Deeps area is a direct depth extension of the existing Qala Shallows area from 800 to 1,500m below surface, where the reef dip steepens from 40° at surface to sub-vertical at depth (**Figure 1**). The water table floods historical mine works at approximately 200m below surface. However, a geotechnical report supporting the Scoping Study found that leaving a water pillar with a width to height ratio of 15 to 1 will enable access to significant unmined areas at depth away from the flooded areas, which contain additional Deeps Mineral Resources. Production from the Deeps is scheduled to ramp up to steady state production from Year 16, as the Shallows Stage 1 nears depletion. The Deeps section will share infrastructure access with the Shallows and will be subject to a dedicated DFS to confirm rock support and ventilation requirements to achieve the WBP’s production schedule from year 13.

**The Report estimates the Deeps section will provide 7.3Mt at a ROM grade of 3.11g/t Au for 732,000oz of additional production over years 13 to 27 combined.**



**Figure 1:** Schematic plan of the WBP Scoping Study conceptual mine layout shows the proposed connecting drive between the Qala Shallow to the Bird Reef East package, as outlined in Stage 3.



#### Stage 5 – Bird Reef Central (“BRC”) – excluded from the Report’s modelling

The Report excludes the BRC from the optimal development model under current economic parameters, due to the lower recovered grade profile and standalone infrastructure costs. However, the mineralised ore bodies within the BRC are subject to the West Wits’ recently updated Uranium Exploration Target<sup>2</sup> which provides the opportunity for the BRC to become both a gold and uranium project.

The Company will progress exploration of the BRC and continue to assess economic circumstances to advance to more detailed feasibility studies. **The Bird Reef already has a declared JORC gold Mineral Resource of 1.38Mt Ore at 2.66g/t for 118,000oz<sup>3</sup> Au.** The presence of uranium mineralisation within the Bird Reef sequence **provides significant potential for the BRC to become a joint gold and uranium operation and as such, the BRC Uranium Project has the potential to become a standalone mine with separate infrastructure accessed through the existing Circular Shaft site.**

#### Mining Inventory

The Scoping Study by Bara is underpinned by the WBP’s global 4.28Moz Au JORC Resource<sup>4</sup> which covers the WBP’s mining right footprint. A mining inventory was estimated for each mineral resource body based on the available resources, practical mining limits and the application of the modifying factors. This resulted in the mining inventory in **Table 3**.

**TABLE 3: WBP - Summary Mining Inventory (inclusive of MCF) by Reef**

WBP Reef	Ore Tonnage	ROM Production	ROM Grade (MCF 90%)
	(MT)	(Oz)	(g/t)
<i>K9A</i>	6.9	607,000	2.7
<i>K9B</i>	7.8	847,000	3.4
<b>Kimberley Reefs</b>	<b>14.7</b>	<b>1,454,000</b>	<b>3.1</b>
<b>Bird Reef East</b>	<b>0.9</b>	<b>96,000</b>	<b>3.3</b>
<i>Main Reef</i>	0.5	55,000	3.2
<i>Main Reef Leader</i>	0.1	9,000	4.4
<b>MR/MRL</b>	<b>0.6</b>	<b>64,000</b>	<b>3.4</b>
<b>TOTAL</b>	<b>16.1</b>	<b>1,615,000</b>	<b>3.1</b>

NOTE: Number differences may occur due to rounding errors.

### Mining Method

The Scoping Study utilises a narrow reef breast mining method in the upper sections of the conceptual mine plan, which was the same mining method used when the historical mine ceased in the early 2000s. This method is still being used extensively in South African gold mining today.

Therefore, the Report is based on a tried and tested mining method in the Witwatersrand Basin with a readily available, highly skilled workforce and supply network. The pending definitive feasibility studies will investigate additional mechanised mining techniques which are expected to provide significant efficiency improvements where the reef dip is greater than 50°.

### Processing and Metallurgy

Bara's view, which is shared by the Company, is that there is sufficient capacity and quality of processing in the region to secure a suitable toll treating arrangement with one of the local process plant operators, as opposed to allocating CAPEX for the construction and operation of a new process facility. The Report does not foresee any metallurgical issues with processing of the ore, as it has been successfully processed during the mine's historical operation and the neighbouring mines are currently mining the same reef packages which achieved metallurgical recoveries greater than 90%. The Scoping Study utilises a metallurgical recovery rate of 92%.

### Financial Modelling

The Scoping Study's financial evaluation of the WBP was undertaken using a discount cashflow analysis. The evaluation used a gold price of US\$ 1,750 per ounce and a rate of exchange of R 15/US\$.

The financial model for the Scoping Study includes detailed capital and operating cost estimates for all infrastructure, equipment and labour complement required over the LOM.

The WBP's financial analysis was undertaken through a phased scenario approach, in order for the financial feasibility of investment in each of the target areas to be evaluated comprehensively.

The scenarios include:

- **Scenario 1** - Whereby only the Qala Shallows (Conventional) area is mined (Stage 1) which has now also been the subject of a separate DFS
- **Scenario 2** - Whereby the Qala Shallows area is mined in addition to the Main Reef area (Stages 1 and 2)
- **Scenario 3** - All mining areas from Scenario 2 with the addition of the Bird Reef East area (Stages 1, 2 and 3)



- **Scenario 4** - All mining areas from Scenario 3 with the addition of the Qala Deeps (Mechanised) area, i.e. all mining areas aside from Bird Reef Central (Stages 1, 2, 3 and 4)

From the discounted cashflow analysis, it has been demonstrated that Scenario 4 - mining all areas aside from the Bird Reef Central target - presents the best financial outcome.

Scenario 4 has an overall project post-tax NPV of US\$ 160M at a discount rate of 7.5% and a post-tax IRR of 29%. The payback period is five years and peak funding required to realise the project is US\$ 77M with the majority (US\$50m) of the funding verified through Stage 1 Qala Shallows DFS.

### SENSITIVITY ANALYSIS

The sensitivity analysis in **Table 4** shows that even at a low gold price of US\$ 1,500/oz, the project is still viable, and at a gold price of US\$ 2,250/oz, the NPV more than doubles making this a highly robust project.

**TABLE 4:** Gold Price Sensitivity Analysis

METRIC	UNIT	US\$ 1,500/oz	US\$ 1,750/oz	US\$ 2,000/oz	US\$ 2,250/oz
Revenue	US\$'m	2,226	<b>2,597</b>	2,968	3,339
Free Cashflow	US\$'m	276	<b>511</b>	743	977
Pre-Tax Project NPV <sub>7.5</sub>	US\$'m	93	<b>227</b>	361	495
Post-Tax Project NPV <sub>7.5</sub>	US\$'m	65	<b>160</b>	253	346
Pre-Tax Project IRR	%	19%	<b>33%</b>	46%	58%
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Operating Margin	%	38%	<b>47%</b>	54%	59%
Profitability Index	ul	1.4	<b>2.1</b>	2.7	3.4
Peak Funding Requirement	US\$'m	93	<b>77</b>	61	54
Payback Period	years	7	<b>5</b>	5	4

### FUNDING

The Report estimates peak funding of US\$ 77m over a 4-year period with funding requirements dependent on the staged development schedule. Some US\$ 50 m of this amount is already included in and verified by the Stage 1 Qala Shallows DFS study. The Company has held ongoing discussions with various financiers and recently appointed experienced financial advisory firm, Taurum International (Pty) Ltd ("**Taurum**"), to facilitate debt financing strategies and options for the Company's first stage of development, Qala Shallows. It is anticipated the US\$ 77m peak funding requirement will be funded by a mix of debt and equity.

Taurum is an independent financial advisory firm which predominantly focuses on the mining and resources sectors in Africa. Spearheaded by Mr. Andreas Lobert and Mr. Greg Nichles, Taurum has successfully closed many rounds of debt financing and corporate transactions for listed and private mining clients, including South32 Limited (ASX, LSE, JSE: S32), Galiano Gold Inc. (TSX: GAU), Prospect Resources Limited (ASX: PSC) and LionOre Mining International Limited (TSX: LIM).

### SUMMARY AND CONCLUSION

A Scoping Study Technical and Economic Assessment has been undertaken for the WBP, which considered all the technical aspects of the target mining areas including:

- Geology and mineral resources

- Geotechnical
- Mining design
- Ventilation
- Metallurgical process and gold recovery
- Mine infrastructure and utilities
- Manpower
- Costing and evaluation of the project

Four financial evaluation scenarios were performed considering various target reef combinations. The Report demonstrated that the WBP has significant economic potential and that advancement to more detailed levels of study is warranted noting that a DFS for Stage 1 has already been completed.

Scenario 4 is considered as the go forward option, as it offers strong economic potential, with early access to gold including the opportunity of Qala Shallows extending to the Qala Deeps as ore above 800m is depleted.

### **NEXT STEPS**

Following the original Scoping Study's recommendation in July 2020, the Qala Shallows project was selected as Stage 1 to progress forward into a DFS which was commissioned in Q3 2020 and results released in September 2021<sup>1</sup>.

The completion of the DFS heralded in the development of the Qala Shallows Early Mining Initiative, which aims to produce 5,000t - 8,500t ore per month from April 2022. Development of the Early Mining Initiative, which is incremental to the Reports Stage 1 production, commenced in September 2021 with site preparation and first ore produced in February 2022.

The team has completed the rehabilitation and re-commissioning of the existing box cut at the Qala shaft. The decline will be widened in certain areas to accommodate trucks underground which will be used for ore and waste transport. This provides access to the old workings, as well as the starting position of the new decline.

The Company will now continue to focus on:

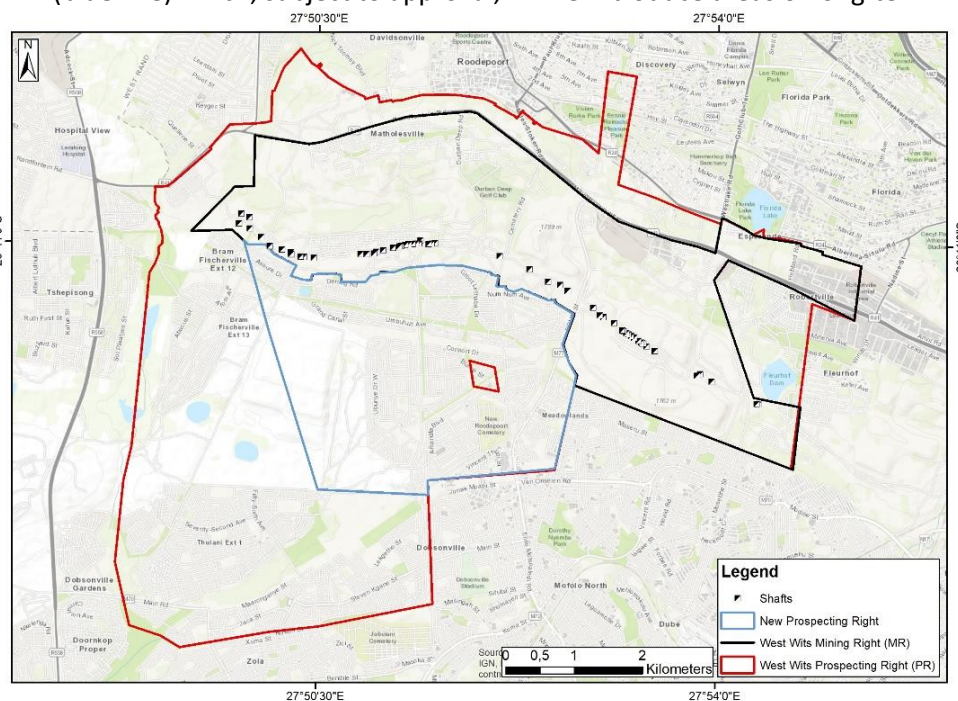
- Procuring project finance for full implementation of Stage 1 by utilising various financial instruments led by recently appointed Debt Advisor Taurum
- Procuring long-lead mining equipment - it should be noted that the Early Mining Initiative will utilise rental equipment as an interim measure
- Refining the toll treating / rental arrangement with the identified process facility during the build-up (long-term tolling agreement)
- Feasibility studies on potential optimisation of the WBP's infrastructure and mine plan to increase production rates
- Continuing with further geological work and feasibility studies on Stages 2 and 3 of the WBP mining area
- Undertake additional exploration drilling with the aim of converting the Inferred Mineral Resources to indicated and measured categories
- Through the Project 200 initiative investigation of the potential to further utilise this large gold resource to increase production rates

## SCOPING STUDY – DETAILED SUMMARY

### License

West Wits’ Mining Right (GP 30/5/1/2/2/10073 MR) (**Figure 2: black boundary**), granted by the Department of Mineral Resources and Energy (“**DMRE**”) in July-21, replaces the Company’s previous Prospecting Right (GP 30/5/1/1/2/183 (10035) PR) (**Figure 2: red boundary**) over the WBP. Through consultation with the DMRE, other stakeholders and mining specialists, the Company reduced the MR footprint to expedite the granting of the MR and remove areas which were deemed to not meet economic requirements. West Wits Mining owns a 66.6% interest in the MR with the Black Equity Empowerment (BEE) partner, Lilitha Resources (Pty) Ltd, holding a 33.4% minority interest.

**Figure 2:** The WBP’s granted Mining Right boundary (black line) replaces the previous prospecting right (PR) boundary (red line). The DMRE has accepted the Company’s application for a new PR (blue line) which, subject to approval, will re-introduce areas of long-term interest.



The overall proposed project includes the refurbishment of three existing infrastructure complexes to access existing underground workings. The WBP forms part of the Central Rand Goldfields approximately 15km to the west of Johannesburg, located between Witpoortjie and Soweto, along the Main Reef Road.

### Geology and Resources

The WBP consists of two historical and now closed mining areas, namely Durban Roodepoort Deep Mine (“**DRD**”) and Rand Leases Mine. Durban Roodepoort Deep Limited (“**DRDL**”) operated these mines until their premature closure in the early 2000s.

In this area of the Witwatersrand Basin, several gold bearing reefs were mined over a strike length of 46km producing 7,679,666kg of gold at an average grade of 8.21g/t (Handley, 2004). Between 1888 and 2000, mines across the West Wits right produced 1,270,870kg of gold (40 857 467 ounces), at an average grade of 4.92g/t (Handley, 2004).

The Witwatersrand Supergroup consists of the lower West Rand Group, comprising mainly shale with subordinate quartzite, and the upper, predominantly arenaceous Central Rand Group, in which the majority of the gold bearing conglomerates are located. Conglomerates comprise approximately 600m

or 8% of the total thickness of the Witwatersrand Supergroup (Pretorius, 1964). The majority of the Witwatersrand conglomerates occur in the Central Rand Group.

A number of gold bearing reefs are present on the property including:

- North Reef
- Main Reef
- Main Reef Leader
- South Reef
- Johnstone and Livingstone Reefs
- Bird Reef
- Kimberley Reef (K9A and K9B)

West Wits has developed a 4.28Moz Au JORC (2012)<sup>4</sup> compliant Mineral Resource base by sourcing and verifying historical datasets, diamond drilling, developing trenches across surface outcrops and capturing additional surface and underground assays and geological data from mining plans.

**Table 5** summarises the current JORC compliant Mineral Resource for the WBP mining right.

**TABLE 5: WBP JORC MINERAL RESOURCE ESTIMATE – BY REEF (2g/t cut-off)<sup>4</sup>**

Reef	Measured			Indicated			Inferred			Total		
	Tonnes (M)	Grade (g/t)	Ounces (M)	Tonnes (M)	Grade (g/t)	Ounces (M)	Tonnes (M)	Grade (g/t)	Ounces (M)	Tonnes (M)	Grade (g/t)	Ounces (M)
Bird - Central & West	0.04	3.73	0.00	0.89	2.51	0.07	0.44	2.86	0.04	1.38	2.66	0.12
Bird - East	2.22	4.30	0.31	2.00	4.74	0.30	0.42	4.48	0.06	4.63	4.51	0.67
K9B KRC	0.00	2.98	0.00	0.10	3.87	0.01	0.18	4.22	0.02	0.28	4.08	0.04
K9B KRE	1.93	4.37	0.27	6.21	4.14	0.83	2.35	5.51	0.42	10.50	4.49	1.52
K9A KRE	2.10	4.54	0.31	1.82	4.20	0.25	4.20	5.14	0.69	8.11	4.77	1.25
Main Reef Leader	0.72	5.81	0.14	0.15	8.34	0.04	0.09	7.54	0.02	0.96	6.36	0.20
Main	2.79	4.73	0.42	0.09	5.15	0.01	0.31	5.27	0.05	3.19	4.79	0.49
<b>Total</b>	<b>9.81</b>	<b>4.60</b>	<b>1.45</b>	<b>11.26</b>	<b>4.19</b>	<b>1.52</b>	<b>7.98</b>	<b>5.10</b>	<b>1.31</b>	<b>29.05</b>	<b>4.58</b>	<b>4.28</b>

Notes: Global MRE is set at a 2.0g/t Au cut-off and reported in accordance with the JORC Code of 2012. Number differences may occur due to rounding errors.

The Scoping Study mine schedule predominately consists of reefs from the Kimberley Reef, Main Reef and Bird Reef packages which include the following reef descriptions:

#### Kimberley Reefs

The Kimberley Reef package consists of up to 17 individual conglomerate bands separated by quartzites and grits, which vary in thickness from 0.45m to 36m (Pretorius, 1964). Individual conglomerate bands are lenticular and do not persist for great lengths along strike (Clay, 1988a). The average pebble size is considerably larger than in any of the underlying reefs (Clay, 1988a). The Kimberley conglomerates have only been mined economically in the western section of the Central Rand (Pretorius, 1964) but have recently been under investigation in the Crown Mines, Consolidated Main Reef and City Deep areas for possible opencast mining operations. The grades associated with the Kimberley Reef packages are distributed erratically, both vertically and laterally. Gold accumulation increases proportionally with channel width (Clay, 1988b).

#### Main Reef

The Main Reef forms the lowermost and best developed conglomerate of the Main Reef Formation, although it is generally depleted in gold value relative to the MRL (Pretorius, 1964). The reef typically consists of three or four bands that are separated by quartzite middlings (La Grange, 1957; Camden-Smith, 1993).

The poorly sorted pyritic conglomerate consists of pebbles up to 5cm in size. The Basal contact is highly undulating (Hiller and Mason, 1982) and separated from the underlying quartzites by an erosional

unconformity (Harding and Winterbach, 1984). Hiller and Mason (1982) reported that the gold is erratically distributed throughout the conglomerate.

On neighbouring mines the Main Reef is truncated by erosion channels, the largest of which is 8km long, 760m wide and reaches a maximum depth of 70m, eroding through the Black Bar, Main Reef and North Reef (Harding and Winterbach, 1984).

### Bird Reefs

According to Jones (1936), the Bird reefs comprise three to six conglomerate bands developed over a thickness of 70m to 130m, separated by quartzite middlings. Most of these conglomerates are discontinuous and lenticular (Pretorius, 1974), containing erratic gold grades, which are only economical in the western parts of the goldfield (Pretorius, 1964). During early mining, the Bird reefs were mined on CMR and Rand Leases mines (Pretorius, 1964) and in more recent times (1990s) have been exploited on surface through open cast operations on DRD mine.

### **Geotechnical**

Raw geotechnical data collection was not included in the scope for this investigation. The geotechnical information used was obtained from a site visit, literature reviews, industry practices and design guidelines.

A basic summary of the geotechnical domains and rock mass quality per reef package is tabulated in **Table 6** below. Values for rock strength (UCS), density ( $\rho$ ) and rock mass quality indicators ( $Q'$  and RMR) were collected from the Bara database and statistically analysed to determine indicative values for design.

**TABLE 6:** Benchmarked Geotechnical Description and Properties

Benchmarked Geotechnical Description and Properties						
Domain	Reef package	Lithology	UCS (MPa)	$\rho$ (kg/m <sup>3</sup> )	$Q'$	RMR
HW	Kimberley	Quartzite	95	2640	13	67
Reef		Conglomerate K9A	134	2646	10	64
Middling		Quartzite	95	2640	13	67
Reef		Conglomerate K9B	134	2646	10	64
FW		Shale	58	2335	5	50
HW	Bird	Quartzite	95	2640	13	67
Reef		Conglomerate	134	2646	10	64
FW		Quartzite	95	2640	13	67
HW	Main & Main leader	Quartzite & conglomerate	160	2576	10	65
Reef		Quartzite & conglomerate	160	2576	10	65
FW		Quartzite	95	2640	13	67

Sources: Bara Consulting Databases: Geotechnical progress report (2007), Indicative slope engineering (2009), Benchmarking (2016)

Based on the data in the Table above, geotechnical recommendations have been made for the various excavation types in regard to:

- Excavation dimensions
- Excavation support
- Pillar requirements including water barrier pillars

### **Mining and Primary Access**

The reefs identified for mining at the WBP are:

- Kimberley Reefs, which are constituted by the K9A and the K9B reefs



- Main Reef and Main Reef Leader
- Bird Reef

Reef dips in the area vary from 30 degrees to sub-vertical and it is therefore necessary to employ multiple mining methods. Two mining methods will be employed at the WBP:

- Conventional Breast Mining for the shallow dipping areas (<50 degrees)
- Mechanised Longhole Stopping for steeper dips (>50 degrees)

Access to the mining areas will be by a trackless decline system with all level development being within the reef horizon. Three discrete sites which have all been historically mined were identified for the establishment of mining operations:

- Qala Shaft and Qala Adit. This site will give access to the Kimberley Reef horizon on the eastern side of the prospecting right, as well as the eastern portions of the Bird Reef
- No.6 Incline Shaft. This site will give access to the Main Reef and Main Reef Leader on the eastern side of the property

The underground mining targets are planned to be accessed from surface, via a decline shaft system to reach the relatively shallow mining levels. The access is trackless with a second means of egress using existing old infrastructure as follows:

- Qala Shallows and Qala Deeps:
  - ✓ Primary Access: Qala Adit and Qala Decline (existing)
  - ✓ Second Egress: Qala Incline Shaft (existing)
- Bird Reef East
  - ✓ Primary Access: Qala Adit and decline to Bird Reef mining area (partially existing)
  - ✓ Second Egress: Equipped raise to surface in mining area (new)
- Main Reef
  - ✓ Primary Access: Decline from surface (new)
  - ✓ Second Egress: No.6 Incline Shaft (existing)

The decline accesses to be developed will be trackless infrastructure and all men, materials and rock will be transported in and out of the mine using diesel powered rubber tyre vehicles.

Modifying factors were applied to the mineral resources to convert the in-situ resource tonnages and grades to ROM tonnages and grades. Modifying factors applied are shown in the **Table 7** below:

**TABLE 7: Mining Modifying Factors**

Modifying Factor	Reef Type					Unit
	K9A	K9B	MR	MRL	BRE	
Minimum mining width	1.33	1.48	1.24	1.1	1.1	m
Planned dilution	4.6	3.6	5.2	6.2	6.2	cm
Unplanned dilution	20	20	15	15	15	cm
Mine call factor	90	90	90	90	90	%

A cut-off grade calculation was undertaken to determine the payable portions of the deposit, the following run of mine cut off grades were determined:

- Shallow mining (surface to 500mbs) 2.11 g/t
- Deep mining (below 1,000mbs) 2.68g/t



Based on the modifying factors and the cut off grades applied, a mining inventory for the various reefs at the target sites was estimated. This resulted in the mining inventory in **Table 8**.

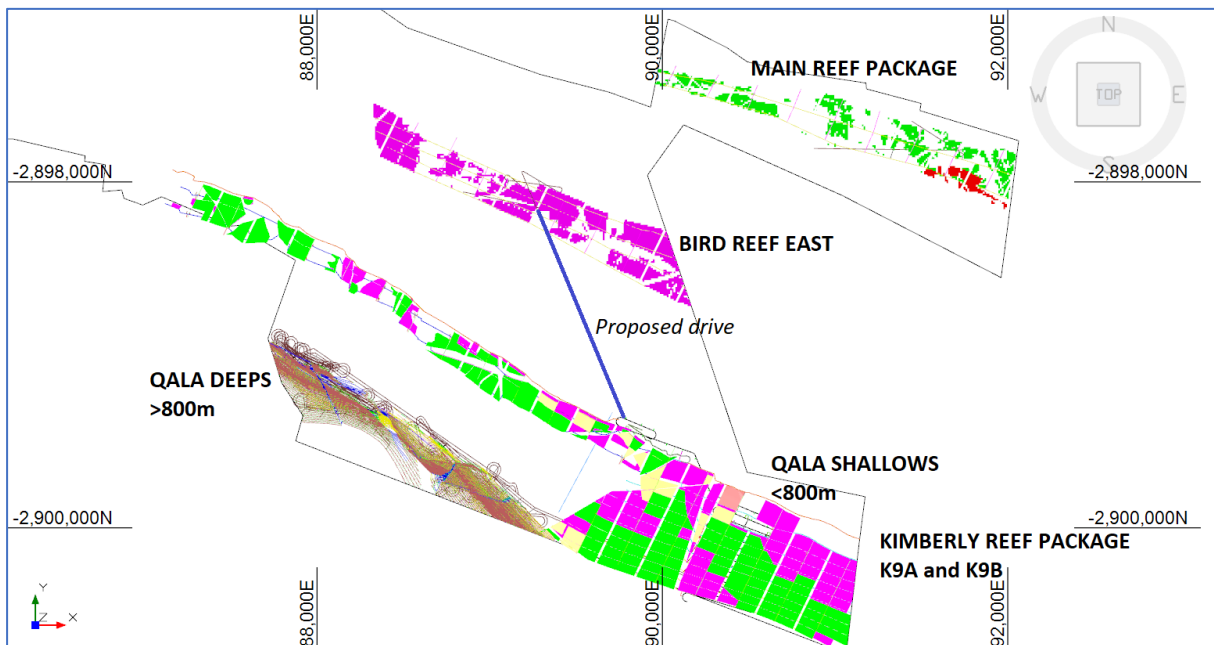
**TABLE 8:** WBP - Summary Mining Inventory (inclusive of MCF) by Reef

WBP Reef	Ore Tonnage	ROM Production	ROM Grade (MCF 90%)
	(MT)	(Oz)	(g/t)
<i>K9A</i>	6.9	607,000	2.7
<i>K9B</i>	7.8	847,000	3.4
<b>Kimberley Reefs</b>	<b>14.7</b>	<b>1,454,000</b>	<b>3.1</b>
<b>Bird Reef East</b>	<b>0.9</b>	<b>96,000</b>	<b>3.3</b>
<i>Main Reef</i>	0.5	55,000	3.2
<i>Main Reef Leader</i>	0.1	9,000	4.4
<b>MR/MRL</b>	<b>0.6</b>	<b>64,000</b>	<b>3.4</b>
<b>TOTAL</b>	<b>16.1</b>	<b>1,615,000</b>	<b>3.1</b>

NOTE: Number differences may occur due to rounding errors.

Based on the mining methods and the access concepts discussed above, as well as the cut off grades and modifying factors, mine layouts were developed for each of the mining targets using the DeswikCAD mine design software. **Figure 3** shows the mine layouts for each of the three identified targets.

**FIGURE 3:** Schematic of the WBP Scoping Study conceptual mine layout showing the proposed connecting drive between the Qala Shallow to the Bird Reef East package, as discussed in Stage 3.



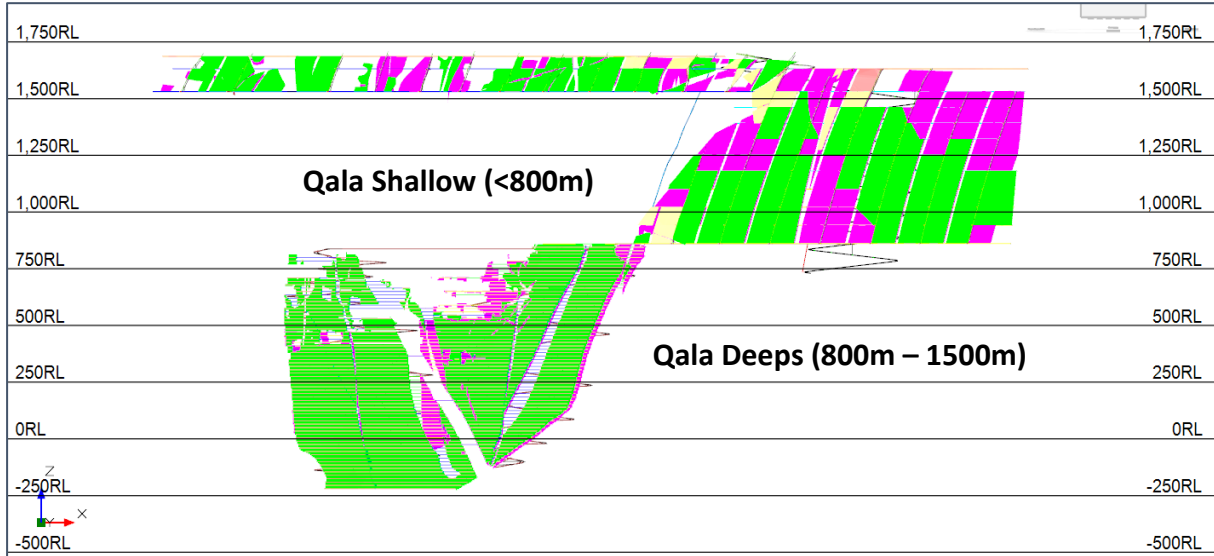
The mine layouts were then scheduled using the DeswikCAD Scheduling software to produce a development and mining schedule. The discrete sites were scheduled separately and then combined into an overall schedule.

The mining targets were developed in the following sequence:

- Kimberly Reef from the Qala Adit and Qala Shaft site
- Main Reef and Main Reef Leader from No.6 Shaft site

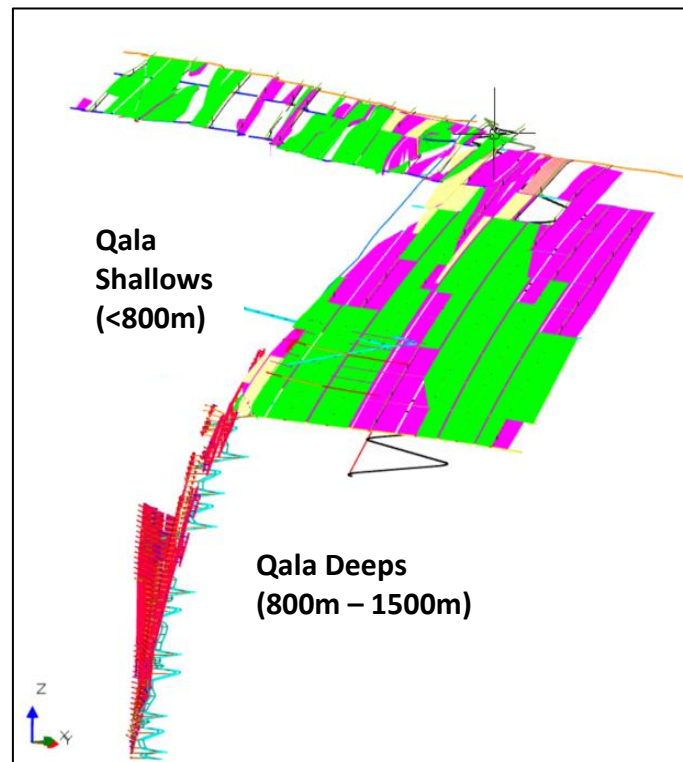
- Bird Reef East from the Qala Adit and Qala Shaft site

**FIGURE 4:** Schematic Deswick 3D image, front view Kimberley K9 Reef (Qala Shallows & Qala Deeps). The layout shows that the Qala Deeps will follow on from the Qala shallows and will share the main infrastructure



**Figure 5** shows the right front view of Kimberley East (Qala Shallows & Qala Deeps) with its various mining targets looking from east to west. The dip of the orebody is clearly visible, especially how it steepens up with depth. This lends itself to investigate more mechanised mining methods.

**FIGURE 5:** 3D schematic of the Qala Shallows project (not to scale)



## Production Schedule

The Mineral Resources used in the mine planning exercise have been estimated by the generation of JORC code compliant electronic block models. **Table 9** below shows a breakdown of the mining inventory by JORC 2012 compliant Measured, Indicated, and Inferred material in the mine plan. This does not constitute an Ore Reserve estimate as the level of study completed to date is of a conceptual nature and does not conform to JORC guidelines for Ore Reserves estimation which requires at least a pre-feasibility study to support an Ore Reserve estimate. The exception to this statement is the Mineral Reserve which has been declared for the Qala Shallows area for the Kimberley Reefs K9A and K9B for which a feasibility study has been completed; this Ore Reserve is a total of 3.00 Mt at 2.88g/t containing 278koz of gold<sup>1</sup>, this Ore Reserve forms part of the inventory for K9A and K9B shown in the **Table 9** below:

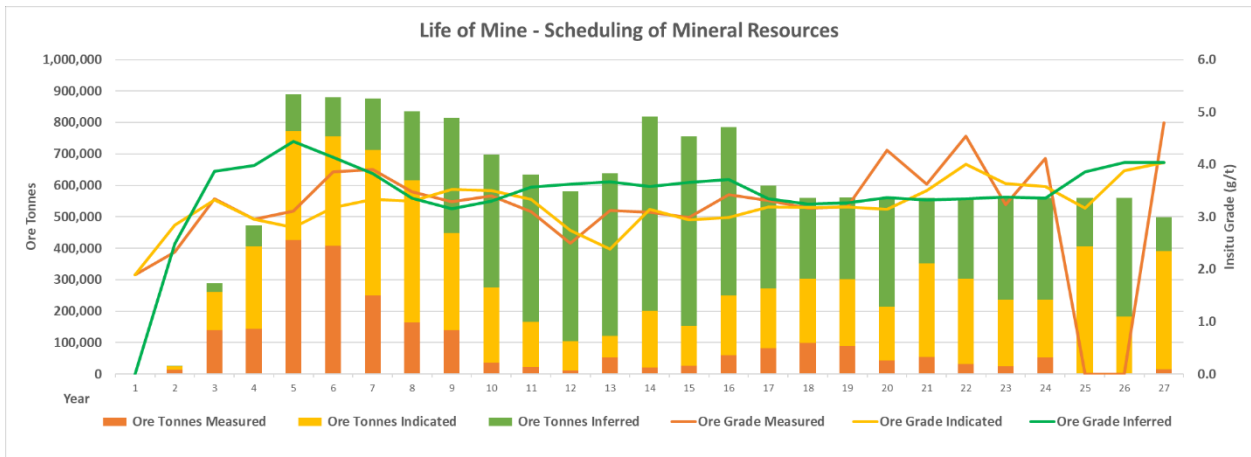
**TABLE 9: WBP's JORC MRE by Reef Mining Inventory and split by JORC 2012 Compliant Mineral Resources in the Mine Plan**

	REEF	TOTAL	MEASURED	INDICATED	INFERRED
Ore Tonnes (M)	K9A	6.88	0.76	1.48	4.63
Grade (G/T)		2.75	3.10	2.67	2.71
Gold Content (Oz)		607,000	76,000	127,000	404,000
Ore Tonnes (M)	K9B	7.78	0.74	4.21	2.84
Grade (G/T)		3.39	3.16	3.06	3.93
Gold Content (Oz)		847,000	75,000	414,000	358,000
Ore Tonnes (M)	BRE	0.90	0.42	0.33	0.15
Grade (G/T)		3.34	3.15	3.46	3.63
Gold Content (Oz)		96,000	43,000	36,000	17,000
Ore Tonnes(M)	MR	0.53	0.46	0.02	0.04
Grade (G/T)		3.23	3.01	4.80	4.75
Gold Content (Oz)		55,000	45,000	4,000	7,000
Ore Tonnes (M)	MRL	0.06	0.03	0.02	0.02
Grade (G/T)		4.41	3.46	4.42	5.80
Gold Content (Oz)		9,000	3,000	3,000	3,000
<b>Ore Tonnes(M)</b>	<b>TOTAL</b>	<b>16.15</b>	<b>2.41</b>	<b>6.06</b>	<b>7.68</b>
<b>Grade (G/T)</b>		<b>3.11</b>	<b>3.11</b>	<b>3.00</b>	<b>3.20</b>
<b>Gold Content (Oz)</b>		<b>1,615,000</b>	<b>241,000</b>	<b>584,000</b>	<b>789,000</b>

Notes: Global MRE is set at a 2.0g/t Au cut-off and reported in accordance with the JORC Code of 2012. Number differences may occur due to rounding errors.

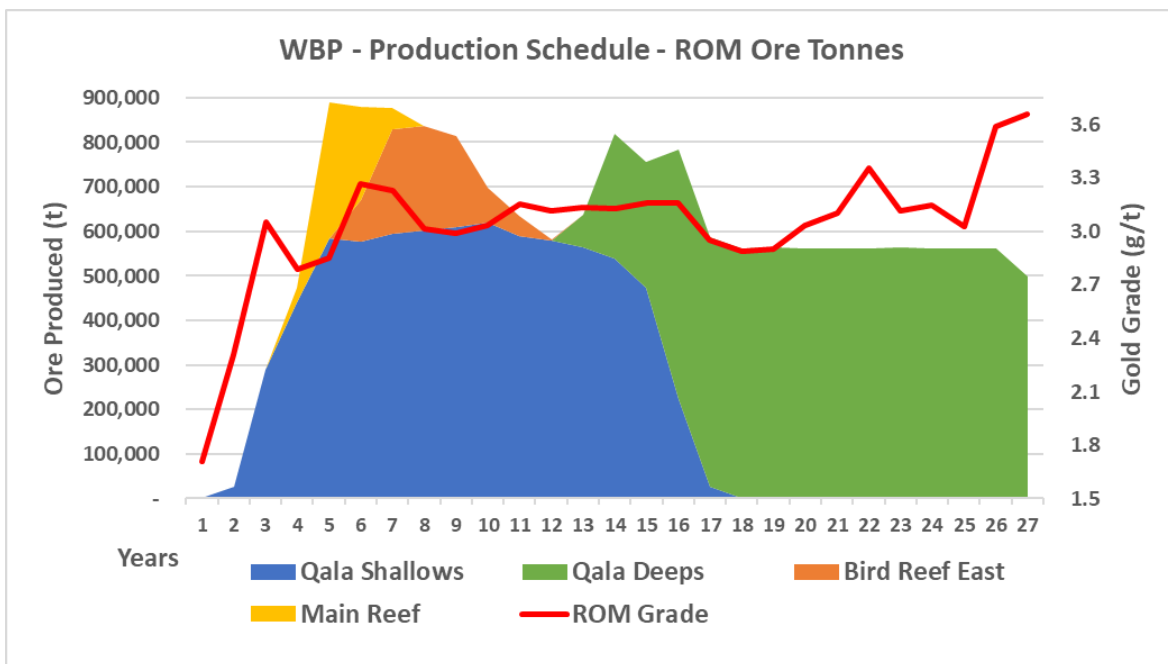
Inferred material processed during the first 10 years of the LOM accounts for approximately 27% of production and increases to approximately 47% over the entire 27-year LOM.

**IMAGE 2:** WBP’s Production Schedule by Mineral Resource category at production Ore’s insitu grade

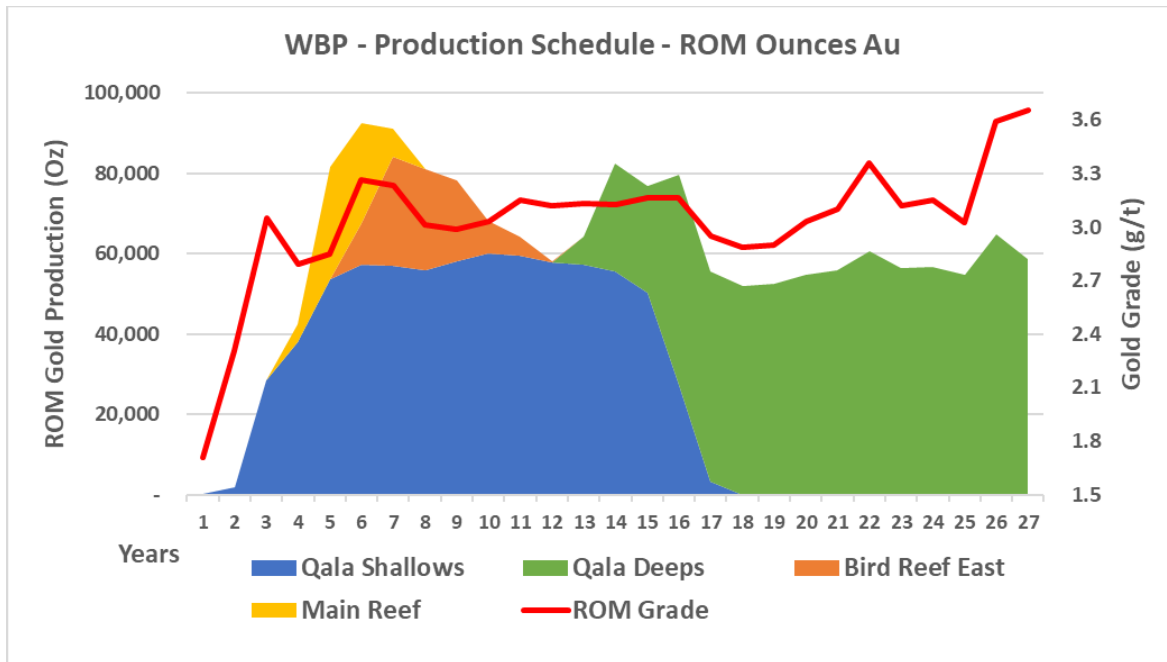


There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

**IMAGE 3:** The WBP Scoping Study’s ROM production schedule in annual ore tonnes of gold by stage over the WBP’s 27-year LOM



**Image 4:** The WBP Scoping Study’s ROM production schedule in annual ounces of gold by stage over the WBP’s 27-year life-of-mine.



### Ventilation

The mine will be ventilated using the primary infrastructure as intake airways with return air will be directed either through the mined out voids or through ventilation raises to surface. Ventilation design velocities per excavation type have been adopted as per **Table 10**.

**TABLE 10:** Ventilation Design Velocities

Ventilation Design Velocities	
Downcast shafts – Men, Material and Rock [equipped]	10 – 12 m/s
Upcast shafts [unequipped]	18 – 22 m/s
Intake airways [personnel] including declines	8 m/s
Return airways [personnel and equipment]	8 m/s
Dedicated return airways	10 m/s
Workshops	0.4 m/s
Raise Bored Holes [upcast and downcast]	15 – 25 m/s
Minimum production stope panel velocity	0.25 m/s
Minimum development quantity	0.25 m <sup>3</sup> /s/m <sup>2</sup>

Minimum air requirements based on size of excavation have been allowed for and standard international ratios have been used to determine the air requirements based on the kilowatts of diesel power deployed at each of the discrete mining sites. Ventilating air requirements for the different mining areas are as follows:

- Qala Shallows: 200 m<sup>3</sup>/s
- Qala Deeps: 240 m<sup>3</sup>/s
- Bird Reef East: 120 m<sup>3</sup>/s
- Main Reef: 120 m<sup>3</sup>/s

**Bulk Utilities**

It is planned that all target mining areas for the WBP to not have a municipal bulk water supply. The current underground mine water balance, developed for each site, indicates that the target areas will most likely be water positive with ground water inflows exceeding the usage requirements of the mine. It is intended that the quantum of water required for the mining operation will be obtained from this excess water as delivered by underground mining activities. The water will be treated to achieve the required qualities.

The two sites planned for the establishment of surface infrastructure to access the mining areas each require bulk power supplies. City Power have indicated that the existing distribution infrastructure within the Roodepoort area has sufficient capacity to supply the mining operations. For the purposes of the study grid power connections and the associated City Power tariffs have been used for the project.

**Mine Services Infrastructure**

Mine services supplies have been designed for each of the three discrete sites where mining will take place. These services include:

- Service water
- Potable water
- Return (dirty) water including settling and pumping
- Compressed air
- Electrical power supply

The reticulation for these services connects the surface bulk supplies to the underground working places as required to support the mining plan.

**Mine Support Infrastructure**

All appropriate mine support infrastructure has been allowed for including:

- Access roads
- Security and fencing
- Offices
- Change house
- Laundry
- Lamp room
- Sewage handling
- Mine stores
- Workshops
- Laydown areas
- Ore pads
- Waste rock dumps
- Pollution control dams

The main surface area will be based at the Qala site with the No.6 Shaft having limited surface infrastructure only.

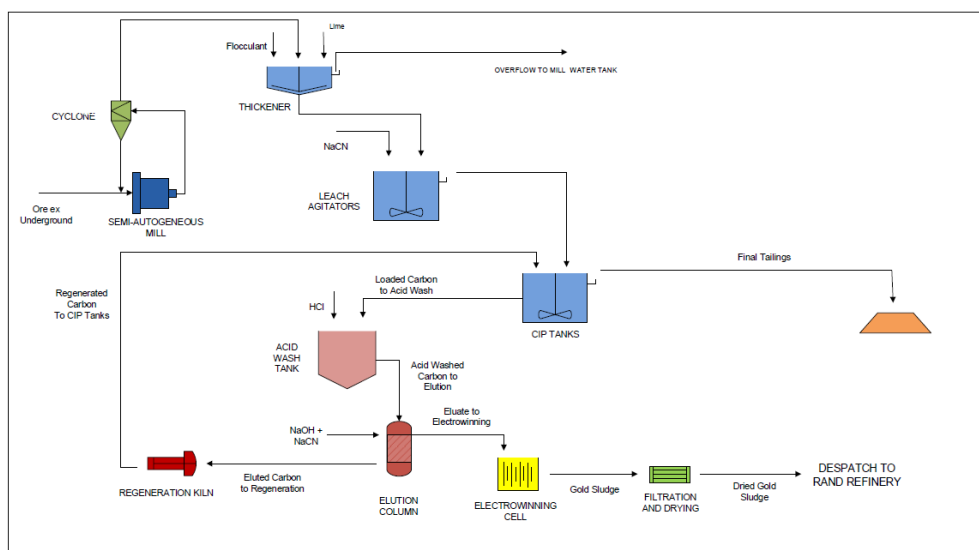


## Ore Processing

Gold ores from the Witwatersrand Basin have similar metallurgical properties and as such, most gold plants in this area have similar process flow sheets. The production from the WBP is planned to be processed on a toll treatment basis in one of the nearby plants.

It has been assumed for the purposes of this study that a process plant, which is between 10km and 15km from the mining sites, will be used for the toll treatment of the WBP material, although no agreement is currently in place. Ore will be road hauled from each discrete mining site to the selected plant and delivered to a separate stockpile. Appropriate gold accounting procedures will be put in place to ensure proper measurement of the mass, grade and recoveries achieved in order to support appropriate allocation of the gold produced by the plant. A typical Witwatersrand Gold Reef process plant flow sheet is shown in the **Figure 6**.

**FIGURE 6:** Typical Plant Process Flow Diagram



## Manpower

Manpower compliments have been generated for the various mining sites. **Table 11** summarises the manpower requirements.

**TABLE 11:** Total Labour Complement

Total Manpower Complement	
Function	Number
Management and supervision	7
General and administration	49
Production	
Supervision	16
Development	316
Stoping	644
Load and haul	81
Technical Services	31
Engineering and maintenance	73
Allowance for leave and absenteeism	146
<b>Total employment complement (TEC)</b>	<b>1,362</b>

### Environmental, Social and Permitting

Significant work has been undertaken on the environmental, social and permitting for the WBP:

- DMRE approved the authorisation of the Environmental Impact Assessment and management plan
- Social and Labour Plan has been completed and approved by the DMRE
- The Water Use Licence application has been submitted
- The mining right has been granted

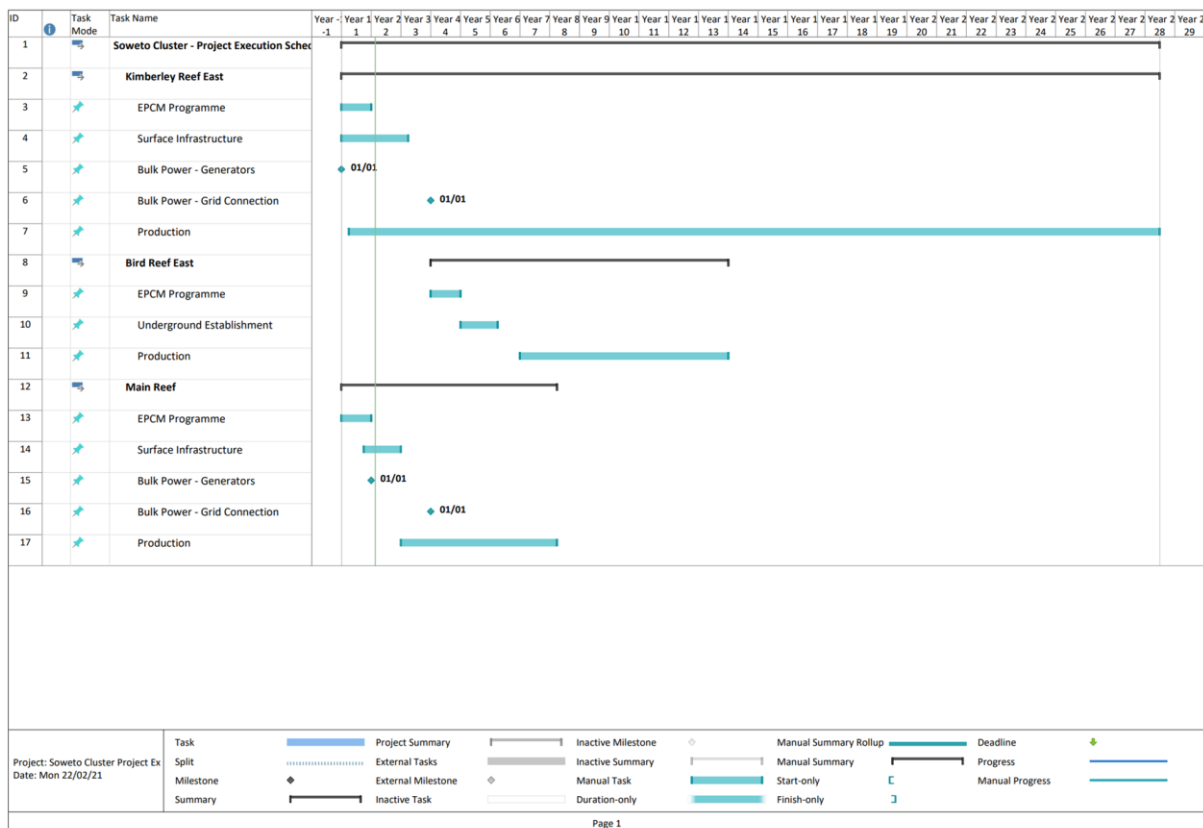
### Project Scheduling and Implementation

The Scoping Study proposed that the Qala Shallows (Kimberley Reef East) is developed first followed by the Main Reef target. The Bird Reef East target will be developed from the Qala workings on completion of mining at the Main Reef.

The Scoping Study plans that gold production will start approximately 1 year after project initiation at the Qala Shallows site, this is possible due to the existing decline which holes to surface at the site and the extensive underground development. The site will therefore only require clearing and rehabilitation of underground workings before production mining can start.

The proposed project execution schedule is shown in **Figure 7**. The project implementation is based on the mining schedule, with the EPCM and infrastructure establishment functions preceding the start of production. The schedule includes the timing of the bulk power supplies, City Power the local power supply authority has indicated City Power have indicated that the existing distribution infrastructure within the Roodepoort area has sufficient capacity to supply the mining operations and an allowance for grid connections has been included.

**FIGURE 7: Project Execution Schedule**



Following the original Scoping Study's recommendation in July 2020, the Qala Shallows project was selected as the first stage to progress forward into a DFS which was commissioned in Q3 2020 and results released in September 2021.

The completion of the DFS herald-in the development of the Qala Shallows, the first stage of the WBP, with site preparation commencing in September 2021 and followed by the recently announced Early Mining Initiative program.

The early works key objective will be to reduce the nine months construction and rehabilitation time. The team has commenced the rehabilitation and re-commissioning of the existing box cut at the Qala shaft. The decline will be widened in certain areas to accommodate trucks underground, which will be used for Mineral Resource and waste transport. This will give access to the old workings, as well as the starting position of the new decline.

Further to the early works, the Company will focus on the following:

- Procuring the required project finance by utilising various financial instruments and led by recently appointed Debt Advisor, Taurum
- Executing the site establishment by the recently appointed mining contractor, Modi Mining (Pty) Ltd
- Procuring long-lead mining equipment, while it should be noted that early works will utilise rental equipment as an interim measure
- Refining the toll treating / rental arrangement with the identified process facility during the build-up (long-term tolling agreement)
- Continuing with further geological work and feasibility studies on Stage 2 and 3 of the WBP mining area
- Undertake additional exploration drilling with the aim of converting the Inferred Mineral Resources to indicated and measured categories.

### **Financial Evaluation**

At the time of the original report, a financial evaluation of the project was undertaken using a discounted cashflow analysis. The evaluation was undertaken using the mine plan generated, the infrastructure design to support the mining plan and the costing of these activities.

A gold price of US\$ 1,750 per oz was used with an exchange rate of ZAR 15 to US\$.

The project financial analysis was undertaken through a phased scenario approach, such that the financial feasibility of investment in each of the target areas may discreetly be evaluated. The scenarios include:

- Scenario 1 - Whereby only the Qala Shallows (Conventional) area is mined
- Scenario 2 - Whereby the Qala Shallows area is mined in addition to the Main Reef area
- Scenario 3 - All mining areas from Scenario 2 with the addition of the Bird Reef East area
- Scenario 4 - All mining areas from Scenario 3 with the addition of the Qala Deepes (Mechanised) area, i.e. all mining areas aside from Bird Reef Central

### **Capital Costs**

Capital costs have been defined in terms of project capital cost and sustaining capital cost. Project capital cost include all capital costs to realise Steady-State Production from the operation. This includes:

- The cost of all surface infrastructure related to Qala, including but not limited to the offices, change-houses, workshops and other surface facilities
- The cost of preparing the waste rock dump
- The cost of all underground infrastructure, up to the point at which Steady-State Production is achieved
- The cost of decline development, up to the point at which Steady-State Production is achieved
- The cost of all mining equipment, including but not limited to trackless equipment, water hydraulic equipment and scraper winches
- Indirect costs related to the engineering design and procurement process required to initiate the project, head-office costs and other compliance costs
- Contingency related to the above costs

Sustaining capital includes:

- The cost of all underground infrastructure during Steady-State Production
- The cost of all decline during Steady-State Production and the cost of all strike drive development
- The cost of replacing mining equipment throughout the LOM
- Contingency related to the above costs

Capital costs have been estimated for the planned mine as previously outlined. A summary of the capital cost is shown in **Table 12**.

**Table 12:** Capital Cost Summary

Area	SCENARIO 4		
	Project [US\$m]	Sustaining [US\$m]	Total [US\$m]
Surface Infrastructure	18.9	1.0	19.9
Underground Infrastructure	11.9	13.4	25.3
Mine Development	20.4	242.4	262.8
Mining Equipment	39.7	15.7	55.4
Indirects	4.9	31.7	36.6
Contingency	11.5	20.6	32.1
<b>Total</b>	<b>107.3</b>	<b>324.8</b>	<b>432.1</b>

This estimate is an overall accuracy of +/- 35% and is within the accuracy range required for a Scoping Study class estimate.

### Operating Costs

Operating costs have been defined as the cost of all activities related to ore mining, production and processing, including:

- Stoping
- Raising
- Vamping

- Leding
- Mineral Processing
- Owners Costs
- Maintenance

The operating cost estimate is presented in **Table 13**. The table presents the Life-of-Mine total and the unit operating cost per tonne milled and per gram of gold recovered, by activity or area.

**Table 13:** Summary of Operating Cost

Area	LOM Total	Distributed Unit	Unit Cost
	[US\$'m]	Cost per tonne [US\$/t]	[US\$/t]
Qala (Shallows)	642	87	40
Qala (Deeps)	532	73	33
Bird Reef East	76	85	5
Main Reef	52	88	3
Indirects	75	5	5
<b>TOTAL</b>	<b>1,377</b>		<b>85</b>

### Financial Evaluation

Based on the capital and operating costs generated and the cashflow schedules derived, a financial evaluation of the project was undertaken using the Discounted Cash Flow (DCF) method. The DCF is based on the mining inventory. In addition, certain financial factors were agreed with WWI as follows:

- Gold price: US\$ 1,750
- Exchange rate US\$ 1.00 to ZAR 15.00

### Market Assessment

Gold bullion is freely traded on the London Metal Exchange (LME) with recent trends showing significant increases in price. In South Africa all gold must be sold through the Rand Refinery or another licensed refining facility. The toll treatment options being considered all sell gold through this route.

### Royalty

South African Government royalty costs are based on standard formula as prescribed in the Mineral and Petroleum Resources Royalty Act of 2008 and is deducted as royalty in the financial evaluation. Royalties and tax were included into the DCF as per the relevant South African legislation. A summary of total royalties is presented in **Table 14**.

**Table 14:** Royalty Costs

Royalty Summary		
Description	Value	Units
Royalty Gross Sales	2,597	US\$'m
Royalty EBIT (before capex)	1,226	US\$'m
Capex redemption	(438)	US\$'m
Royalty EBIT (after capex)	788	US\$'m

Royalty Rate	2.9	%
<b>Total Royalty Paid</b>	<b>76</b>	<b>US\$m</b>

The outcomes of the financial model generated are shown in **Table 15**.

**Table 15:** Discounted Cash Flow Analysis

<b>SCENARIO 4 - SCOPING STUDY - SUMMARY OF DCF ANALYSIS</b>		
<b>Metrics</b>	<b>Units</b>	<b>(Value LOM / Avg)</b>
<b>Physicals</b>		
Tonnes Mined	tonnes	16,140,000
Gold Produced	Kg	46,000
Gold Produced	Oz	1,480,000
Recovered Grade	g / t	2.86
Life of Mine (incl. Construction)	years	27
<b>Capital Cost</b>		
Project Capital Cost	US\$m	107
Sustaining Capital Cost	US\$m	325
Total Capital Cost	US\$m	432
<b>Operating Cost</b>		
Total Operating Cost	US\$m	1,377
C1 Cash Cost	US\$ / t <sub>ROM</sub>	85
C3 Cash Cost	US\$ / t <sub>ROM</sub>	90
AISC	US\$ / t <sub>ROM</sub>	110
AISC	US\$ / g	39
AISC	US\$ / oz	1,198
<b>Economics</b>		
Revenue	US\$m	2,597
Free Cashflow	US\$m	511
Pre-Tax Project NPV <sub>7.5</sub>	US\$m	227
<b>Post-Tax Project NPV<sub>7.5</sub></b>	<b>US\$m</b>	<b>160</b>
Post-Tax Project NPV <sub>10</sub>	US\$m	113
Post-Tax Project NPV <sub>12.5</sub>	US\$m	80
Pre-Tax Project IRR	%	33
<b>Post-Tax Project IRR</b>	<b>%</b>	<b>29</b>
Operating Margin	%	47
Profitability Index	ul	2.1
Peak Funding Requirement	US\$m	77
Payback Period	years	5

*The outcomes referred to in the above table are based on economic assessments, including inferred mineral resources, and are insufficient to support estimation of Ore Reserves or to provide assurance of a positive economic case at this stage. there is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.*



## Sensitivities

A sensitivity analysis was undertaken to determine the project sensitivity to variations in various factors. The analysis determined that the project is most sensitive to changes in revenue for both NPV and IRR. A change in revenue could be affected by a variation in any, or a combination, of these factors:

- In-situ grade
- Plant recovery
- Gold price

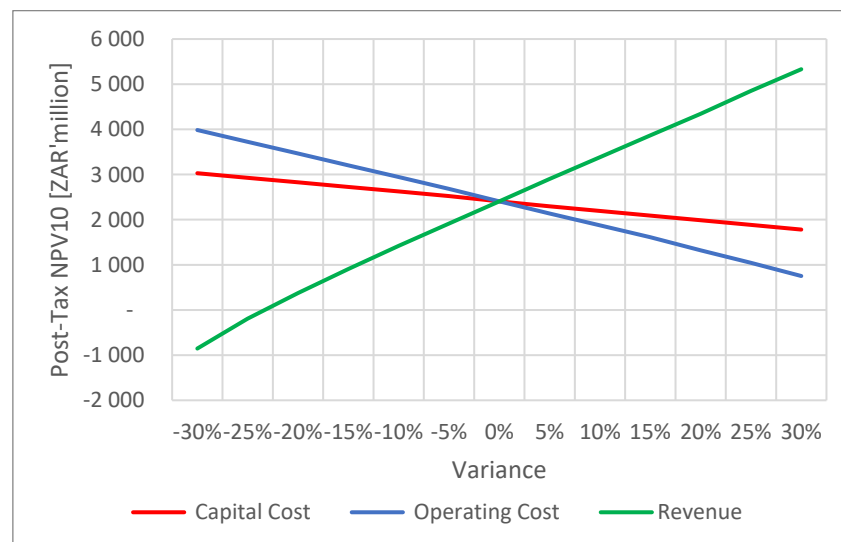
**Table 16** shows the results of this sensitivity analysis for Scenario 4.

**Table 16:** Gold Price Sensitivity Analysis

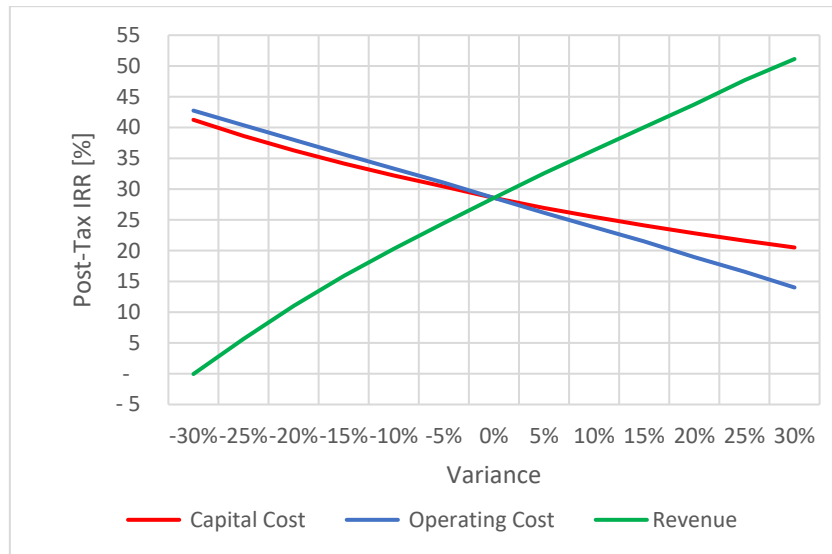
METRIC	UNIT	US\$ 1,500/oz	US\$ 1,750/oz	US\$ 2,000/oz	US\$ 2,250/oz
Revenue	US\$'m	2,226	<b>2,597</b>	2,968	3,339
Free Cashflow	US\$'m	276	<b>511</b>	743	977
Pre-Tax Project NPV <sub>7.5</sub>	US\$'m	93	<b>227</b>	361	495
Post-Tax Project NPV <sub>7.5</sub>	US\$'m	65	<b>160</b>	253	346
Pre-Tax Project IRR	%	19%	<b>33%</b>	46%	58%
Post-Tax Project IRR	%	17%	<b>29%</b>	40%	50%
Operating Margin	%	38%	<b>47%</b>	54%	59%
Profitability Index	ul	1.4	<b>2.1</b>	2.7	3.4
Peak Funding Requirement	US\$'m	93	<b>77</b>	61	54
Payback Period	years	7	<b>5</b>	5	4

The sensitivity of post-tax NPV and post-tax IRR are presented in the images below.

**Image 5:** Scenario 4 Post-Tax NPV<sub>7.5</sub> Sensitivity



**Image 5:** Scenario 4 Post-IRR Sensitivity



## SUMMARY AND CONCLUSION

A scoping study technical and economic assessment was undertaken for the WBP, which considered all the technical aspects of the target mining areas including:

- Geology and mineral resources
- Geotechnical
- Mining design
- Ventilation
- Metallurgical process and gold recovery
- Mine infrastructure and utilities
- Manpower
- Costing and evaluation of the project

Four financial evaluation scenarios were performed considering various target reef combinations as outlined above. Scenario 4 targeting the Qala Shallows, Bird Reef East and Main Reef should be considered as the go forward option as it offers strong economic potential, with early access to gold and the Qala Shallows extending to the Qala Deeps as ore above 800m is depleted.

The Report demonstrated that the WBP has significant economic potential and that advancement to more detailed levels of study is warranted.

**Table 17: Independent Scoping Study - Material Assumptions**

AREA	COMMENT																																																																																																						
Study Status	The scoping study accuracy is estimated at +/- 35%																																																																																																						
Ore Reserves and Mineral Reserves underpinning the Study	<p>Declared Ore Reserve of 3MT at 2.88g/t for 278 000oz, including Proved Ore Reserve of 830,000t at 3.13g/t for 84,000oz, was declared on release of the Definitive Feasibility Study results on the first stage of development on 2<sup>nd</sup> September 2021<sup>1</sup>. The Mineral Resource Estimate (“MRE”) of 29.05MT at 4.58g/t for 4.28Moz that underpins the Study was released to the ASX on 3 December 2021<sup>4</sup>, the MRE includes declared Ore Reserves. This Mineral Resource Estimate was prepared by a competent person in accordance with the JORC Code 2012. The Mineral Resource Statement is based on a combination of Measured, Indicated and Inferred Mineral Resources. Inferred Resources comprise of approximately 31% of the MRE that underpins the study. Inferred material processed during the first 10 years of the Life of Mine (LOM) accounts for approximately 27% of production and increases to approximately 47% over the entire 27-year LOM.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th></th> <th style="text-align: center;">REEF</th> <th style="text-align: center;">TOTAL</th> <th style="text-align: center;">MEASURED</th> <th style="text-align: center;">INDICATED</th> <th style="text-align: center;">INFERRED</th> </tr> </thead> <tbody> <tr> <td>Ore Tonnes (M)</td> <td rowspan="3" style="text-align: center;">K9A</td> <td style="text-align: center;">6.88</td> <td style="text-align: center;">0.76</td> <td style="text-align: center;">1.48</td> <td style="text-align: center;">4.63</td> </tr> <tr> <td>Grade (G/T)</td> <td style="text-align: center;">2.75</td> <td style="text-align: center;">3.10</td> <td style="text-align: center;">2.67</td> <td style="text-align: center;">2.71</td> </tr> <tr> <td>Gold Content (Oz)</td> <td style="text-align: center;">607,000</td> <td style="text-align: center;">76,000</td> <td style="text-align: center;">127,000</td> <td style="text-align: center;">404,000</td> </tr> <tr> <td>Ore Tonnes (M)</td> <td rowspan="3" style="text-align: center;">K9B</td> <td style="text-align: center;">7.78</td> <td style="text-align: center;">0.74</td> <td style="text-align: center;">4.21</td> <td style="text-align: center;">2.84</td> </tr> <tr> <td>Grade (G/T)</td> <td style="text-align: center;">3.39</td> <td style="text-align: center;">3.16</td> <td style="text-align: center;">3.06</td> <td style="text-align: center;">3.93</td> </tr> <tr> <td>Gold Content (Oz)</td> <td style="text-align: center;">847,000</td> <td style="text-align: center;">75,000</td> <td style="text-align: center;">414,000</td> <td style="text-align: center;">358,000</td> </tr> <tr> <td>Ore Tonnes (M)</td> <td rowspan="3" style="text-align: center;">BRE</td> <td style="text-align: center;">0.90</td> <td style="text-align: center;">0.42</td> <td style="text-align: center;">0.33</td> <td style="text-align: center;">0.15</td> </tr> <tr> <td>Grade (G/T)</td> <td style="text-align: center;">3.34</td> <td style="text-align: center;">3.15</td> <td style="text-align: center;">3.46</td> <td style="text-align: center;">3.63</td> </tr> <tr> <td>Gold Content (Oz)</td> <td style="text-align: center;">96,000</td> <td style="text-align: center;">43,000</td> <td style="text-align: center;">36,000</td> <td style="text-align: center;">17,000</td> </tr> <tr> <td>Ore Tonnes(M)</td> <td rowspan="3" style="text-align: center;">MR</td> <td style="text-align: center;">0.53</td> <td style="text-align: center;">0.46</td> <td style="text-align: center;">0.02</td> <td style="text-align: center;">0.04</td> </tr> <tr> <td>Grade (G/T)</td> <td style="text-align: center;">3.23</td> <td style="text-align: center;">3.01</td> <td style="text-align: center;">4.80</td> <td style="text-align: center;">4.75</td> </tr> <tr> <td>Gold Content (Oz)</td> <td style="text-align: center;">55,000</td> <td style="text-align: center;">45,000</td> <td style="text-align: center;">4,000</td> <td style="text-align: center;">7,000</td> </tr> <tr> <td>Ore Tonnes (M)</td> <td rowspan="3" style="text-align: center;">MRL</td> <td style="text-align: center;">0.06</td> <td style="text-align: center;">0.03</td> <td style="text-align: center;">0.02</td> <td style="text-align: center;">0.02</td> </tr> <tr> <td>Grade (G/T)</td> <td style="text-align: center;">4.41</td> <td style="text-align: center;">3.46</td> <td style="text-align: center;">4.42</td> <td style="text-align: center;">5.80</td> </tr> <tr> <td>Gold Content (Oz)</td> <td style="text-align: center;">9,000</td> <td style="text-align: center;">3,000</td> <td style="text-align: center;">3,000</td> <td style="text-align: center;">3,000</td> </tr> <tr> <td><b>Ore Tonnes(M)</b></td> <td rowspan="3" style="text-align: center;"><b>TOTAL</b></td> <td style="text-align: center;"><b>16.15</b></td> <td style="text-align: center;"><b>2.41</b></td> <td style="text-align: center;"><b>6.06</b></td> <td style="text-align: center;"><b>7.68</b></td> </tr> <tr> <td><b>Grade (G/T)</b></td> <td style="text-align: center;"><b>3.11</b></td> <td style="text-align: center;"><b>3.11</b></td> <td style="text-align: center;"><b>3.00</b></td> <td style="text-align: center;"><b>3.20</b></td> </tr> <tr> <td><b>Gold Content (Oz)</b></td> <td style="text-align: center;"><b>1,615,000</b></td> <td style="text-align: center;"><b>241,000</b></td> <td style="text-align: center;"><b>584,000</b></td> <td style="text-align: center;"><b>789,000</b></td> </tr> </tbody> </table> <p style="font-size: small; margin-top: 5px;">Notes: Global MRE is set at a 2.0g/t Au cut-off and reported in accordance with the JORC Code of 2012. Number differences may occur due to rounding errors.</p> <p>There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated or Measured Mineral Resources or that the production targets reported in this announcement will be realised.</p>		REEF	TOTAL	MEASURED	INDICATED	INFERRED	Ore Tonnes (M)	K9A	6.88	0.76	1.48	4.63	Grade (G/T)	2.75	3.10	2.67	2.71	Gold Content (Oz)	607,000	76,000	127,000	404,000	Ore Tonnes (M)	K9B	7.78	0.74	4.21	2.84	Grade (G/T)	3.39	3.16	3.06	3.93	Gold Content (Oz)	847,000	75,000	414,000	358,000	Ore Tonnes (M)	BRE	0.90	0.42	0.33	0.15	Grade (G/T)	3.34	3.15	3.46	3.63	Gold Content (Oz)	96,000	43,000	36,000	17,000	Ore Tonnes(M)	MR	0.53	0.46	0.02	0.04	Grade (G/T)	3.23	3.01	4.80	4.75	Gold Content (Oz)	55,000	45,000	4,000	7,000	Ore Tonnes (M)	MRL	0.06	0.03	0.02	0.02	Grade (G/T)	4.41	3.46	4.42	5.80	Gold Content (Oz)	9,000	3,000	3,000	3,000	<b>Ore Tonnes(M)</b>	<b>TOTAL</b>	<b>16.15</b>	<b>2.41</b>	<b>6.06</b>	<b>7.68</b>	<b>Grade (G/T)</b>	<b>3.11</b>	<b>3.11</b>	<b>3.00</b>	<b>3.20</b>	<b>Gold Content (Oz)</b>	<b>1,615,000</b>	<b>241,000</b>	<b>584,000</b>	<b>789,000</b>
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Mining factors or assumptions	<p>The scoping study considered both conventional breast mining in flat dipping areas of the ore body. In steep dipping areas, the mining method will change to a mechanised long-hole open stopping mining method. Productivity factors were based on historical data benchmarked against operations with similar geology, mining method and designs, as well as Bara’s consulting internal benchmarks. Geotechnical designs were based on historical data from typical rock strengths etc. and previous mining experience, seeing that the area has been extensively mined in the past.</p>																																																																																																						

	<p>Concept level geotechnical designs were used with typical panel lengths from benchmarked operations.</p> <p>Modifying factors were applied to the mineral resources to convert the insitu resource tonanges and grades to run of mine tonnages and grades, modifying factors applied are shown in the Table below.</p> <table border="1" data-bbox="616 439 1394 629"> <thead> <tr> <th colspan="7">Mining Modifying Factors</th> </tr> <tr> <th rowspan="2">Modifying Factor</th> <th colspan="5">Reef Type</th> <th rowspan="2">Unit</th> </tr> <tr> <th>K9A</th> <th>K9B</th> <th>MR</th> <th>MRL</th> <th>BRE</th> </tr> </thead> <tbody> <tr> <td>Minimum mining width</td> <td>1.33</td> <td>1.48</td> <td>1.24</td> <td>1.1</td> <td>1.1</td> <td>m</td> </tr> <tr> <td>Planned dilution</td> <td>4.6</td> <td>3.6</td> <td>5.2</td> <td>6.2</td> <td>6.2</td> <td>cm</td> </tr> <tr> <td>Unplanned dilution</td> <td>20</td> <td>20</td> <td>15</td> <td>15</td> <td>15</td> <td>cm</td> </tr> <tr> <td>Mine call factor</td> <td>90</td> <td>90</td> <td>90</td> <td>90</td> <td>90</td> <td>%</td> </tr> </tbody> </table> <p>A cut off grade calculation was undertaken to determine the payable portions of the deposit, the following run of mine cut off grades were determined:</p> <ul style="list-style-type: none"> <li>○ Shallow mining (surface to 1,000mbs): 2.11 g/t</li> <li>○ Deep Mining (below 1,000m): 2.68g/t</li> </ul>	Mining Modifying Factors							Modifying Factor	Reef Type					Unit	K9A	K9B	MR	MRL	BRE	Minimum mining width	1.33	1.48	1.24	1.1	1.1	m	Planned dilution	4.6	3.6	5.2	6.2	6.2	cm	Unplanned dilution	20	20	15	15	15	cm	Mine call factor	90	90	90	90	90	%
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<p>Metallurgical factors or assumptions</p>	<p>Recovery estimates were based on extensive process history of the orebodies in the area, from the database of similar test work from the consultants, and where the Company's open pit operation (2017 – 2019) on the same Mineral Resource body achieved recovery results of 92%-94% from the Bottle Roll test work. Therefore, the recovery assumptions for the updated scoping study was estimated at 92%.</p>																																															
<p>Environmental</p>	<p>Integrated environmental authorisation and waste management license issued to West Wits in June 2020.</p> <p>As the project is based on a toll treatment scenario, no environmental impacts of processing operations or tailings storage facilities have been undertaken. Any liability in this regard will be for the plant operating company who undertakes the toll treatment for Qala ore.</p> <p>Environmental studies for the mining operation including all underground infrastructure, surface infrastructure, waste rock dump and road access have been submitted to authorities and approved with an integrated environmental authorisation and waste management license issued to West Wits in June 2020. In addition, an application for an integrated water use license has been submitted during July 2021, this submission has triggered the 139-day Competent Authority review process after which a decision on award must be made, at the time of the report the Company was waiting for the Competent Authority's response.</p>																																															
<p>Infrastructure</p>	<p>General lay-outs with concept level requirements.</p> <p>Existing shafts exist in the area, and will be utilised as far possibly to gain entry into the underground work. Bara Consulting, the consulting engineering company has utilised their experience and database of extensive projects history to determine the underground and surface infrastructure required to support and sustain the mine production.</p>																																															

<p>Capital costs</p>	<p>Capital costs have been estimated for Qala Shallows through the issue of enquiry documents to multiple contractors and the receipt of formal proposals by possible suppliers or contractors for all significant works. These scopes of work include:</p> <ul style="list-style-type: none"> <li>○ Mining operations including capital mine development</li> <li>○ Surface bulk earth works and civils</li> <li>○ Waste rock dump preparation</li> <li>○ Road construction</li> </ul> <p>Other capital cost estimates have been developed using past experience, the engineering company's benchmark database and budget quotes from OEM's.</p> <p>All the costs were based on new equipment and infrastructure. The scoping study accuracy is estimated at +/- 35%. A 15% contingency has been applied in the Financial Modelling.</p>
<p>Operating costs</p>	<p>Operating costs have been informed by work completed on the Qala Shallows DFS:</p> <p>Mining operational cost have been calculated from formal proposals from 3 possible contractors. Of the 3 proposals, one has been discarded because of elevated rates. The other 2 are in a very close range and the selected proposal is the lowest.</p> <p>Processing cost have been estimated based on historical costs paid to the Ezulweni plant for processing the Company's ore historically and escalated to current terms.</p> <p>Transportation costs for hauling the ore from the mine to the plant were based on five quotes received from transport contractors. Limited manpower costs were estimated and was made up of the owners' team and technical services only as mining manpower will be included in the mining contractor cost. The manpower costs estimated were estimated based on similar operations and cost based on a benchmarking of this cost in other operations in South Africa.</p> <p>Supply of materials and mining consumables to the mine was based on the estimation of usage and the application of unit costs obtained from local suppliers for each item.</p>
<p>Revenue factors</p>	<p>Estimated head grade (RoM grade) is based on the modification of the grades in the mineral resource model according to the modifying and loss factors discussed above. The estimated recovery factor is applied to this to achieve an estimate of gold produced.</p> <p>Analysis of recent trends in the gold price was undertaken for the preceding 18-month period. Based on the analysis undertaken, the gold price selected for the Scoping Study is \$1750/oz. This is approximately \$86/oz below the 18-month gold price average and falls within the lower 10<sup>th</sup> percentile of the 18-month daily spot gold price distribution. Gold revenues in ZAR are based on the estimate of the gold produced, the selected gold price and the selected exchange rate.</p>

Schedule and Project timing	The Company has recently completed a DFS for the Qala Shallows. The other mining targets will utilise the same mining method and the same access and transport methodology. The company will undertake further geological work to support the feasibility studies planned for the other mining targets. The MR and MRL study and the BRE study is scheduled to start in 2022.
Market assessment	Gold bullion is freely traded on the London Metal Exchange (LME) with recent trends showing significant increases in price. In South Africa all gold must be sold through the Rand Refinery or another licensed refining facility. The toll treatment options being considered all sell gold through this route.
Economic parameters	A discount rate of 7.5% has been used for financial modelling. This number is considered as a suitable discount rate for the funding of gold projects in South Africa. The scoping study accuracy is estimated at +/- 35%. The scoping study was tested on key financial parameters, such as Gold Price, OPEX, CAPEX and plant Recovery. A sensitivity study has been undertaken based on variation in revenue gold price.
Exchange rates	The prevailing South African Rand (ZAR) to United States Dollar (US\$) exchange rate was used in the study. There is a historic and ongoing devaluation of the ZAR against the US\$ over a long period of time equivalent to the difference between the inflation rates of the two countries. This trend is not expected to change and the ZAR is expected to weaken from the exchange rate selected for the study over time. The exchange rate selected is ZAR15 to US\$1.
Community and Social Responsibility	The Company submitted a Social and Labour Plan ("SLP") to the DMRE as part of the Mining Right application. The SLP was approved by the DMRE with the granting of the Mining Right. Under the Company's Social and Labour Plan, significant employment and services opportunities will be provided to local communities, in addition to training and Local Economic Development (LED) projects to upskill the local workforce for employment on the mine.
Permitting	The mining right (GP 30/5/1/2/2/10073 MR) for the area has been granted by the DMRE on 16 July 2021. The Integrated water use license application submitted in July 2021. 139-day competent authority review is now in progress after which award decision will be made, the Company is waiting for the Competent Authorities response at the time of the report. West Wits Mining owns a 66.6% interest in the MR with the Black Equity Empowerment (BEE) partner, Lilitha Resources (Pty) Ltd, holding a 33.4% minority interest.



Other	<p>A risk assessment was undertaken, key risks identified are listed below:</p> <ul style="list-style-type: none"> <li>• No Toll Treating Agreement has been signed to process scheduled production, there is no guarantee that the required plant capacity will be available when required.</li> <li>• The project is based on mining above and below old mine workings which are flooded. Water pillars have been designed to separate new working from these flooded areas as appropriate.</li> <li>• Collapse of inter-burden in multi-reef mining areas when mining K9B. This is considered possible and has been catered for in the design of the in-stope support systems of the K9B. Ongoing monitoring will be required in active K9B stopes.</li> <li>• Mining beneath existing surface structures. The planned mining in certain areas mines below various existing infrastructure including a mains water line, an explosives factory and a residential area. The impact of this has been studied and appropriate separation between the structures and mining has been left in the plan. In addition, risk assessments will need to be undertaken prior to mining below the structures during mining operations in these areas.</li> <li>• Illegal mining in the old workings. Many of the old mine workings around Johannesburg have illegal mining activities. There is a safety and security risk associated with these illegal activities. WWI will ensure that all old underground access points in the area are sealed appropriately. The work to seal these access points has been happening for some time with the DMRE having closed a number of shafts and inclines in the areas over the last year or so.</li> <li>• Safety risk of working at steep dips. Working in steep stopes with dips of up to 50 degrees will result in the potential for accidents related to rolling rocks as well as slip and fall accidents. This risk is mitigated by the design of stope faces on an apparent dip of approximately 30 degrees</li> <li>• Other risks to the Project relate to gold prices, social licence, and other similar risks of resource projects.</li> </ul>
Audit and Reviews	<p>Bara Consulting's Scoping Study was reviewed internally by Company personnel. No independent audit has been undertaken to date.</p>

Approved for release by the Company's Managing Director,



Jac van Heerden  
Managing Director  
West Wits Mining Limited

**For further information contact our Investor Relations:**

**Australia**

Victoria Humphries / Peter Taylor  
[victoria@nwrcommunications.com.au](mailto:victoria@nwrcommunications.com.au) /  
[peter@nwrcommunications.com.au](mailto:peter@nwrcommunications.com.au)

North America, Canada and UK

Jody Kane / Jonathan Paterson  
[jody.kane@harboraccessllc.com](mailto:jody.kane@harboraccessllc.com) /  
[jonathan.paterson@harboraccessllc.com](mailto:jonathan.paterson@harboraccessllc.com)

**General** [info@westwitsmining.com](mailto:info@westwitsmining.com)  
[www.westwitsmining.com](http://www.westwitsmining.com)

**ABOUT WEST WITS MINING LIMITED**

West Wits Mining Limited (ASX: WWI) is focused on the exploration, development and production of high value precious and base metals for the benefit of shareholders, communities and environments in which it operates. Witwatersrand Basin Project, located in the proven gold region of Central Rand Goldfield of South Africa boasts, a 4.28Moz gold project at 4.58g/t<sup>4</sup>. The Witwatersrand Basin is a largely underground geological formation which surfaces in the Witwatersrand. It holds the world's largest known gold reserves and has produced over 1.5 billion ounces (over 40,000 metric tons), which represents about 22% of all the gold accounted for above the surface. In Western Australia, WWI is exploring for gold and copper at the Mt Cecilia Project in a district that supports several world-class projects such as Woodie Woodie manganese mine, Nifty copper and Telfer gold/copper/silver mines.

1. The original report was "DFS Delivers Strong Results on 1st Stage of WBP Development" which was issued with consent of Competent Persons Mr. Andrew Pooley. The report was released to the ASX on 02 September 2021 and can be found on the Company's website (<https://westwitsmining.com/>). The Company is not aware of any new information or data that materially effects the information included in the relevant market announcement. The form and context in which the Competent Person's findings are presented have not been materially modified
2. The original report was "West Wits advances exploration work on Uranium at WBP" released to the ASX on 25 October 2021 and can be found on the Company's website (<https://westwitsmining.com/>). The Company confirms that all material assumptions underpinning the production target in the WBP Scoping Study continue to apply and have not materially changed.
3. The original report was "Updated Mineral Resource Estimate for the Soweto Cluster" which was issued with consent of competent persons Mr Hermanus Berhardus Swart, it was released to the ASX on 22 January 2016 and can be found on the Company's website (<https://westwitsmining.com/>). The company is not aware of any new information or data that materially effects the information included in the relevant market announcement. The form & context in which the Competent Persons' findings are presented have not been materially modified.
4. The original report was "WBP's Global JORC Mineral Resource Expands by 724,000oz to 4.28MOZ at 4.58 g/t Gold" which was issued with consent of Competent Person, Mrs Cecilia Hattingh. The report was released to the ASX on 3 December 2021 and can be found on the Company's website (<https://westwitsmining.com/>). The Company is not

aware of any new information or data that materially effects the information included in the relevant market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

5. RBA US\$/AU\$ exchange rate of 0.7182 on 28/02/2022

### **Competent Persons**

The information in this ASX release that relates to the Company's Mineral Resource is extracted from and was originally report was "WBP's Global JORC Mineral Resource Expands by 724,000oz to 4.28MOZ at 4.58 g/t Gold" which was issued with consent of Competent Persons, Mrs Cecilia Hattingh and Mr Hermanus Berhardus Swart. The report was released to the ASX on 3 December 2021 and can be found on the Company's website (<https://westwitsmining.com/>). The Company is not aware of any new information or data that materially effects the information included in the relevant market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report which relates to Mining & Metallurgy is based on, and fairly represents, information and supporting documentation compiled by Mr Andrew Pooley for Bara Consulting (Pty) Ltd. Mr Pooley is a Principal Mining Engineer and does not hold any shares in the company, either directly or indirectly. Mr Pooley is a Fellow of the Southern African Institute of Mining and Metallurgy (SAIMM ID: 701458) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pooley consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

### **Forward Looking Statements**

This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond West Wits Mining Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding West Wits Mining Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause West Wits Mining Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for gold and silver; fluctuations in exchange rates between the U.S. Dollar, South African Rand and the Australian Dollar; the failure of West Wits Mining Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of West Wits Mining Limited. The ability of the Company to achieve any targets will be largely determined by the Company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. Although West Wits Mining Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statement.