



14 March 2016

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West Wits Mining Ltd (ASX: WWI)

“Deeply discounted gold asset play potentially worth 5x current market cap”

INVESTMENT PERSPECTIVE

WWI presents itself as an asset realisation play with flagship gold projects in South Africa. Those projects are brownfield with outstanding production track record, excellent prospectivity and operating nearby treatment infrastructure. Based on geologically well behaved ore bodies, the mineral resource estimate for open pit and shallow underground gold mineralisation amounts currently to 1.2 million ounces. The confidence in the mineral resources is high with 71% in the measured and indicated categories and the delineation of additional resources in the order of half a million ounces is highly likely in the medium term. Then, given the existing underground workings, we can see a clear pathway to production with limited capital expenditure, through toll-treating or an asset sale to established South African gold producers. **A trade sale could potentially attract a price tag of A\$40 million** (see details page 3). The new mineral resource estimate announced in January 2016 followed by assay results from the current drilling campaign should be the catalyst for a significant re-rating in the short to medium term.

KEY POINTS

South Africa

- Key project in the Central Rand Goldfield of South Africa's Witwatersrand Basin
- JORC 2012 compliant mineral resource estimated at 1.2 million ounces
- Additional mineral resources expected from current drilling
- Established treatment plant infrastructure in the vicinity of the deposits
- Government keen to have the economic gold recovered as part of a clean-up exercise to redevelop the mine site
- Gold production could start within 18 months

Indonesia

- High grade placer deposit, in the West Papua province
- Project show early stage similarities with discoveries such as Porgera, Edie Creek, Wau
- Independent geologists believe source of gold likely to be local, based on the size and shape of the nuggets discovered
- WWI is progressing setting up an initial alluvial operation at Derewo
- The presence of illegal artisanal miners (non-local) while demonstrating the prospectivity of the area is a cause of concern at this point. Accordingly, the asset represents an option play at this point

BOARD & MANAGEMENT

Michael Quinert	Chairman
Vincent Savage	Executive Director
Niel Pretorius	Non-executive Director
Hulme Scholes	Non-executive Director

RECOMMENDATION

SPECULATIVE BUY

Current Share Price	\$0.020
12 Month Price Target	\$0.080
Potential Investment Return	300%
Market Capitalisation	\$9.1m
Cash (31 December 2015)	\$1.5m
Debt	Nil
Enterprise Value	\$7.6m
Ordinary Shares	456.20m
Options [\$0.03-\$0.10, Exp. May 16-Nov 18]	62.15m

PRICE CATALYSTS

South Africa

- WWI currently drilling top two targets selected in the Soweto Cluster
- Initial assay results expected this quarter
- Additional mineral resources expected soon after
- Mining study
- Development or sale of assets

Indonesia

- Resolution of site security issues that have delayed the commissioning of the alluvial circuit. Getting those resolved is key to generate cash flow and direction to further exploration
- Performance of the alluvial circuit, cash flow and exploration

SHARE PRICE PERFORMANCE

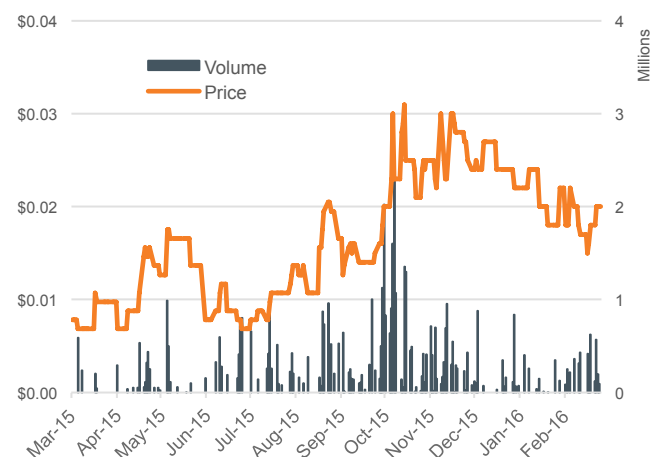


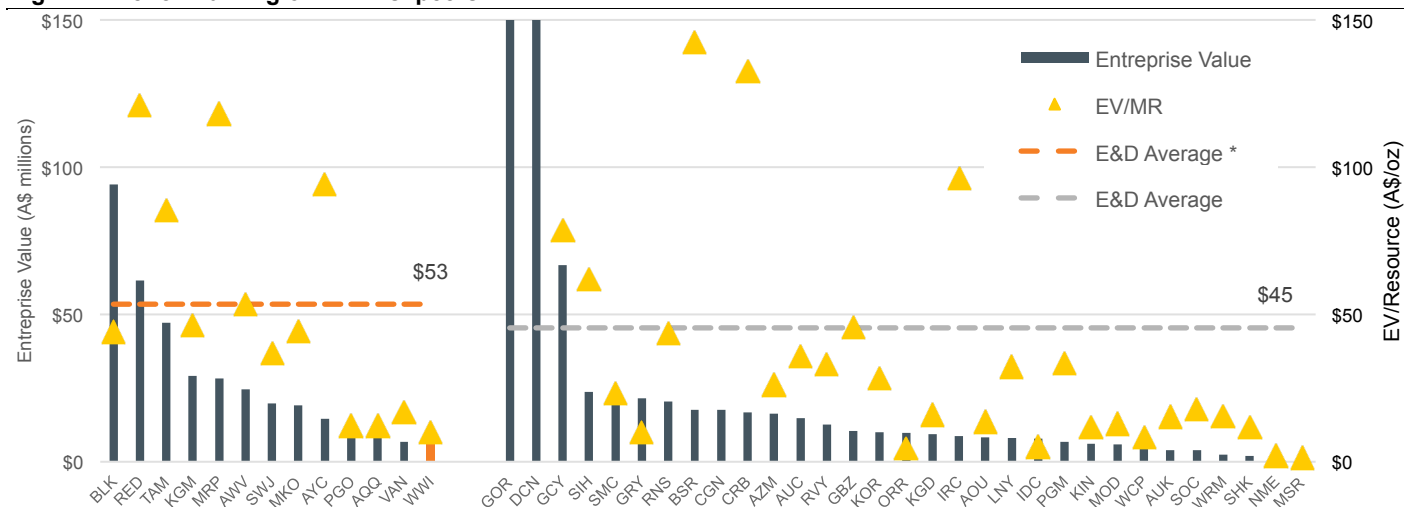
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1. Benchmarking and Target Valuation

“Using the average of \$53/oz, WWI could see its enterprise value increase to about \$30m

Fig. 1.1 - Benchmarking of WWI vs. peers



Source: SNL Mining & Metals, Terra Studio. * Selection of Explorers and Developers with either an ore treatment plant or toll-treating options.

In the absence of any feasibility or scoping study, we have undertaken some benchmarking of WWI against a number of peers, based on the Enterprise Value/Resource multiple. To reflect the level of confidence associated with the mineral resource, the multiple has been calculated using the measured and indicated (M&I) resources. Furthermore, considering that the Soweto Cluster is close to some treatment plants, a subset of the explorers and developers has been selected.

For the selected peer group, the average EV/Resource stands currently at \$38/oz. Based on the M&I resource announced in January 2016 by WWI, i.e. 868,700 oz (66.6%), the EV/Resource multiple stands at \$13/oz. Using the average of \$53/oz, **WWI could see its enterprise value increase to about \$30m.**

In terms of market capitalisation and share price, this increase would represent a quadrupling in value. Hence, we determine a price target of \$0.080 within a 12 month period.

Further valuation increase will be justified as WWI should be able to quickly develop those mineral resources, secure toll-treating agreements with near-by processing facilities and move to producer status, for which the EV/Resource multiple is currently averaging \$183/oz. Alternatively, WWI could sell the assets to a nearby South African operator and derive a similar valuation multiple.

A trade sale could potentially attract a price of A\$40 million based on the following assumptions:

- US\$1,200/oz gold price and 0.71 US\$/A\$ exchange rate
- 1.2 million ounces current mineral resource
- 3% of in situ value
- 66.6% WWI interest

No value has been assigned to the Derewo project at this point.

The options expiring in 2016 are assumed to be not converted (out of the money).

Options over Ordinary Shares

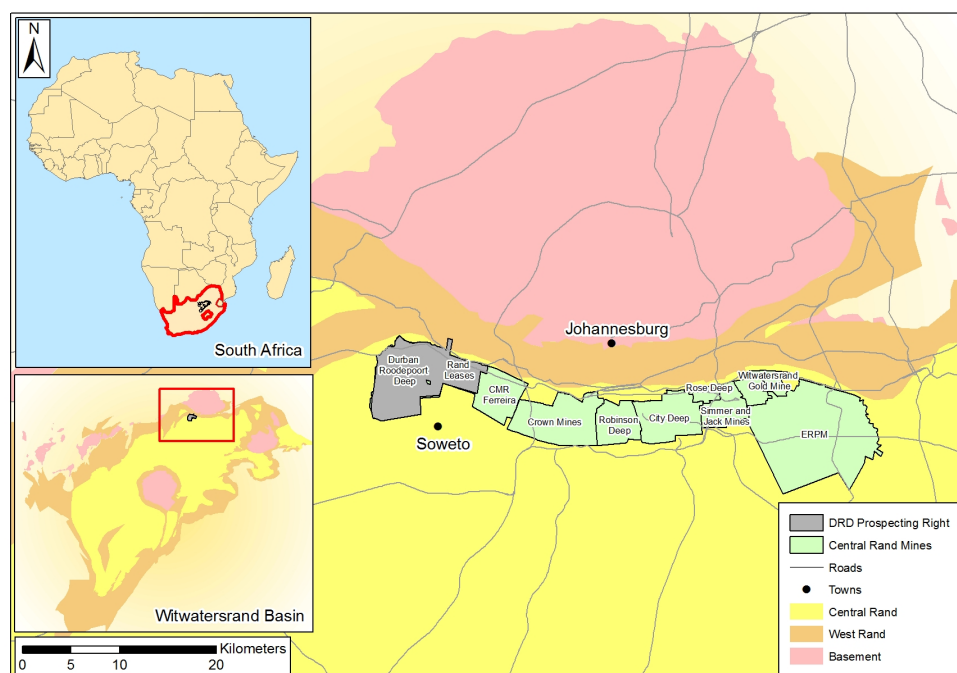
Amount	Exercise Price	Expiration Date	ASX Code
1,150,000	\$0.100	26 May 2016	WWIAS
30,000,000	\$0.080	28 Jul 2016	WWIAK
19,000,000	\$0.080	30 Sep 2017	WWIAY
5,000,000	\$0.025	19 Feb 2018	WWIAA
5,000,000	\$0.030	19 Feb 2018	WWIAA
2,000,000	\$0.030	4 Nov 2018	"new class"
62,150,000	Total		

2. History

West Wits was originally formed to explore, evaluate and potentially extract gold and uranium from project areas located on the Central Rand Goldfield of South Africa's Witwatersrand Basin. Historically this South African project area has collectively produced 31 million ounces of gold over the past 120 years. On 16 April 2012 West Wits sold a number of its exploration leases for \$9m. The Company also has a significant uranium target which remains intact from surface and up to 10km in strike. An initial drill program returned assays of up to 2,000 ppm of U_3O_8 of confirmed and strike extent of 3.3km.

31 million ounces have been mined from two mining leases alone from six parallel reefs

Fig. 2.1 - Location of the Soweto Cluster



South Africa: strategy focussed on open pit and shallow underground resources

Source: WWI. The Soweto Cluster comprises two historic leases, namely the DRD and Rand Leases. A sample of the quartz pebble conglomerate from the Main Reef is shown in the top right.

WWI entered 2015 with some significant challenges with respect to its gold projects in Indonesia and South Africa. In South Africa the Company had clear strategies in place to restore its Prospecting Right over the DRD and Rand Leases collectively known as the Soweto Cluster. However on 14 April 2015 its application for renewal of its Prospecting Right over the Soweto Cluster was granted for a further 3 years. This was a tremendous outcome for the Company as it believes there is significant value to be unlocked from the Soweto Cluster.

Whilst West Wits had continued to review and evaluate targets prior to its Prospecting Right being extended it was unable to undertake any significant work due to the uncertainty surrounding the ownership of the leases. With this uncertainty now removed, the Company has advanced exploration activities at the Soweto Cluster.

2015 was also a challenging and frustrating period for the Company as it continued to work through local challenges associated with establishing an alluvial circuit at Derewo in West Papua, Indonesia. The Company experienced a number of false starts through outside influences preventing sign-off on security at the site.

In late 2014 the board made a decision to replace its local partner in order to advance the Derewo River Gold Project, Papua Province, Indonesia ("Derewo"). The new partner, PT Intan Angkasa Aviation ("PTIA"), is responsible for delivering a safe and secure project site. Whilst the timelines to providing access have been delayed PTIA remain confident in its ability to deliver safe access. This confidence continues to be demonstrated by their willingness to meet all expenditure obligations for delivering site access as well as the local costs of the Company's Indonesian subsidiary. On that basis the Company has continued to support PTIA who are working tirelessly with all stakeholders at Derewo.

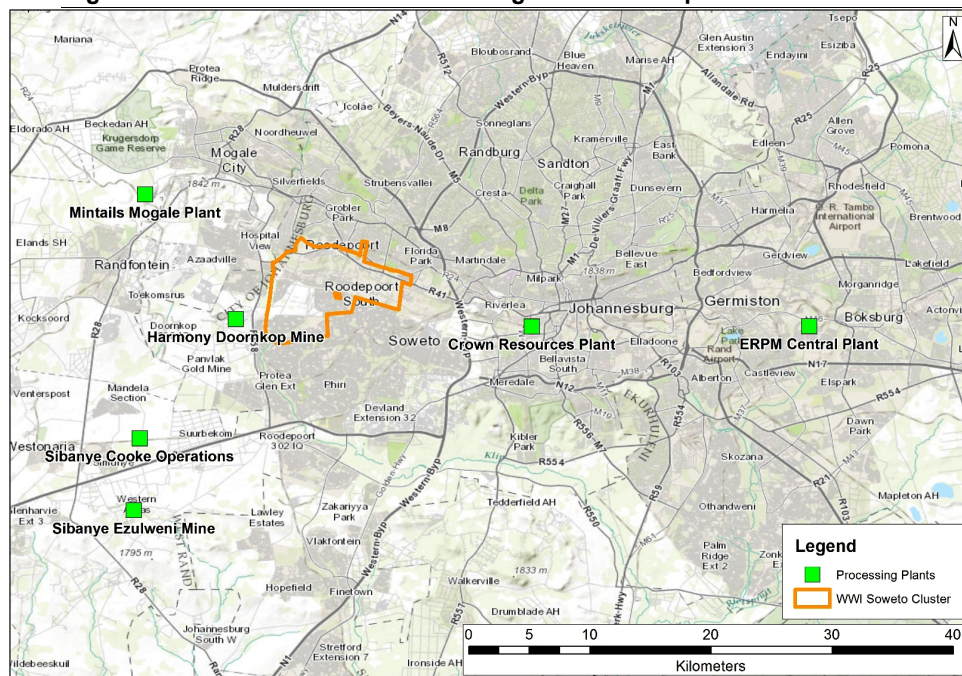
Indonesia: looking for the primary source of the gold mineralisation

3. Strategy

In South Africa, WWI aspires to identify and develop significant gold resources at the Soweto Cluster, focusing on open pittable and shallow underground resources (to 400m below surface). Future mine development should benefit from the existing mining infrastructure as well as the presence of treatment plants in the vicinity of the projects.

South Africa: strategy focussed on open pittable and shallow underground resources to take benefit of the existing mining and processing infrastructure

Fig. 3.1 - Location of the South African gold treatment plants



Source: WWI

In Indonesia, WWI intends to commence exploration work and develop a hydraulic gold mining project by introducing modern mechanised production methods. These activities are expected to enhance the Company's knowledge of the regional geology and assist with targeting the primary hard rock source of the gold.

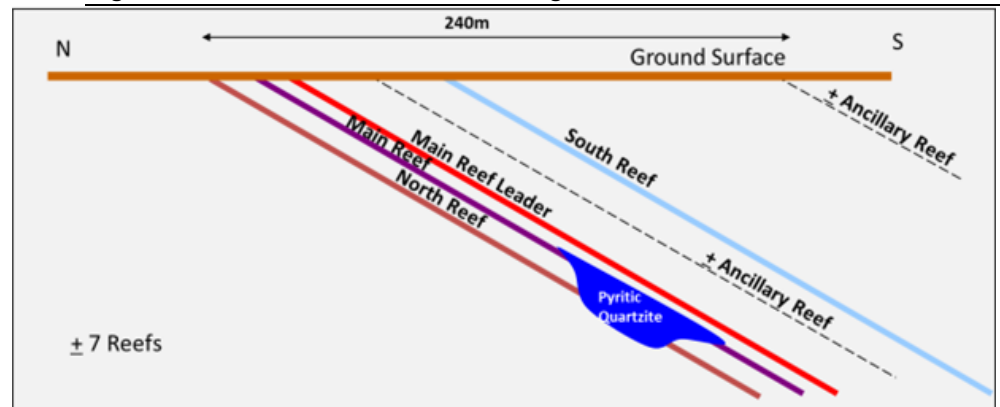
4. Soweto Cluster, South Africa

Geological Setting

The Witwatersrand Supergroup consists of the lower West Rand Group, comprising mainly shale with subordinate quartzite, and the upper, predominantly arenaceous Central Rand Group. A total of approximately 600m of conglomerate represents about 8% of the thickness of the Witwatersrand Supergroup. With the exception of those in the Government Subgroup in the West Rand Group, all Witwatersrand conglomerate occurs in the Central Rand Group.

The lowermost reef in the Central Rand Goldfield is the North Reef. This reef forms part of the Blyvooruitzicht Formation and limited mining occurred in the goldfield.

Fig. 4.1 - Schematic Cross Section through the Main Formation



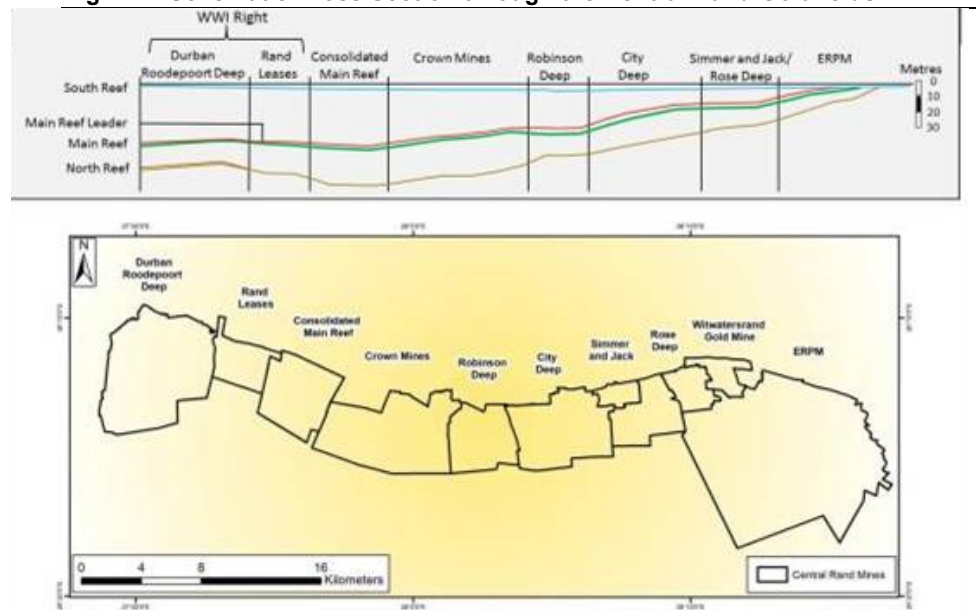
All reefs are dipping about 30° to the south

The Main Reef is the most economical (highest grade) and widely mined reef in the Central Rand Goldfield

Source: WWI. The Pyritic Quartzite fills an erosion channel

The Main Formation (Figure 4.1), the most economical and widely mined package in the Central Rand Goldfield, occurs near the base of the Johannesburg Subgroup. It varies in thickness, decreasing from west to east (Figure 4.2), and consists of quartzite, conglomerate and, to a lesser extent, shale.

Fig. 4.2 - Schematic Cross Section through the Central Rand Goldfields



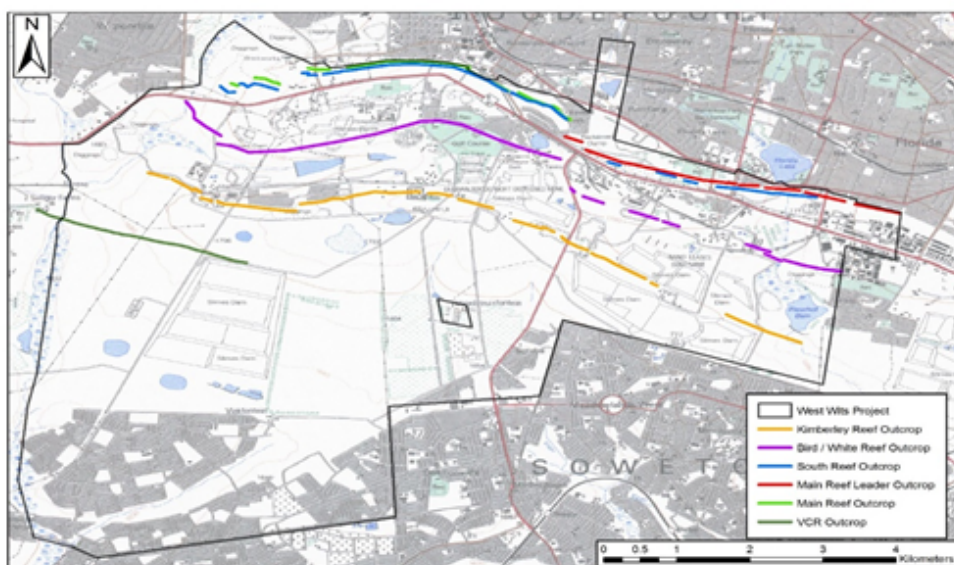
Source: WWI. The diagram shows the intra-reef thickness variations between the North and South reefs (modified after Wethmar, 1957)

Previous Mining History of the Soweto Cluster

The Soweto Cluster comprises two historic mining centres known as the Durban Roodeport Deepes (DRD) and the Rand Leases on the northern edge of the Witwatersrand Basin in the Central Rand Goldfields immediately west of the city of Johannesburg. Mining has been taking place within these areas since discovery of the goldfields in 1896. During that time up to six parallel gold bearing conglomerate horizons or reefs have been mined from surface down to a depth of 3,100 metres and total production for the combined Durban Deepes and Rand Leases area was over 30 million ounces of gold at a grade in excess of 5 g/t Au (ASX: West Wits Mining Limited prospectus 15 Nov 2007). The Main Reef carries the highest grade and was discovered first. Underground mine workings were developed in the hanging wall of the Main Reef and led to the discovery of other reefs.

31 million ounces historical gold production

Fig. 4.3 - Location of the Mine Auriferous Lodes in the Soweto Cluster



Source: WWI. The white boundary marks the extent of the WWI tenements in the area.

Mining operations from all sites within the Durban Deepes lease and the Rand Lease had ceased by June 2000. WWI acquired the project in 2007.

JORC Compliant Mineral Resources

Historical Resource Estimate

On 28 August 2015, WWI released the historical estimate for its 66.6% owned Soweto Cluster in Gauteng Province of RSA that had been compiled by DRD Gold Limited and initially released in its annual report to the ASX in 2000:

Historical Mineral Resource Estimate for the Soweto Cluster (JORC Code 1997)			
Category	Tonnes	Grade	Gold
Measured	27.1 Mt	5.03 g/t	4,380,000 oz
Indicated	29.4 Mt	3.88 g/t	3,670,000 oz
Inferred	31.4 Mt	4.72 g/t	4,770,000 oz
Total	87.9 Mt	4.6 g/t	12,820,000 oz

12.82 million ounces reported by DRD Gold in 2000

It should be noted that the historical mineral estimate includes all mine levels compared to the exploration target and the new mineral resource estimate (further below) which is solely focused on the zone between the surface and 400m depth.

Exploration Target

In September 2015, WWI announced an Exploration Target for its 66.6% owned Soweto Cluster in Gauteng Province of RSA. The Exploration Target includes only the zone within the top 400m below surface which at this stage is considered potentially viable for exploitation from open pit and or shallow underground mining.

Exploration Target in the order of 1.0 to 2.2 million ounces is based on a portion of a previous mineral resource estimate

Exploration Target for the Soweto Cluster

Category	Tonnes	Grade	Gold
Low range	9 Mt	3.5 g/t	1,000,000 oz
Upper Range	15 Mt	4.5 g/t	2,200,000 oz

Mineral Resource Statement

On 21 January 2016, WWI brought the historical Mineral Resource estimate into alignment with the JORC 2012 Code. This new estimate relies heavily on a detailed review of an extensive database generated by Durban Roodeport Deep (DRD) for the Mineral Resources published under a previous version of the JORC Code to the ASX in 2000. Importantly this Mineral Resource estimate forms a subset of the 2000 resource in that it is constrained to less than 400m depth from surface and does not include deep underground material previously considered in the DRD estimation.

The mineral resource is in line with the Exploration Target in terms of tonnes and grade

Mineral Resource Statement (JORC 2012, using a 2 g/t Au cut-off grade)

Category	Tonnes	Grade	Gold
Measured	2.214 Mt	4.25 g/t	302,300 oz
Indicated	5.317 Mt	3.31 g/t	566,400 oz
Inferred	3.452 Mt	3.15 g/t	350,000 oz
Total	10.98 Mt	3.45 g/t	1,218,700 oz

Excellent geological continuity translates into higher confidence in the mineral resource estimate: 71% in M&I

The Witwatersrand gold reefs display excellent geological continuity. This is reflected by a portion of the total resource being classified in the Measured category. Overall, the Measured and Indicated categories represent 868,700 oz or 71% of total resource.

Furthermore there are additional areas of interest identified by the Company that sit outside this mineral resource. Some of these areas of interest are part of the Exploration Target but were not taken into consideration in the original DRD Mineral Resource Estimate due to the presence of mine infrastructure on surface and crown pillars. The old mills have been removed and many crown pillars are largely redundant due to the resource limit of 400m depth in these areas.

WWI is currently undertaking drilling campaigns in these areas, as described further below.

In addition, WWI is in the process of assessing the historic Bird Reef database and the exploration undertaken by WWI in 2008 and 2015. So far, WWI has delineated a substantial zone of unclassified target mineralisation in a previously unmined area that is excluded from both the JORC compliant resource and the Exploration Target.

Current and Future Work

The Company is committed to a full technical evaluation of the project area, this work will include:

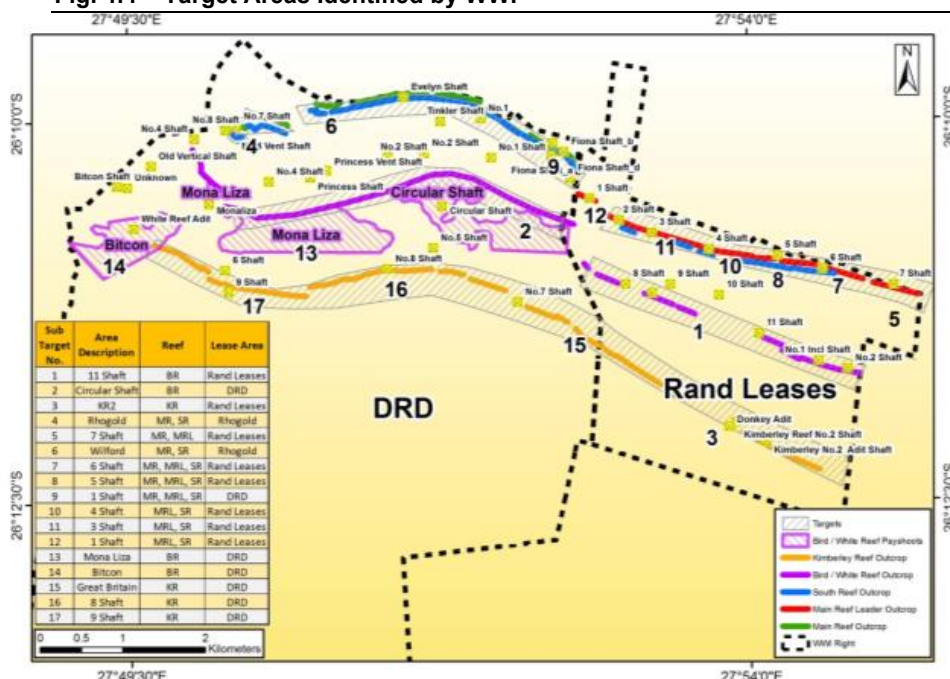
- Evaluation of water level in the underground workings
- Documentation of all existing mine openings
- Review of historic plans at the close of mining
- Limited drilling to test relatively shallow (<400m) targets
- Review of sampling methodology and QAQC results for underground sampling
- Reconciliation review between underground grades and tonnes and those achieved through the process plant.

As part of this work, WWI has identified 17 target areas.

Target Areas

Target areas of un-mined ground were defined (Figure 4.4) for the various reefs above 400m below surface across the WWI right. The historical shaft names were retained to identify the different areas.

Fig. 4.4 – Target Areas Identified by WWI



Source: WWI

The defined conceptual resources represent predominantly open cast prospects, with shallow underground resources being defined for the Bird and Kimberley reefs. Additional unmined areas have been identified but are not yet quantified.

Drilling Campaigns

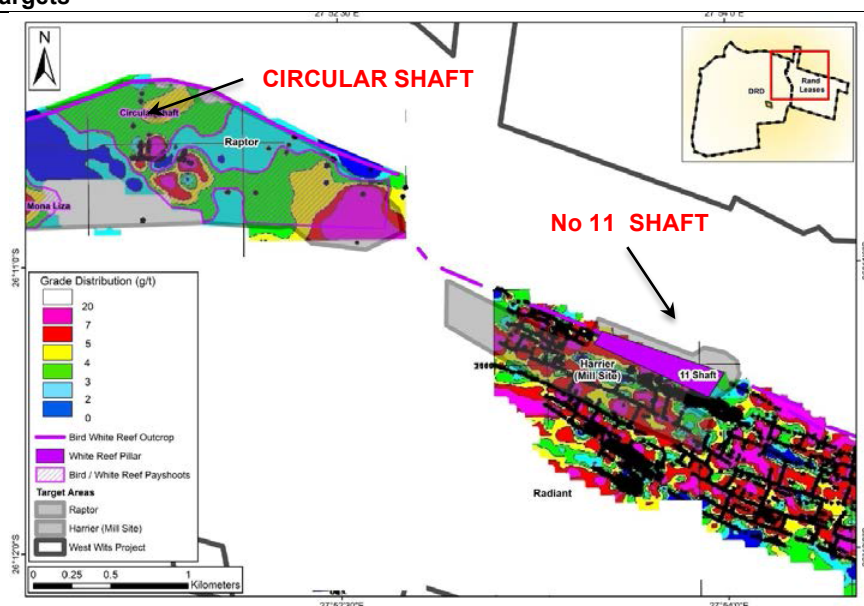
Circular Shaft

Out of the 17 targets identified by WWI, the Circular Shaft Project is the first target.

A review of historic sampling and geological data by the Company's South African consultants Shango Solutions, together with data from the Company's previous exploration program (2008) indicates the likely presence of the Bird Reef in the north of the Soweto Cluster. The current diamond drilling program will test for a remnant section of the Bird Reef located at the historic "Circular Shaft" for a total program of approximately 400m. Four trenches perpendicular to the strike of the geology will also be excavated and sampled across the Bird Reef outcrop.

Numerous targets identified and ranked between surface and 400m below surface

The Circular Shaft target is a potential displaced extension of the known Bird Reef pay shoot, which was successfully mined by the former operator at Rand Leases

Fig. 4.5 - Bird Reef – Location of Circular Shaft and No.11 Shaft high priority targets

Source: WWI. Gold grade contours based on historic mining data for the Bird Reef.

West Wits completed a drilling program in the area in 2008, and the information generated from that program has assisted in planning the current exploration effort at Circular Shaft. A compilation of the Company's 2008 data combined with a complete review of historical activity including published historic resources has enabled the Company to declare a new Exploration Target for the Circular Shaft Project in accordance with the JORC Code. This Exploration Target is not based on new exploration data but rather has considered the drilling completed by the Company in 2008 and previous operators as well as the past mining activities, including reconciled mined tonnes and grade versus actual gold production from the Bird Reef in other areas within the lease.

Exploration Target for the Circular Shaft Project

Category	Tonnes	Grade	Gold
Low range	1.5 Mt	3.0 g/t	130,000 oz
Upper Range	3.0 Mt	6.0 g/t	540,000 oz

The holes are being drilled at 60° to intersect the reef approximately 125m below surface. The three current diamond drillholes and four trenches are planned to close up the sample spacing of previous exploration and to generate the additional data required to complete a resource estimation run on the Circular Shaft Project. The drilling program should also intersect the three further gold bearing horizons; the Middle, Monarch and Upper Monarch reefs that are also prospective for uranium mineralisation. These reefs were the target for the previous West Wits investigations in this area of the Central Rand Goldfields.

West Wits has completed the program consisting of three holes for 373m and four trenches. Some of the intercepts include:

- BR121: 1.1m @ 4.32 g/t Au from 89m
- BR122: 1.0m @ 2.14 g/t Au from 115m
- BR123: 1.9m @ 0.75 g/t Au from 102m

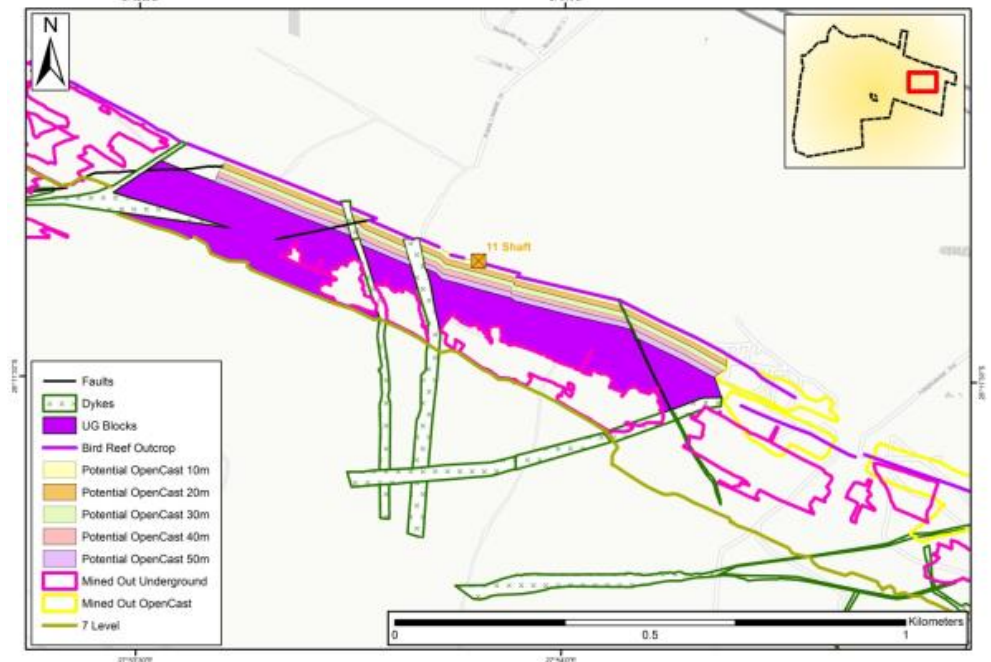
Considering the Wits geology, one should note that the thickness and grade of the intercepts are not as important as the actual confirmation of the reef presence. In this case, the Bird Reef has an extensive gold production track record from a reef which has excellent geological and mineralisation continuity.

Exploration Target for the Circular Shaft Project estimated between 130,000 ounces and 540,000 ounces

No. 11 Shaft

“No.11 Shaft” is the second target, where mineralisation over a 1000m strike length in the form of a crown pillar is targeted. The area was previously mined on both sides of No.11 Shaft and underground. With the shaft and its associated metallurgical plant no longer operational, there is an opportunity to mine the remaining outcrop by means of an open pit and the remaining underground resources from existing infrastructure.

Map of the Rand Leases Bird Reef project



Source: WWI

Exploration Target for the No. 11 Shaft Project

Category	Tonnes	Grade	Gold
Low range	600,000 t	4.5 g/t	85,000 oz
Upper Range	700,000 t	6.0 g/t	140,000 oz

WWI plans to drill the centre of the planned open pit area on 50m intervals. The Bird Reef dips at 45° to the southwest. Drillholes are planned with a dip of -60° at right angle to the reef strike. The holes are expected to intersect the reef approximately 25m below surface. At the end of February, the 14 hole drilling program is complete and the holes have been cut, sampled and sent off for assay.

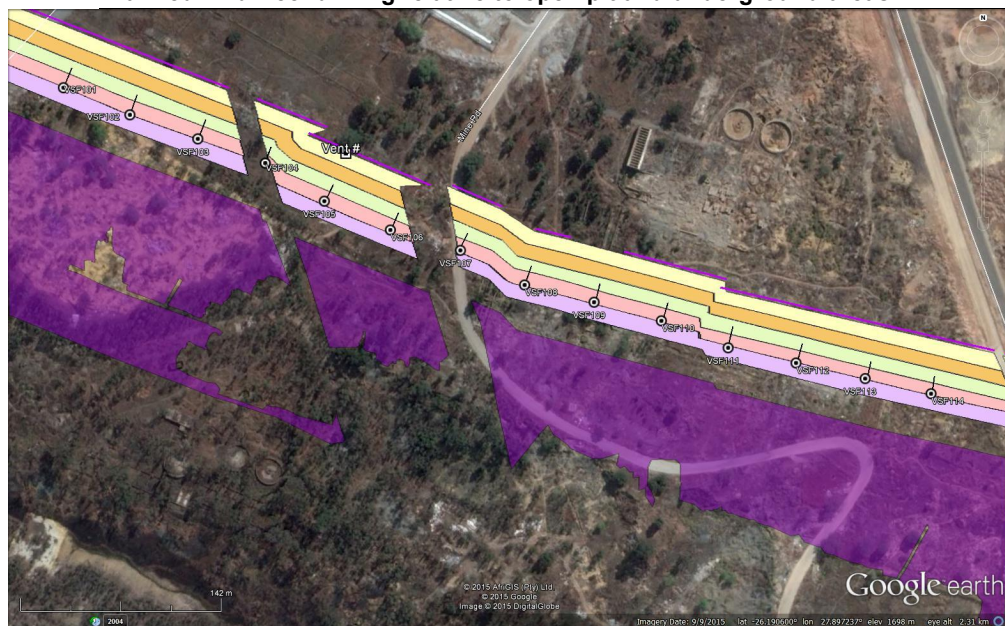
No.11 Shaft targets a significant unmined portion of the Bird Reef that is centred around the existing underground infrastructure

The drilling aims at delineating mineralisation over a 1000m strike length and focuses on where the Bird Reef outcrops at surface

Shallow open pit and small underground operations could be developed

Exploration Target for the Circular Shaft Project estimated between 85,000 ounces and 140,000 ounces

Planned Bird Reef drilling relative to open pit and underground areas



Source: WWI.

WWI is in the process of ranking the other 15 targets.

It is important to note that given the historical drilling undertaken, limited new drilling and QA/QC work should quickly convert the relevant portions of the historical resource estimate into JORC 2012 compliant mineral resources.

5. Derewo River, Indonesia

Background

The Derewo River Gold Project is situated on the Derewo River within the central mountains of the Papua Province, Indonesia. The project is located approximately 110km north west of Freeport McMoRan's Grasberg complex. This is a promising placer gold project based on evidence from existing artisanal operations, but the real opportunity and focus of this project is in the potential of discovery of the primary source of nuggets being found.

WWI believes that Derewo River exhibits many similarities consistent with the early stages of several large gold projects on the PNG side of New Guinea. This project area exhibits favourable geology with significant gold deposits nearby, including Wabu and Grasberg. The exploration target is a Porgera Zone 7 and Wafi/Gopu type deposit.

Whilst many well known discoveries have been made on the PNG side of the border relatively few have been made on the Indonesian side for a variety of historical reasons including political environment and physical isolation. Derewo River provides a promising setting for the pursuit of a well-known pattern for development of placer style deposits established over several decades in PNG but not yet undertaken on the Indonesian side.

West Wits currently owns a 50% interest in the alluvial gold project and 80% of the exploration rights for the hard rock source of the alluvials. The Derewo River Gold Project is owned through its local Indonesian subsidiary PT Madinah Qurrata'ain (PTMQ) with local partners PT Intan Angasa Aviation (PTIA). The project consists of one granted 40ha mining licence, a granted exploration licence of 86,000ha and two further exploration applications encompassing 43,000ha. PTIA has also executed a Landowners Agreement with the local indigenous Wolami People which was one of the first of its kind in Papua Province.

This mining area was discovered in 2004 with local artisanal miners mining isolated alluvial gold pockets in the downstream of the Derewo River close to Nabire. This led to the discovering of high concentrations of alluvial gold in the Derewo River where it exits the central mountains of Papua. This area has shown potential with reports of several tonnes of gold having been extracted over the last few years.

The gold is occurring in the form of coarse nuggets which show clear signs of fluvial transport. These nuggets are found in Derewo River terrace deposits. The composition of the alluvial gravels does suggest a mixed alluvial and colluvial origin in that they are likely to be the product of slumping from the sides of the valley. Mining of these colluvial/alluvial deposits is possible using hydraulic recovery methods and sluice boxes to provide a relatively low cost method of gold recovery.

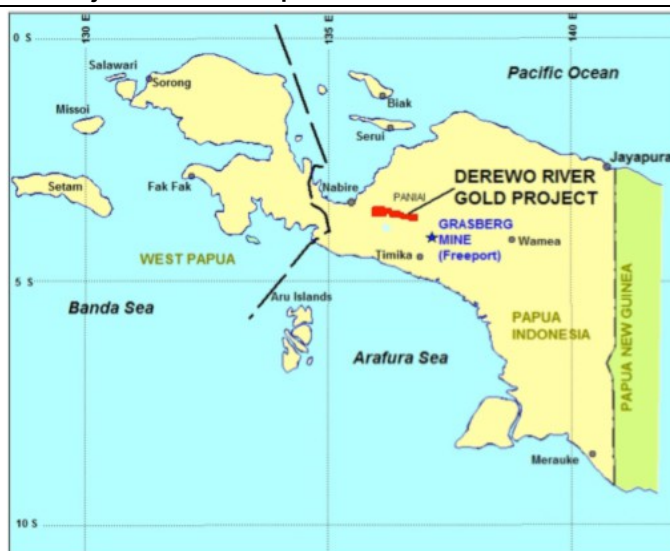
The source of this alluvial gold is potentially local, based on the size and shape of the nuggets discovered and the evidence of gold mineralisation from float samples observed within the mining area by independent geologists. The float samples consist of graphitic slates with associated with quartz veining. Evidence of silicification and hydrothermal alteration with fresh massive pyrite and disseminated chalcopyrite, sphalerite and galena indicate the potential for a larger mineralised system nearby which could provide a target to explore for a hard rock source.

West Wits intends to commence exploration work and develop a hydraulic gold mining project by introducing modern mechanised production methods. These activities are expected to enhance the Company's knowledge of the regional geology and assist with targeting the primary hard rock source of the gold nuggets. The development strategy consists of initially mapping and sampling for alluvial assessment and development of the long term mining plan. WWI has completed the construction of an access road and water storage facilities have been established.

Project Location

The project is located on the northern tributaries of the Derewo River situated roughly 85 kilometres southeast of the town of Nabire, on the north coast of Papua and about 110km northwest of the Grasberg copper mine operated by Freeport McMoran.

Derewo River Project Location Map



Source: WWI

Geological Setting

Why is there only one gold producer on the Indonesian side of the New Guinea border? Essentially Papua has suffered from political and physical isolation under democratisation of the provinces began within Papua in 1998. This has meant that aside from ground held by Freeport very little exploration has been completed in a geological setting that is very prospective for world class gold deposits.

Mineral Deposits of New Guinea



Source: WWI

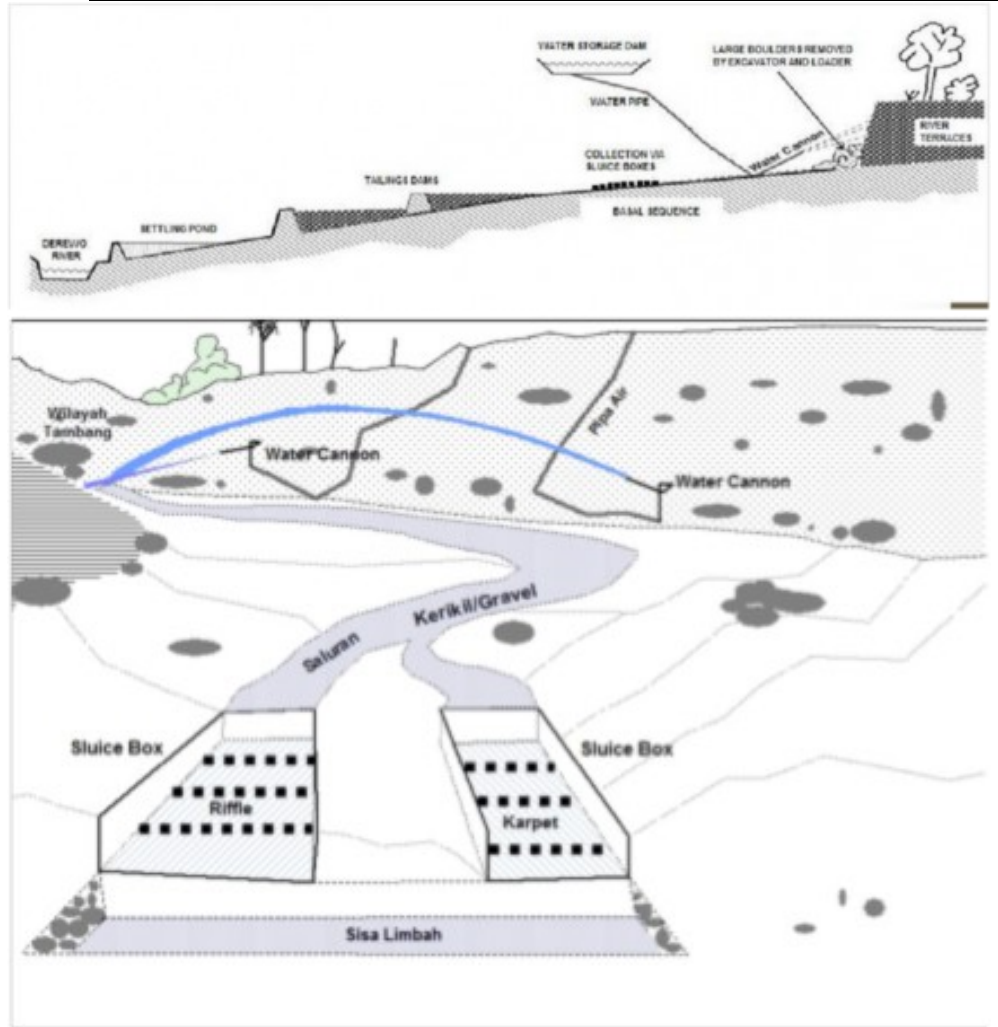
Alluvial Operation

West Wits plans to use a combination of sluicing (hydro-licking) and earthmoving equipment for the alluvial operation at Derewo. It plans to move the matrix material and small gravel by high pressure water delivered to the mining face using water cannons and passing this material over multiple sluice boxes to recover the gold. Sluice boxes can effectively recover this gold due to its exceptionally coarse nature. If made long enough with riffles and a suitable matting base, the sluices would be able to recover any finer gold found in the upper levels of the gravels.

The boulders and larger sized gravel will be moved away from the mining face using a 20 tonne excavator and a 15 tonne wheel loader. The removed boulders and gravel will be placed below the sluice box outflow to build tailings retention dams and settling ponds to reduce the sediment load impacts in the Derewo River. The Derewo River constantly carries a high sediment load of black graphic clay and silt and as there are no agricultural areas downstream and therefore any increased sediment loading in the river should have negligible impact.

This proposed mining approach is considered appropriate for this size and type of gravels. The mining method is simple and relatively low cost which will allow mining of quite low grade provided economies of scale can be achieved.

Schematic of Mining & Processing



Source: WWI

The alluvial operation will form part of data compilation for searching for the hard rock source.

Over the last few months the Company's staff has been on site preparing to establish the first circuit which will be situated in the 81 Creek. This preparation has included initial work for water storage facilities, placement of the sluice boxes and site preparation for processing of the alluvial gravels. The Company previously established a base camp, a 650m airstrip and road access to the mining area.

Latest Development

Early January 2016, as the Company was about to begin full commissioning of the initial alluvial circuit, illegal miners entered the site and caused damage to the mining equipment, including an excavator.

WWI has recently met with its local partner to be briefed on the failure of security arrangements at site. The local partner has reaffirmed its commitment to the project and is currently preparing a revised security strategy for the site. We share the view of the Company that such strategy must include the complete removal of the illegal mining population, which comes from a different Indonesian island.

6. Board and Management

Board

Michael Quinert (Executive Chairman): Michael Quinert graduated with degrees in economics and law from Monash University in 1984 and 1985 respectively and has over 30 years' experience as a commercial lawyer, including three years with ASX Limited and over 20 years as a partner in a Melbourne law firm. He has extensive experience in assisting and advising public companies on capital raising and market compliance issues and has regularly advised publicly listed mining companies. Michael sits as Chairman of the Remuneration and Nomination Committee and Chairman of the Audit, Risk and Compliance Committee. Michael is also a Director of Manalto Limited (ASX:MTL), Covata Limited (ASX:CVT) and Victorian Livestock Exchange Pty Ltd.

Vincent Savage (Executive Director): Mr Savage has over 35 years experience in the building and mining industries, coupled with 20 years working within the insolvency and business advisory sectors. Mr Savage's experience has seen him lead company reconstructions, refinancing and development projects for mining clients throughout Australia and internationally. Over the last three years Mr Savage has been intimately involved in all governmental and regulatory issues involving the Derewo River Gold Project as well as working closely with the Company's local Indonesian partners. The Company looks forward to Mr Savage being able to provide further support to the Company as it continues to develop the Derewo River Gold Project.

Niel Pretorius (Non-executive Director): Niel Pretorius was appointed Chief Executive Officer of DRDGold Limited on 1 January 2009. After joining DRD on 1 May 2003 as legal advisor, he was promoted to the position of Group Legal Counsel on 1 September 2004 and General Manager, Corporate Services on 1 April 2005. Niel was appointed CEO of DRDGold SA on 1 July 2006 and Managing Director on 1 April 2008. Niel is also a director of Rand Refinery Limited. Niel has 15 years experience in the mining industry.

Hulme Scholes (Non-executive Director): Hulme Scholes holds a BA Law and LLB degree from the University of the Witwatersrand and is an admitted attorney of the High Court of South Africa. Hulme specialises in mining and mineral law, has practised exclusively in the field for 18 years and is regarded as one of South Africa's experts within mining law. Hulme was a partner of Werksman Attorneys based in Johannesburg from 1999 to 2008 and is currently a senior partner at Malan Scholes Attorneys. He started his professional career as a learner official for Harmony Gold Mining Co. Limited in the 1980's which provides him with a unique blend of experience. Hulme currently holds a number of non-executive directorships at mining companies, including Aquarius Platinum Limited's operating South African subsidiary, Aquarius Platinum South Africa (Proprietary) Limited where he used to hold the Executive position of Commercial Director and Randgold and Exploration Company Limited.

Management

Patrick Harford – Country Manager – South Africa. Patrick Harford has extensive experience in diamond and gold exploration, project development and production in countries as diverse as Vietnam, Australia, China, Portugal, the DRC, Sierra Leone, Zimbabwe, South Africa and Botswana. Mr Harford has overviewed the technical review undertaken by WWI and the now exploration programs being implemented as part of the broader development plans by the Company for the Soweto Cluster. Patrick Harford is assisted by a local consulting firm, Shango. Shango's team include Manie Swart who was heavily involved in the compilation of the original DRD resource and also have access to Mike Mc Wha, now retired, who oversaw all resources estimation work for DRD Gold at that time.

Trevor Neale – Country Manager – Indonesia. Trevor Neale is a mining geologist, who has been based in Papua New Guinea for 25 years. He managed the Edie Creek alluvial gold project for 14 years. He is now based in Indonesia for the past six years and is now the key driver in establishing an alluvial project at Derewo.

Dr. Andrew Tunks – Consultant Geologist. Andrew Tunks has been a geologist for over 25 year, with a particular emphasis on gold throughout his career. He previously held CEO and directorship positions at a number of Australian gold and resource companies, including his current role as CEO of Auroch Minerals. Andrew Tunks reviews progress and work programs in both regions.

7. Investment risks

WWI is exposed to a number of risks including:

- **Geological risk:** the actual characteristic of an ore deposit may differ significantly from initial interpretations.
- **Resource risk:** all resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.
- **Capital cost and operational cost risk:** an increase in capital costs and operating costs will reduce the profitability and free cash generation of the project.
- **Commodity price and exchange rate risk:** as with all mining and mineral exploration companies, commodity price and exchange rate risks should also be considered.
- **Management and labour risk:** an experienced and skilled management team is essential to the successful development and operation of mining projects.

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