WEST WITS MINING

ASX Announcement and Media Release
Wednesday, 12 October 2016

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www.westwitsmining.com

New Agreement Completed for Derewo

Highlights

- New business alliance agreement for the Derewo River Gold Project with PT Tobacom Del Mandiri ("TDM")
- TDM is part of a large group of companies with interests in coal, oil and gas, power plants and agriculture which is now looking to expand into gold
- TDM will be required to deliver clear and clean certificates and forestry permits, in addition to managing site access and security
- Significant step forward in recommencing the alluvial project and beginning exploration

West Wits Mining Limited ("West Wits" or "the Company") is delighted to announce that it has entered into a new business alliance agreement for its Derewo River Gold Project, Papua Province, Indonesia ("Derewo") with PT Tobacom Del Mandiri ("TDM").

TDM will be responsible for delivering clear and clean certificates for the Derewo IUP's and forestry permits, in addition to managing site access and security for the Company and costs of that process. TDM is a part of the PT Toba Sejahtra (Toba Sejahtra) group of companies which has interests in energy and plantation resources. Toba Sejahtra was founded in 2004 and presently has four major business areas: coal, oil and gas, power plant and agriculture. One of its subsidiaries PT Toba Bara Sejahtra which focuses on coal production is listed on the Indonesian Stock Exchange.

Vincent Savage, West Wits' Director responsible for managing Indonesia commented, "This is a significant step forward for Derewo. Whilst Derewo has been an incredibly challenging project for the Company, we have remained focused on recommencing the stalled alluvial mining operations and initiating exploration. The project's size and opportunity has not reduced. We are delighted to have formed this new alliance with TDM, a group with significant experience in the resources industry in Indonesia. We are looking forward to forming a strong working relationship with TDM and developing Derewo - a project that deserves to be thoroughly explored."

Mr Brigadier General (Retired) Paulus Prananto, President Director of TDM also commented, "We are excited by the opportunity that Derewo presents and the new alliance with West Wits. We look forward to working with West Wits in developing the Derewo Project."

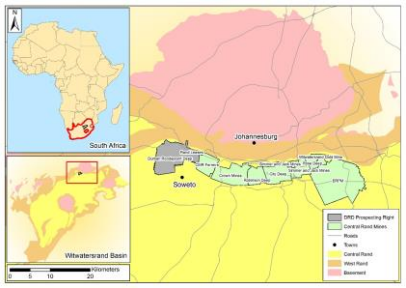
Fast Facts	@ 12 Oct 2016
Capital Structure:	
Shares on issue	456 million
Options	52 million
Market Cap	A$16.0 million
Available Cash	A$0.4 million
Debt	Nil
Enterprise Value (EV)	A$15.60 million
EV/oz	A$11.35/oz

Company Directors & Management	
Michael Quinert	Chairman
Vin Savage	Executive Director
Neil Pretorius	Non-Exec Director
Hulme Scholes	Non-Exec Director

Top Shareholders ≈	
Twynam Ag	19.9%
DRD Gold Ltd	11%
Top 40 Shareholders	74%

Company Highlights

- South Africa
  - near surface and underground targets
  - 1.374m oz JORC resource[1]
    - Measures: 302,300
    - Indicated: 592,500
    - Inferred: 489,000
  - Historic estimate of 12.8m oz at 4.6g/t
  - 31.8m ozs Au produced historically



- Indonesia
  - High grade placer deposit
  - Project show early stage similarities with discoveries inc; Porgera, Edie Creek, Wau
  - Independent geologists believe source of nuggets likely to be local, based on the size and shape of the nuggets discovered



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Under the business alliance agreement, TDM will receive a 30% equity interest in PT Madinah Quarataa'in ("PTMQ"), the West Wits subsidiary which holds the licences for the Derewo project. TDM is also responsible for the granting of clean and clear certificates and forestry permits for Derewo as well as securing safe access to the project site. It is envisaged this process may take up to six months. As part of the agreement, TDM will also have the right to appoint one director to the board of PTMQ as well as one commissioner.

Once the clear and clean certificates have been received by PTMQ, West Wits will refurbish the damaged heavy equipment and re-establish its initial alluvial circuit. All costs incurred by TDM and West Wits in establishing the initial alluvial circuit will be repaid from gold sales prior to any dividends.

Once the alluvial project has been commissioned, West Wits remains with 50% of the alluvial project, TDM owning 30% and PT Intan Angasa Aviation ("PTIA") owning 20%. Whilst PTIA were unable to deliver site access as per their former agreement with PTMQ, they have agreed to continue to support the development of the project by supplying ongoing helicopter services, hence retaining a 20% in the alluvial project and a 5% ownership in exploration project.

West Wits will also prepare an annual budget for Derewo for TDM which will contemplate initial exploration programs once gold sales are being generated from the alluvial circuit. Under this new partnership agreement TDM will also own 30% of the exploration project with West Wits holding 65% and PTIA holding 5%.

West Wits will continue to provide further updates as this new partnership begins to deliver important milestones for the establishment of the initial operation at Derewo.

For and on behalf the board



Michael Quinert
Chairman
West Wits Mining Limited

For further information, visit www.westwitsmining.com
Or Contact
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[1.] *Original report "Gold Mineral Resource for Sol Plaatje" Competent Person Hermanus Berhardus Swart ASX release 14 Sep 2016. The Company is not aware of any new information or data that materially affects the information included in the announcement and confirms that all material assumptions and technical parameters underpinning the estimates above continue to apply and have not materially changed. The form and context in which the Competent Persons findings are presented have not materially changed*.