14 May 2018

Mr Dean Litis
Principal Adviser, Listings Compliance (Melbourne)
ASX Limited
Level 4, North Tower, Rialto
525 Collins Street
MELBOURNE VIC 3000

By email: Dean.Litis@asx.com.au

Dear Sir

RE: RESPONSE TO APPENDIX 5B QUERY

We refer to your letter of 10 May 2018.

West Wits Mining Limited (ASX: WWI) ("WWI" or "the Company") provides the following responses to the questions set out in that letter (which are copied below for ease of reference).

1. ***Does WWI expect that it will continue to have negative operating cashflows for the time being and, if not, why not?***

   WWI does not expect that it will have negative operating cashflows for the time being. The following reasons are provided in support of this position:

   (a) The Witwatersrand Basin Project Central ("WGP") has produced positive cashflow since it recommenced in 2017. When one off costs and timing differences are recognised the "normalised" results for the quarter are reasonable and the overall financial position of the Company is sound.

   (b) By way of illustration, "production costs" for the quarter included significant expenditure on costs to consultants to lodge and advance 2 mining permit applications and a full mining right application over the South African project. These costs are one off costs which totalled circa $270,000 of expenditure. From January 2018 the Company significantly accelerated expenditure on advancing these applications based on the solid returns delivered by WGP. However, if necessary, the Company can at its discretion defer or delay future costs on advancing these applications.

   (c) There are timing differences in expenditure which negatively impact the cashflow when viewed from the perspective of a single quarter. For example, "costs" recorded for the relevant quarter include circa $410,000 in dividends paid to the JV partner Elandiwave which related to prior period positive income produced by WGP. There were also higher contractor payments in the period due to higher production rates (tonnages moved) in prior periods. Overall, since restarting in July 2017 to the end of March WGP has produced positive returns of circa $1.7 million before allowing for almost $920,000 in distributions from the JV which are recorded as "production costs". Clearly if WGP was not producing positive returns overall then no distributions (as "production costs") would be made to the JV partner.

   (d) Other "one off" costs incurred in the quarter related to the Company's acquisition of the Tambina and Mt Cecilia Projects in WA and are not therefore ongoing costs. These costs of circa $200,00 were reported in item 2.1(c) "investments" in the Appendix 5B.

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The above factors and the overall positive performance of the WGP since inception provide us with reasonable and objective grounds to conclude that the Company can and will continue to manage its cashflows to meet ongoing requirements. Certainly as with any mining project results will vary from month to month but overall we have reasonable grounds for believing WGP and other open cut projects identified within the tenement area can and will continue to provide strong cash flow.

2. ***Has WWI taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are these steps and how likely does it believe that they will be successful?***

   No. The Company has not taken, and does not currently propose taking, steps to raise further cash. It monitors its cash and other resources, and may seek funds as equity or in other forms in the future if then considered necessary or desirable.

3. ***Does WWI expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?***

   Yes. Please refer to the response to question 1, above.

4. ***Please provide any other information that WWI considers may be relevant to ASX forming an opinion on whether WWI is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).***

   In addition to managing its ongoing cashflow requirements through the mining operations at WGP and, in the future, other open cut projects within its Soweto Cluster tenements the Company has continued its mineral exploration program. Such work has resulted in published JORC gold resources of in excess of 3.2 m oz Au which we believe should rank WWI as one of the more successful ASX listed junior gold explorers in recent years. The Company is continuing this work and has confidence that these resources will be further increased. WWI continues to receive positive feedback from the investment community regarding its progress in developing JORC compliant gold resources and starting operations at WGP. Although the Company does not feel it needs at this time to undertake a capital raising based on its expectations for WGP it is nonetheless confident, from its interactions with the investment community, it could successfully undertake a capital raising to underpin and accelerate its resource development plans if required.

   The Company has for over 10 years since listing on ASX demonstrated the discipline and capacity to responsibly manage its cashflow and capital requirements through varying financial cycles. It has in recent times commenced substantive gold production and cashflow and continues to develop shareholder value through materially increasing its resource statement. These factors substantiate a conclusion that the continued listing of the Company's securities is warranted on reasonable grounds.

5. ***Please confirm that WWI is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.***

   Yes. The Company confirms it is in compliance with Listing Rule 3.1 and that there is no such other information that has not already been released to the market.

6. ***Please confirm that WWI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WWI with delegated authority form the board to respond to ASX on disclosure matters.***

   Yes. The Company confirms its responses have been authorised and approved by Michael Quinert, an officer of the Company with delegated authority from the Board to respond to ASX on disclosure matters.

For further information, please contact Phillip Hains, Company Secretary, on 03 9824 5254.



Phillip Hains
Company Secretary
West Wits Mining Ltd

10 May 2018

Mr Phillip Hains
Company Secretary
West Wits Mining Limited
Level 3, 62 Lygon Street
Carlton VIC 3053

By email to mailto: phillip@thecfo.com.au

Re: West Wits Mining Limited ("WWI")- Appendix 5B Query

Dear Mr Hains

I refer to WWI's Appendix 5B quarterly report for the period ended 31 March 2018 lodged with ASX Market Announcements Platform on 27 April 2018 (the "Appendix 5B").

ASX notes that WWI has reported:

- negative net operating cash flows for the quarter of $1,121,000;
- cash at the end of the quarter of $1,940,000; and
- estimated cash outflows for the next quarter of $3,450,000.

It is possible to conclude, based on the information in the Appendix 5B that if WWI were to continue to expend cash at the rate indicated by the Appendix 5B, WWI may not have sufficient cash to continue funding its operations. In view of that, ASX asks WWI to respond separately to each of the following questions and requests for information:

1. Does WWI expect that it will continue to have negative operating cash flows for the time being and, if not, why not?

2. Has WWI taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

3. Does WWI expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

4. Please provide any other information that WWI considers may be relevant to ASX forming an opinion on whether WWI is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

5. Please confirm that WWI is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

6. Please confirm that WWI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of WWI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 9:30am AEST on Tuesday 15 May 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in WWI's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, WWI's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at dean.litis@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to WWI's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that WWI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in WWI's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

[Sent electronically, without signature]

Dean Litis
Principal Adviser, Listings Compliance (Melbourne)