West Wits Mining Limited

ABN 89 124 894 060

Interim financial report for the half-year 31 December 2018

Directors	Mr Michael Quinert *Executive Chairman* Mr Vincent Savage *Non-Executive Director* Mr Daniel Pretorius *Non-Executive Director* Mr Hulme Scholes *Non-Executive Director* Dr Andrew Tunks *Executive Director*
Secretary	Mr Phillip Hains
Principal registered office in Australia	Level 3, 62 Lygon Street Carlton VIC 3053 Australia
Share and debenture register	Security Transfer Registrars 770 Canning Highway Applecross WA 6153 +61 8 9315 0933
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Solicitors	Quinert Rodda & Associates Suite 1, Level 6, 50 Queen Street Melbourne VIC 3000
Bankers	National Australia Bank Level 2, 330 Collins Street Melbourne VIC 3000
Stock exchange listings	ASX: WWI
Website	http://www.westwitsmining.com/

Review of operations and activities

Highlights

South Africa

- An updated Mineral Resource Estimate (MRE) of the Kimberley Reef adds 428,000oz to the Global Resource, growing the Global MRE for the Witwatersrand Project to 3.65Moz of gold with 2.4Moz within the Measured & Indicated categories which further de-risks the project.
- The new MRE focused on a single conglomerate band - K9B - within the Kimberley East area reef complex which is estimated to hold 12.4Mt at 3.1g/t for 1.25M oz of gold at a 2.0g/t cut-off.
- Successful deployment in December of rock-breaking technology, NonEx™, alleviates operating constraint and delivers production efficiencies to extend access to Pit 3's hard rock ore bodies.

Australia

- Review of regional data identifies the Mt Cecelia Project is on the geological contact between the copper-gold rich Paterson Province and the Pilbara Craton providing an exciting exploration opportunity.
- The area surrounding West Wits' Mt Cecelia Project has recently been pegged by Rio Tinto Ltd highlighting the areas prospectivity.
- Results received from two Tambina field trips include 50 samples with assays above 0.5 g/t Au, while 12 returned grades above 6g/t Au with the highest 185g/t Au.

Corporate

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

South Africa

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

Exploration

WWI's geology team completed the review of the K9B reef which resulted in the release of an updated Mineral Resource Estimate (MRE) which included an additional 428,000oz Au, increasing the global MRE to 3.67Moz[1]. West Wits also released analysis of the declared resource on Kimberley East area, the priority underground target area, which demonstrated the robust nature of the resource. Utilising differing cut-off grades for the K9B reef, as may be appropriate when mining underground, if the cut-off grade was increased to 3.5g/t (from 2.0g/t) the average grade increased to 5.0g/t for 450,000oz Au (from 3.4g/t for 1.2Moz) which illustrates the potential of the K9B reef to support underground mining in a variety of circumstances[2].

The analysis also identified an Exploration Target of between 600,000oz (6.5M tonnes at 3.0g/t) and 1,000,000oz (8.0M tonnes at 4.0g/t) on the same area of the Kimberley East reef package[2]. The target focuses on the K9A reef which sits 10m stratigraphically above the K9B reef. The Exploration Target is based on an assumed 2.0 g/t cut-off and, utilises previous mining to the west of the area under consideration together with the well understood geology of the Kimberley reefs where current open pit mining is taking place at the Kimberley Central Open Pit. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The Company commenced trenching of the two open-pit target areas, "Rugby Club" & "Kimberley West", to confirm the surface location and gold grades of the various reefs for the purpose of mine plan assessment.

Review of operations and activities

South Africa (continued)

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

Development

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

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

The DMR is expected to move soon to complete its assessment of WWI's Final Scoping Report on the broader Mining Right application. The Company's next step will be to complete the Environmental Impact Report phase which is currently progressing as planned. A final determination with respect to the Mining Right application is expected to be completed mid 2019.

Production

Production results early in the period suffered from a low recovered grade (1QFY19: 1.41g/t) which was largely attributed to processing issues at the toll treatment facility which was subject to independent investigation. Production then recovered in the latter half of the period, a focus on head grade and processing activities driving significant improvement in recovered grade to above target levels (2QFY19: 2.16g/t) and profitability.

The increase in grade was coupled with the successful trial of an alternative, non-explosive, rock-breaking technology (NonEx^{TM}) in December 2018. This new technique is expected to deliver improved production efficiencies, particularly in areas of hard rock and is expected to extend the life of Pit 3.

In line with Kimberley Central's mine plan, the average strip ratio continued to reduce over the period which was highlighted by December's 7:1 ratio compared to July's 14:1. Operational efficiencies continue to improve as Pit 3 & 4 enter the final stages of production.

Rehabilitation of Pit 1 was completed and backfilling of Pit 2 neared completion at the end of the period. West Wits' delivery on the rehabilitation of historical mine works continues to demonstrate to local stakeholders the benefits of the Company operating in the area, assisting West Wits' positive engagement with Community Groups, Landholders and Government.

Australia

Mt Cecelia Project, Pilbara WA (WWI: 100%)

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

Review of operations and activities

Australia (continued)

Mt Cecelia Project, Pilbara WA (WWI: 100%) (continued)

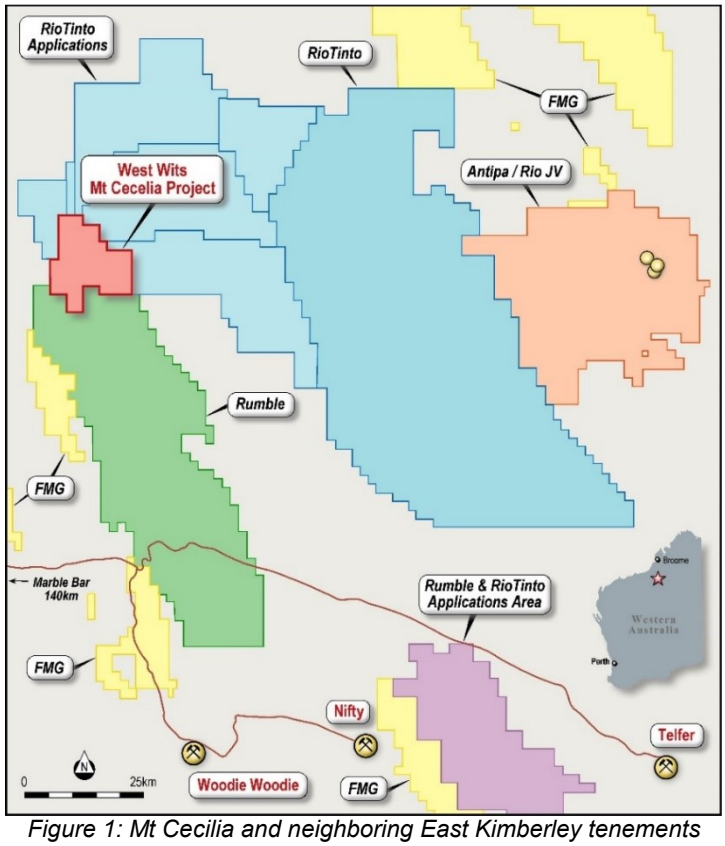


Figure 1: Mt Cecilia and neighboring East Kimberley tenements

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

Tambina Project, Pilbara WA (WWI: 100%)

Assay results were received in the period for 73 rock-chip samples collected from 26 sites during April and May 2018 field trips to Tambina. All returned anomalous results >0.17 g/t Au, while 50 were > 0.5 g/t Au. The best 12 results returned values >6 g/t, with the highest 185 g/t over $2m^4$. The geology team has now mapped gold mineralisation at surface for over 1,300m of strike, the prospective zone is within a series of gossanous conglomerate horizons containing abundant chert clasts.

The Company looked at several options to further advance the Tambina Project, with consideration being given to a shallow drilling program versus some small-scale surface mining and treatment of previously identified mineralised zones. The next phase of operations however was delayed during the period whilst management's resources were prioritised on progressing WBP's mining license applications and resource upgrade.

Review of operations and activities

Indonesia

Derewo Project, Paniai Regency (WWI: 64%)

Management is continuing to work through options to progress the Derewo River Gold Project (Papua) with the existing JV partners, including the partial divestment of West Wits share to facilitate the injection of new capital. Whilst the Board is confident that an arrangement can be reached to advance the project, a review of the Indonesian investment in accordance with AASB 6 resulted in the write down of the carrying value at the end of the reporting period to zero. The Company thereby incurs a $9.63m impairment charge in the 6 months to 31st December 2018.

Corporate

The Company completed a capital raise totalling $666,000 (before costs) through a Share Purchase Plan and Placement, issuing 55,433,323 ordinary fully paid shares at a price of $0.012 per share[3].

Director and Key Management interests took up $80,000 of the SPP allotment which demonstrated their ongoing confidence in the quality of the Company's projects, as well as the investment opportunity at the issue price of $0.012.

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

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

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

1) The original report was "Global Resource Grows by 428,000oz Au to 3.67Moz at Witwatersrand Basin Project" which was issued with consent of competent persons, Hermanus Berhardus Swart & Dr Andrew J. Tunks and released to the ASX on 16th July 2018 and can be found on the Company's website (https://westwitsmining.com/). All material assumptions and technical parameters underpinning the estimates used to determine the Mineral Resource have not materially changed & 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.

2) The original report was "Witwatersrand Basin Project's Kimberley Reef East Upside Potential" which was issued with consent of competent persons, Hermanus Berhardus Swart & Dr Andrew J. Tunks, it was released to the ASX on 31st August 2018 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.

3) ASX Announcement "West Wits Raises $665k to Accelerate WBP Development" on 17th December 2018.

4) The original report was "Update on Pilbara Conglomerate-Hosted Gold Projects" which was issued with consent of the competent person, Dr Andrew J. Tunks, it was released to the ASX on 2nd August 2018 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 Person's findings are presented have not been materially modified.

Review of operations and activities

Interests in Mining Tenements

Tenements	Location	Held at end of Quarter	Acquired during the Quarter	Disposed during the Quarter
GP183PR	Underground rights - Witwatersrand Basin, West Rand, South Africa**	66.6%*	-	-
Mining Lease - M45/988	Pilbara region, Western Australia	100%	-	-
Mining Lease - M45/990	Pilbara region, Western Australia	100%	-	-
Mining Lease - M45/991	Pilbara region, Western Australia	100%	-	-
Exploration License Application - EL 45/5045	Pilbara region, Western Australia***	100%	-	-
Production IUP - NO. 47/2010	Paniai Regency, Indonesia	29%*	-	-
Exploration IUP - NO. 76/2010	Paniai, Indonesia	64%*	-	-
Exploration IUP - NO. 31/2010	Intan Jaya, Indonesia	64%*	-	-
Exploration IOP - NO. 543/142/SET	Nabire, Indonesia	64%*	-	-

* Minority positions are held by local parties in compliance with local legislation in relation to foreign ownership and mineral and production rights
** Rights are subject to an appeal for reinstatement
*** Exploration License subject to granting

Your Directors present their report on the consolidated entity consisting of West Wits Mining Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2018

Directors

The following persons were Directors of West Wits Mining Limited during the whole of the half-year and up to the date of this report:

Mr Michael Quinert, Executive Chairman
Mr Vincent Savage, Non-Executive Director
Mr Daniel Pretorius, Non-Executive Director
Mr Hulme Scholes, Non-Executive Director
Dr Andrew Tunks, Executive Director

Results

The consolidated entity reported a loss attributed to the owners of West Wits Mining Limited for the half year of $7,620,000, including a one-off impairment write off of $9,630,000 on the Indonesian assets of which 64% was shared by the Company (31 December 2017 profit of $737,000).

Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity during the half year under review not otherwise disclosed in this half year report.

Matters subsequent to the end of the reporting period

On the 13th March 2019, the Company entered into a Joint Venture (JV) and Farm In Agreement with First Au Limited ("FAU") on WWI's Tambina mining leases. FAU's initial 20% interest was earned through the subscription of 20m fully paid ordinary shares at 0.9c ($180,000) and payment of $60,000 cash to WWI. FAU can earn a maximum of 80% interest by sole funding JV expenditure up to $500,000 within 3 years and will be the manager of the JV.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect:

(a) the group's operations in future financial periods, or
(b) the results of those operations in future financial periods, or
(c) the group's state of affairs in future financial periods.

Review of operations

Please refer to Review of operations and activities section on page 2.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Rounding of amounts

The Company is of a kind referred to in ASIC Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

This report is made in accordance with a resolution of Directors.



Mr Michael Quinert
Director

Melbourne
15 March 2019

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WEST WITS MINING LIMITED

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2018 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 15th day of March, 2019

CHARTERED ACCOUNTANTS
& ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

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West Wits Mining Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year 31 December 2018

	Notes	Consolidated entity **31 December 2018** **$'000**	31 December 2017 $'000
Revenue		**3,872**	4,244
Cost of sales of goods		**(4,455)**	(3,071)
Gross profit/(loss)		**(583)**	1,173
Corporate administration		**(107)**	(198)
Consultancy expenses		**(79)**	(272)
Travel and marketing		**(74)**	(45)
Legal and professional fees		**(127)**	(27)
Director and employee expenses		**(180)**	85
Depreciation and amortisation expense		**-**	(5)
Foreign exchange loss		**(1)**	(1)
Impairment of exploration assets		**(9,630)**	-
(Loss)/profit before income tax		**(10,781)**	710
Income tax expense		**-**	-
(Loss)/profit for the period		**(10,781)**	710
Other comprehensive income			
Item that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**187**	223
Total comprehensive (loss)/income for the period		**(10,594)**	933
Profit is attributable to:			
Owners of West Wits Mining Limited		**(7,620)**	737
Non-controlling interests		**(3,161)**	(27)
		(10,781)	710
Total comprehensive income for the period is attributable to:			
Owners of West Wits Mining Limited		**(7,433)**	960
Non-controlling interests		**(3,161)**	(27)
		(10,594)	933
		Cents	Cents
(Loss)/earnings per share for (loss)/profit attributable to the ordinary equity holders of the Company:			
Basic and diluted (loss)/earnings per share	7	**(1.06)**	0.15

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

West Wits Mining Limited
Consolidated statement of financial position
As at 31 December 2018

	Notes	Consolidated entity 31 December 2018 $'000	30 June 2018 $'000
ASSETS			
Current assets			
Cash and cash equivalents		**776**	1,209
Trade and other receivables		**228**	346
Other current assets		**32**	3
Total current assets		**1,036**	1,558
Non-current assets			
Exploration and evaluation, development and mine properties	5	**11,289**	20,181
Property, plant and equipment		**17**	16
Intangible assets		**111**	110
Other non-current assets		**64**	62
Total non-current assets		**11,481**	20,369
Total assets		**12,517**	21,927
LIABILITIES			
Current liabilities			
Trade and other payables		**2,965**	2,643
Borrowings		**197**	-
Total current liabilities		**3,162**	2,643
Non-current liabilities			
Employee provision		**19**	20
Total non-current liabilities		**19**	20
Total liabilities		**3,181**	2,663
Net assets		**9,336**	19,264
EQUITY			
Contributed equity	6	**36,755**	36,089
Other reserves		**(816)**	(1,003)
Retained earnings		**(21,990)**	(14,370)
Capital and reserves attributable to owners of West Wits Mining Limited		**13,949**	20,716
Non-controlling interests		**(4,613)**	(1,452)
Total equity		**9,336**	19,264

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

West Wits Mining Limited
Condensed consolidated statement of changes in equity
For the half-year 31 December 2018

		Attributable to owners of West Wits Mining Limited					
Consolidated entity	Notes	**Share capital $'000**	**Other reserves $'000**	**Retained earnings $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Balance at 1 July 2017		31,251	(1,979)	(13,229)	16,043	(635)	15,408
Profit/(loss) for the period		-	-	737	737	(27)	710
Other comprehensive income/(loss)		-	223	-	223	-	223
Total comprehensive income for the period		**-**	**223**	**737**	**960**	**(27)**	**933**
Transactions with owners in their capacity as owners:							
Options issued	6	412	-	-	412	-	412
Contributions of equity, net of transaction costs		3,198	-	-	3,198	-	3,198
		3,610	-	-	3,610	-	3,610
Balance at 31 December 2017		**34,861**	**(1,756)**	**(12,492)**	**20,613**	**(662)**	**19,951**
Balance at 1 July 2018		36,089	(1,003)	(14,370)	20,716	(1,452)	19,264
Profit/(loss) for the period		-	-	(7,620)	(7,620)	(3,161)	(10,781)
Other comprehensive income/(loss)		-	187	-	187	-	187
Total comprehensive income for the period		**-**	**187**	**(7,620)**	**(7,433)**	**(3,161)**	**(10,594)**
Transactions with owners in their capacity as owners:							
Contributions of equity	6	666	-	-	666	-	666
Balance at 31 December 2018		**36,755**	**(816)**	**(21,990)**	**13,949**	**(4,613)**	**9,336**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

West Wits Mining Limited
Condensed consolidated statement of cash flows
For the half-year 31 December 2018

	Consolidated entity	
	31 December 2018	31 December 2017
	$'000	$'000
Cash flows from operating activities		
Receipts from customers	**3,827**	4,765
Payments to suppliers and employees	**(4,568)**	(3,577)
Net cash (outflow) inflow from operating activities	**(741)**	1,188
Cash flows from investing activities		
Payments for deposit	**-**	(100)
Payments for exploration	**(482)**	(250)
Net cash (outflow) from investing activities	**(482)**	(350)
Cash flows from financing activities		
Proceeds from issues of shares	**666**	2,325
Capital raising costs	**-**	(77)
Proceeds from borrowings	**197**	-
Net cash inflow from financing activities	**863**	2,248
Net (decrease) increase in cash and cash equivalents	**(360)**	3,086
Cash and cash equivalents at the beginning of the financial year	**1,209**	165
Effects of exchange rate changes on cash and cash equivalents	**(73)**	(54)
Cash and cash equivalents at end of period	**776**	3,197

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Basis of preparation of half-year report

These consolidated interim financial report for the half-year reporting period ended 31 December 2018 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These consolidated interim financial report do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by West Wits Mining Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period and the adoption of new and amended standards as set out below.

(a) New and amended standards adopted by the group

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. In adopting these new and revised pronouncements, there has been no material impact to the consolidated entity's position or performance.

- AASB 9 *Financial Instruments*, and
- AASB 15 *Revenue from Contracts with Customers*.

The impact of the adoption of these standards and the new accounting policies are disclosed in note 2 below. The adoption did not have any impact on the group's accounting policies and did not require retrospective adjustments.

(b) Impact of standards issued but not yet applied by the entity

Management have considered the impact of new accounting standards and interpretations issued but not yet applied by the entity as compared to those of the previous financial year which are relevant to the Group's business as follows:

- Management has considered the recognition and measurement requirements of AASB 16 *Leases* ("AASB16") in conjunction with the existing operating lease agreements between the Group and its suppliers. Based on this assessment, management concluded that there would not have been a material impact to the financial statements had AASB 16 been adopted and applied during the period, as compared to the current accounting policy on leases.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(c) Going concern

For the half year ended 31 December 2018, the Company reported a net loss after income tax and before eliminating non-controlling interests of $10,781,000 (2017: profit of $710,000) and operating cash outflows of $741,000 (2017: inflow of $1,188,000). At 31 December 2018 the Company had $776,000 in cash and cash equivalents (30 June 2018: $1,209,000), and a net current deficiency of $2,126,000 (30 June 2018: $1,085,000).

In assessing the entity as a going concern, the Directors have considered the performance of its production at the Witwatersrand Basin Project ("WBP") in South Africa and relevant forecasts including expected distribution of approximately $370,000 from the Kimberley Central Open Pit Project for the coming months and the Company's ability to manage its cash outflows based on available working capital. The Directors have also considered the Company's ability to secure additional working capital from issue of new equity. In December 2018, the Company successfully completed a capital raise totaling $666,000 (before costs) through the issue of 55,433,323 ordinary fully paid shares. The funds raised enable the acceleration of activities for the development of the WBP project. Additionally, on 13 March 2019, the Company entered into a Joint Venture (JV) and Farm In Agreement with First Au Limited ("FAU") on WWI's Tambina mining leases. FAU's initial 20% interest was earned through the subscription of 20m fully paid ordinary shares at 0.9c ($180,000) and payment of $60,000 cash to WWI. FAU can earn a maximum of 80% interest by sole funding JV expenditure up to $500,000 within 3 years and will be the manager of the JV.

Based on the above considerations, the directors have prepared the financial report on a going concern basis, notwithstanding that there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

2 Changes in accounting policies

(a) AASB 9 Financial Instruments – Impact of adoption

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: recognition and measurement requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets. While this represents significant new guidance, the implementation of the new guidance did not have a material impact on trade receivables. As such, the Company has elected not to restate prior periods and have not recognised differences in opening retained earnings as at 1 July 2018.

(b) AASB 15 Revenue from Contracts with Customers – Impact of adoption

The Company has adopted AASB 15 Revenue from Contracts with Customers from 1 July 2018 which did not result in changes in the accounting policies and adjustments to the amounts recognised in the financial statements.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

3 Fair value measurement

Due to the nature of the Group's operating profile, the Directors and management do not consider that the fair values of the Group's financial assets and liabilities are materially different from their carrying amounts at 31 December 2018.

4 Segment information

The entity operates in 1 industry segment, mining & exploration, and its activities can be divided into 3 reportable segments based on reports received and reviewed by its Chairman.

(a) Description of segments

The 3 reportable segments are based on 3 distinct geographical locations, South Africa, Indonesia and Australia. Mining & exploration activities are carried out in all segments.

(b) Segment information provided to the Chairman

The segment information provided to the strategic steering committee for the reportable segments for the half-year 31 December 2018 is as follows:

4 Segment information (continued)

(b) Segment information provided to the Chairman (continued)

Consolidated entity 2018	**South Africa** $'000	**Indonesia** $'000	**Australia** $'000	**Total** $'000
External sales	3,872	-	-	3,872
Other income	-	-	-	-
Total revenue	**3,872**	**-**	**-**	**3,872**
Segment result	(681)	(9,638)	(462)	(10,781)
Net profit/(loss) after tax	**(681)**	**(9,638)**	**(462)**	**(10,781)**

The segment information provided to the strategic steering committee for the reportable segments for the half-year 31 December 2017 is as follows:

Consolidated entity 2017	**South Africa** $'000	**Indonesia** $'000	**Australia** $'000	**Total** $'000
External sales	4,212	-	-	4,212
Other income	32	-	-	32
Total revenue	**4,244**	**-**	**-**	**4,244**
Segment result	1,066	(81)	(275)	710
Net loss after tax	**1,066**	**(81)**	**(275)**	**710**

There was no impairment charge or other significant non-cash item recognised in 2017.

(c) Segment assets

	Consolidated entity	
	31 December 2018 $'000	30 June 2018 $'000
South Africa	**8,542**	8,216
Indonesia	**204**	9,592
Australia	**3,771**	4,119
Total assets	**12,517**	21,927

(d) Segment liabilities

	Consolidated entity	
	31 December 2018 $'000	30 June 2018 $'000
South Africa	**1,210**	772
Indonesia	**1,909**	1,862
Australia	**62**	29
Total liabilities	**3,181**	2,663

(e) Other segment information

(i) Major customers

During the half year ended 31 December 2018, one major customer contributed to 96.4% of the group's total revenue.

5 Exploration and evaluation, development and mine properties

	Consolidated entity	
	31 December 2018	30 June 2018
	$'000	$'000
Derewo River Gold Project	**-**	**9,397**
Rand & DRD Leases	**8,341**	**7,838**
Tambina Gold project	**1,849**	**1,847**
Mt Cecelia project	**1,099**	**1,099**
	11,289	20,181

Consolidated entity	**Derewo River Gold Project $'000**	**Rand & DRD Leases $'000**	**Mt Cecelia Project $'000**	**Tambina Gold Project $'000**	**Total $'000**
Half year ended 31 December 2018					
Opening net book amount	9,397	7,838	1,099	1,847	20,181
Additions	-	482	-	-	482
Exchange differences	233	23	-	-	256
Impairment loss	(9,630)	-	-	-	(9,630)
Closing net book amount	-	8,343	1,099	1,847	11,289

During the period ended 31 December 2018, the group conducted a reassessment on the the expected recoverability of the Derewo River Gold Project (the "Project") on successful development and commercial exploitation in conjunction with recent developments in working with local experts and consultants in evaluating different avenues to materialise the return of investment. Even though the group has not changed its view on the fundamental value of the Project, management has made a decision to fully provide for the carrying value of the Project due to the uncertainty in materialising the return.

6 Contributed equity

	Notes	**31 December 2018** **No. of securities**	**$'000**	30 June 2017 No. of securities	$'000
Fully paid		**773,281,002**	**36,755**	717,847,679	36,089
Options over shares		**52,000,000**	**1,945**	54,000,000	2,005
		825,281,002	**38,700**	771,847,679	38,094

6 Contributed equity (continued)

(i) Movements in ordinary shares:

Details	Notes	Number of shares (thousands)	Total $'000
Opening balance 1 July 2017		456,203	31,251
Shares issued during the year		261,644	4,915
Less: Transaction costs arising on share issues		-	(77)
Balance 31 December 2017		717,847	36,089
Shares issued during the year		55,433	666
		773,280	36,755
Balance 31 December 2018		773,280	36,755

(ii) Movements in options over shares

	31 December 2018		30 June 2018	
	No. of securities	**$'000**	No. of securities	$'000
Opening balance	**54,000,000**	**2,005**	31,000,000	1,286
Options issued	**-**	**-**	52,000,000	719
Options expired	**(2,000,000)**	**(60)**	(29,000,000)	-
Closing balance	**52,000,000**	**1,945**	54,000,000	2,005

7 Earnings per share

(a) Basic & diluted (loss)/earnings per share

	Consolidated entity	
	31 December 2018 Cents	31 December 2017 Cents
Attributable to the ordinary equity holders of the company	**(1.06)**	0.15

(b) (Loss)/profit used in calculating earnings per share

	Consolidated entity	
	31 December 2018 $'000	31 December 2017 $'000
(Loss)/profit attributable to the ordinary equity holders of the Company used in calculating basic & diluted (loss)/earnings per share:		
From operations	**(7,620)**	737

7 Earnings per share (continued)

(c) Weighted average number of shares used as denominator

	Consolidated entity	
	2018	2017
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**720,520,174**	504,620,186

8 Contingencies

The group had no contingent liabilities at 31 December 2018 (2017: nil).

9 Events occurring after the reporting period

On the 13th March 2019, the Company entered into a Joint Venture (JV) and Farm In Agreement with First Au Limited ("FAU") on WWI's Tambina mining leases. FAU's initial 20% interest was earned through the subscription of 20m fully paid ordinary shares at 0.9c ($180,000) and payment of $60,000 cash to WWI. FAU can earn a maximum of 80% interest by sole funding JV expenditure up to $500,000 within 3 years and will be the manager of the JV.

No other matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial periods.

West Wits Mining Limited
Directors' declaration
31 December 2018

In the Directors' opinion:

(a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that the West Wits Mining Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.



Mr Michael Quinert
Director

Melbourne
15 March 2019

West Wits Mining Limited

Independent auditor's review report to members

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of West Wits Mining Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of West Wits Mining Limited is not in accordance with the *Corporations Act 2001 i*ncluding:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half year ended on that date; and
b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the *Corporations Regulations 2001.*

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the consolidated entity incurred a net loss of $10,781,000 during the half year ended 31 Decmber 2018 and, as of that date, the consolidated entity's current liabilities exceeded its current assests by $2,126,000. As stated in Note 1(c), these evens or conditions, along with other matters as set forth in Note Note 1(c), indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our opinon is not modified in respect of this matter.

Responsibilities of the Directors for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

CHARTERED ACCOUNTANTS
& ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

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Auditor's Responsibilities for the Review of the Half-Year Financial Report
Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001.*

As the auditor of West Wits Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence
In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

William Buck.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 15th day of March 2019