ASX Announcement and Media Release
Thursday, 2 June 2022

WEST WITS TO INCREASE PROJECT OWNERSHIP TO 74% INTEREST

HIGHLIGHTS

- West Wits Mining Limited ("**WWI**") **to increase ownership in** the **Witwatersrand Basin Project** (**"WBP"**) **to 74%** (previously 66.6%)
- Acquisition to be made for **$50,000 in cash and 96M fully paid ordinary shares** in WWI, with 75% of the WWI shares to be held in escrow
- Purchase consideration is at a **discount to the equivalent notional share (7.4%) of the US$227M (AU$316M) Pre-Tax NPV$_{7.5}$** from the WBP Scoping Study[1]

West Wits Mining Limited (**ASX: WWI**, "**West Wits**" or "**the Company**") has agreed with its BEE partner, Lilitha Resources (Pty) Ltd **("Lilitha"),** to acquire Lilitha's interest in its subsidiary West Wits Mining SA (Pty) Ltd (**"WWM SA"**) for $50,000 in cash and 96,000,000 fully paid ordinary shares in WWI (**"Acquisition"**). This acquisition increases WWI's direct ownership interest of WBP to 74% and simplifies the corporate structure.

West Wits Managing Director Mr Jac van Heerden said, *"The Acquisition increases WWI's share of the WBP at a substantial notional discount to the value implied by the US$227M NPV of the WBP Scoping Study released in March this year. The transaction also substantially simplifies the Company's corporate structure, making WWM SA 100% owned by WWI, and further aligns our BEE partner's interest to the Company by becoming a WWI shareholder, extending our long-term and valued relationship."*

OVERVIEW

WWI's South African project has previously been 33.4% owned by BEE partner, Lilitha. The BEE structure surpasses South Africa's Mining Charter requirement of a minimum of 26%. Lilitha played an active part in the Company's activities and was instrumental in obtaining the WBP's mining right. The pre-acquisition company structure is depicted in **Figure 1 in the Appendix**.

Changes to South Africa's foreign investment rules will, subject to regulatory approval, enable Lilitha to swap a 7.4% effective interest in the WBP for aggregate consideration comprising $50,000 in cash and 96M fully paid ordinary WWI shares ("**WWI shares**" or "**Consideration Shares"**). 75% of the WWI shares will be held in escrow, released via two equal tranches (36M WWI shares each), being 240 days and 360 days from the completion date respectively. Lilitha's direct interest as a WWI shareholder underscores the strategic partnership and commitment to the growth of WWI.

The acquisition is mutually beneficial for both WWI and Lilitha, as it extends the two companies' long-term relationship. The substantial non-cash component of the consideration enables WWI to preserve cash for the development of the WBP, whilst Lilitha obtains promising exposure as a shareholder at WWI group level.

Further terms of the Acquisition are set out in the Annexure to this announcement.

Approved for release by the Company's Managing Director.



Jac van Heerden

Managing Director
West Wits Mining Limited

Transaction Advisor:
Taurum International

For further information contact:
Australia
Victoria Humphries / Peter Taylor
Investor Relations
victoria@nwrcommunciations.com.au /
peter@nwrcommunications.com.au

North America, Canada and UK
Jody Kane / Jonathan Paterson
jody.kane@harboraccessllc.com /
jonathan.paterson@harboraccessllc.com

General info@westwitsmining.com

1. The original report was "Wits Basin Scoping Study" which was issued with consent of the Competent Person, Mr. Andrew Pooley. The report was released to the ASX on 09/03/2022 and can be found on the Company's website (https://westwitsmining.com/). The Company is not aware of any new information or data that materially effects the information included in the relevant market announcement. The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ANNEXURE - TERMS OF THE ACQUISITION

- Lilitha to transfer 1,112 fully paid ordinary shares in WWM SA, constituting 10% of the issued share capital of WWM SA, to WWI
- WWI to pay the Purchase Consideration by:
    - Paying $50,000 in cash; and
    - Issuing 25% of the Consideration Shares in the amount of 24,000,000 Consideration Shares to Lilitha; and
    - Issuing 75% of the Consideration Shares in the amount of 72,000,000 Consideration Shares to the Seller (the "**Escrow Shares**"**),**
        - 50% of the Escrow Shares, being 36,000,000 Escrow Shares will be released from escrow 240 days following the Completion Date; and
        - 50% of the Escrow Shares, being 36,000,000 Escrow Shares will be released from escrow 360 days following the Completion Date
- The Completion Date is the day after all the conditions have been met
- The sale of shares agreement shall be conditional upon:
    - Any board or shareholder approvals required by the parties for the transaction being obtained
    - Regulatory approvals, including South African Exchange Control
    - The parties entering into the required escrow agreement in respect of the imposition of voluntary disposal restrictions (escrow) on the Escrow Shares
- If all the conditions have not been fulfilled or waived, as the case may be, by 31 July 2022 (or such other date agreed between the parties) then either the Seller or the Purchaser may terminate the Acquisition.

Figure 1: West Wits Company Structure before Lilitha Resources Share Purchase

