ASX: WWI
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ASX Announcement and Media Release
Wednesday, 1st September 2010

West Wits agrees to sell Emerald Gold Project to Mintails Limited

Highlights

- West Wits has agreed to sell the Emerald Gold Project and nearby Monarch Resource to Mintails for a total consideration value of approximately **$7.27 million**
- Part of the consideration will be satisfied through a **$3.6 million** share buyback of the Mintails and DRD shareholdings at a purchase price of 5cents a share, resulting in an effective 44% reduction in the capital of the company
- West Wits will receive **$2 million** in cash and / or cash equivalents from this transaction
- West Wits will also receive a US$15 an ounce royalty which at Mintails election can be paid out at the commencement of mining for US$1.5 million (approx **$1.67 million**)
- West Wits will retain 307,000 JORC gold resource ounces as well as all other gold and uranium targets which form the Company's conceptual target statement of 3.95 to 5.20 million ounces of gold and 17 to 22 million pounds of uranium
- West Wits will immediately begin exploration on a number of gold and uranium targets
- Independent of this transaction West Wits will also still receive repayment of approximately $1.9 million in deposits previously paid to Mintails
- The current cash position of West Wits is $1.6 million which when added to the $2 million in cash and cash equivalents from this transaction and $1.9 million repayment of deposits will increase available working capital to $5.5 million (this does not include the agreed royalty payments or royalty payout)

West Wits Mining Limited ("West Wits" or "the Company") has agreed to sell both the Emerald Gold Project and Monarch resource ("Emerald") to Mintails Limited ("Mintails") for a total consideration value of approximately $7.27m. The transaction is subject to approval by shareholders of West Wits.

The development of Emerald was seen by the board as a springboard for the Company and the board was keen to realise value from the project. The sale of Emerald will provide working capital to fund further exploration of the Company's substantial gold and uranium targets and validates the Company's initial exploration strategy which was to test for near surface economic mineralisation conducive to open cut mining.

The sale figure of **$7.27 million** is broken into three components;

- **$2 million** to be settled by either cash or Mintails shares issued at a 10% discount to the 30 day VWAP at Mintails election. $1 million is payable 6 months from the date of signing the agreement (1 March 2011), with the further $1 million payment payable 15 months from the signing of the agreement (1 January 2012)
- **$3.6 million** via a share buyback of both the Mintails shareholding in West Wits and the DRD Gold Limited share entitlement in West Wits. This buyback will be undertaken at 5 cents per share and effectively reduces the fully diluted capital of the company by 44% to 88,222,234 fully paid ordinary shares
- West Wits will receive a US$15 per ounce royalty from all ounces produced at Emerald which can at Mintails election can be paid out on the date of the commencement of mining for US$1.5million (approx **$1.67 million**)

Fast Facts	
Capital Structure	@ 1 Sep 2010
Shares on issue	160 million
Options	18.8 million
Market Cap	A$7.05 million
Cash in Bank	A$1.6 million
Debt	Nil
Enterprise Value (EV)	A$5.5 million
Current JORC Reserve	59,000
Current JORC Resource	426,700
EV / Resource oz	A$12.77/oz
EV / Reserve oz	A$192.37/oz

Company Directors & Management	
Michael Quinert	Chairman
Grant Ferguson	Managing Director
Dick van der Walt	Non-Exec Director
Niel Pretorius	Non-Exec Director

Top Shareholders ≈	
DRD Gold Ltd	23%
Mintails Ltd	21%
Geotorm Investments Ltd	4.7%
AMN Nominees Lid	4.4%
TOP 20 Shareholders	74.8%

Company Highlights

- World class historic leases
  - 61m ozs Gold produced
  - 37m lbs Uranium produced
- **Conceptual Target**
  - **3.95-5.20 million ozs Gold**
  - **17-22 million lbs Uranium**
- Significant gold resources along strike on adjacent leases
- Upcoming drill programs
- Impending production

Contact Details
Suite 1, 1233 High Street
Armadale VIC 3143
T: +61(0)3 9824 8166
F: +61(0)3 9824 8161
E: info@westwitsmining.com
W: www.westwitsmining.com

Corporate Advisor
Peregrine Corporate Limited
Tim Chapman
T: +61 9824 8166
E: tchapman@peregrinecorporate.com.au

This transaction effectively removes the need for the Company to further engage with local regulators in relation to gaining necessary approvals to begin operations at Emerald or be exposed to risks associated with mine development or production timelines. This transaction will allow West Wits to re-focus its efforts on further developing the resource statement from its substantial gold and uranium targets located on the Company's leases within the world class Rand Goldfield. The Company's current independently signed-off conceptual target is 3.95 to 5.20 million ounces of gold and 17 to 22 million pounds of uranium.

The current cash position of West Wits is $1.6 million. The $2 million in cash and cash equivalents from this transaction and $1.9 million repayment of deposits will increase the cash balance to a notional $5.5 million. This cash balance does not include the payment of any royalties from Emerald or the potential US$1.5 million payout of the royalty agreement.

The approximate total consideration value of this transaction is $7.27 million which is greater than the current fully diluted market capitalisation of the Company at $7.05 million (@ 4.4 cents per share). The sale of this asset represents a relatively small proportion of the Company's mining interest and will allow the Company to crystallize a consideration which is greater than the current market capitalisation. This transaction provides West Wits with certainty in relation to its capital position, allows the Company to confidently begin re-exploring its most prospective targets and will have a reduced capital base of 44% leaving 88 million fully paid ordinary shares on issue.

West Wits will retain a JORC resource of 307,000 ounces over three prospects; the Radiant Resource, the Marquise Resource and the Emerald East Resource as well as all further underground gold and uranium targets. The exploration team will now commence a number of exploration programs immediately, which will be focused on two previously identified near surface targets, the LIP Target and the Emerald East Target, as well as two uranium targets known as Harrier and Raptor Targets. In anticipation of completing this transaction and receipt of the proceeds, the Company is also assessing a number of additional gold projects within West Africa.

A General Meeting will be held to seek shareholder approval to finalise the sale of Emerald. Part of the Notice of Meeting will include an Independent Experts Report's assessing whether the transaction is fair and reasonable for all shareholders. The Notice of Meeting will be sent out to shareholders in due course once the relevant independent reports are completed.

For And On Behalf Of The Board

Grant Ferguson
Managing Director
West Wits Mining Limited

West Wits Mining Limited (ASX Code : WWI) is an Australian listed public company with exploration assets 20km west of Johannesburg, South Africa. West Wits has been formed to explore, evaluate and potentially extract gold and uranium from the Company's Project Areas located on the West Rand Goldfield of South Africa's Witwatersrand Basin. The Witwatersrand Basin is regarded as one of the largest mineralised gold and uranium systems in the world and is widely known for its rich, continuous multiple reef ore-bodies.