

**Fast Facts**

Capital Structure	@ 30 Sep 2011
Shares on issue	293 million
Performance Shares	46 million
Options	59 million
Market Cap	A\$9.65 million
Cash in Bank	A\$2.9 million
Debt	Nil
Enterprise Value (EV)	A\$6.75 million
Current JORC Reserve	59,000
Current JORC Resource	426,700
EV / Reserve oz	A\$114/oz
EV / Resource oz	A\$15/oz

**Company Directors & Management**

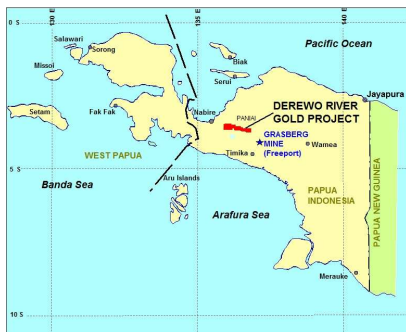
Michael Quinert	Executive Chairman
Neil Pretorius	Non-ExecDir
Phillip Hains	Non-Exec Dir/ Co Sec
Hulme Scholes	Non-Exec Dir

**Top Shareholders ≈**

DRD Gold Ltd	13%
GOC Holdings Ltd	11%
Trevor Neale	5%
ECR Minerals PLC	4%
Top 40 Shareholders	74%

**Company Highlights**

- 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
- South Africa
  - 59,000 ozs Reserve
  - 426,7000 ozs Resource
  - Further near surface resources to be targeted
  - 61m ozs Au produced historically
  - 37m lbs U produced historically
  - Conceptual Target
    - 3.95-5.20 million ozs Au
    - 17-22 million lbs U

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**Corporate Advisor**

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**Quarterly Activities Report****Highlights**

- West Wits secured extensive historic sampling data completed by Freeport over the Company's Derewo exploration permits
- Geochemical multi-element dataset consisted of 2,486 samples (27,440 assays)
- Sampling included rockchips, soil, stream sediment and panned concentrates
  - Significant panned concentrate assay of 6,864 g/t Au
  - Significant rock chips included 125 g/t Au, 19.1 g/t Au and 1.8% Cu
- Three exploration targets identified; Wopogi (Au/Cu), Sena (Au) & Biapigu (Cu)
- Sampling data has advanced exploration at Derewo by at least 12 months
- Sampling data would have cost West Wits at least \$1m to have completed
- Logistics office established in Nabire, Papua Province
- Survey team has completed topographic survey as part of establishment of an alluvial operation
- 10 year extension of the mining lease approved
- Environmental approval received for alluvial mining operation
- Drilling program completed at the LIP Target with drill rigs now at 'the Gap' immediately south of the Emerald Gold Project in South Africa

**Post Balance Day highlights**

- BGF Equities initiates coverage of West Wits
- Historical geo-physical data completed by Freeport over the Derewo tenements has now been received and is currently being reviewed

**Review of Operations**

West Wits Mining Limited ("West Wits" or "the Company") during the quarter continued to progress both its Derewo River Gold Project ("Derewo") in Papua Province, Indonesia and its Emerald Gold Project ("Emerald") on the West Rand, South Africa.

**Indonesia****Exploration**

The Company's first significant step forward in exploring for the source of the high grade alluvial gravels at Derewo was to secure a significant dataset completed over the Company's Derewo exploration permits in the early 1990's by PT Freeport Indonesia ("Freeport"). The geochemical multi-element database was established from a

significant sampling program of 2,486 samples (27,440 assays) across its three exploration permits covering 128,000ha. This data provided three significant exploration targets – Wopogi (Au/Cu), Sena (Au) and Biapigu (Cu).

Significant results within the data include a panned concentrate sample of 6,864 g/t Au and rockchip samples of 125 g/t Au, 19.1 g/t Au and 1.8% Cu.

Analysis of this database indicates three separate anomalous zones including the potential source of the rich alluvial gold within the Derewo River. Each zone shows a separate geochemical signature. The identification of these anomalies fast tracks the exploration program aimed at identifying the source of the Derewo alluvial gold as well as indicating an additional gold and an additional copper target.

The data was collected during several phases of exploration which followed a conventional helicopter reconnaissance and follow up program for this type of terrain. Sampling techniques included: stream sediment sampling; panned concentrate; bulk sediment sampling; soil samples; outcrop samples; and outcrop channel samples. The sample density of about 1/220ha for stream samples and panned concentrates provided adequate coverage to define the target areas, however many streams have not been sampled and their remains significant potential to identify additional areas.

Several panned concentrates confirm the main Derewo River is highly anomalous in gold for over 30km with samples along the river ranging up to the 6,864 g/t Au. Significantly, data from the tributaries of the Derewo River which collectively contribute the anomalous gold values in the main river, and contain the potential hardrock source of the gold, show two distinct areas of anomalous gold feeding the Derewo River along the section containing rich alluvial terraces (this data suggests multiple hardrock sources of the alluvial gold in the gravels) and a separate area further upstream which is anomalous in copper.

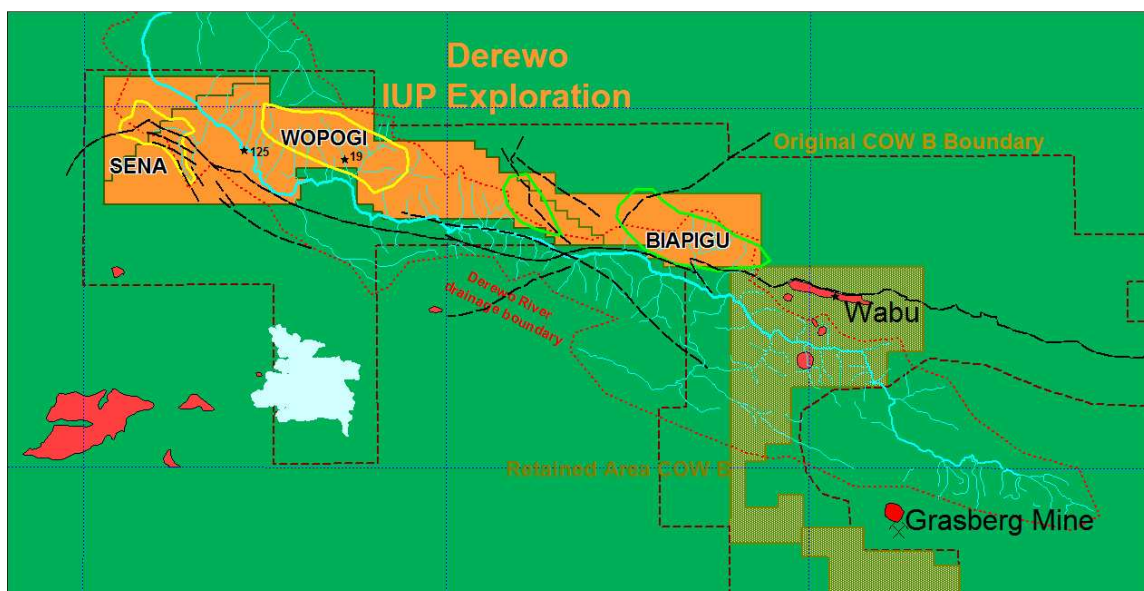


Figure 1. Three Anomalous Areas of focus identified as Wopogi, Sena and Biapigu

Summary of initial Exploration Targets;

- **Wopogi (Gold/Copper);** an area of 157km<sup>2</sup> on the northern side of the Derewo River, running parallel to the river in the metamorphic terrain to the north of the Derewo Fault. In PNG similar metamorphic terrain host several multi-million ounce gold deposits. The area is defined by gold geochemistry with coincident

copper and inconsistent arsenic geochemistry in multiple drainages along a strike length of 20km. Limited channel sampling of weakly altered volcanics show values up to 19g/t Au. Float samples assay up to 1.8% Cu. The geological data indicates the existence of dioritic intrusions which elsewhere in Papua are a very strong indication for significant mineralised systems. This area presents as one likely source of the alluvial gold within the Derewo River including the coarse gold placer. Wopogi lies within the Paniai Structural Corridor which further to the south contains some of Freeport's main Cu-Au prospects outside the Grasberg mineral district.

- **Sena (Gold)**; an area of 57 km<sup>2</sup> covering a complex section of the Derewo Fault where it flexes sharply south. The Derewo Fault is a major structural boundary which separates the Australian Craton to the south from the Pacific Plate to the north. This area is characterised by anomalous gold stream sediment and panned concentrate geochemistry.
- **Biapigu (Copper)**; an area of 200km<sup>2</sup> near the eastern boundary of the exploration permits and adjoining Contract of Work permit held by Freeport. This target is defined by stream sediment and panned concentrate copper geochemistry in two broad drainages. This area is associated with the Derewo Fault and lies 15km along strike to the west of the Freeport owned 8 million oz Au Wabu skarn deposit which is hosted in the hanging wall of the Derewo Fault.
- Point of interest west of Wopogi where a 6,864 g/t Au pan concentrate and corresponding 125 g/t Au rock chip were returned.

West Wits also received historic geophysical data from an aeromagnetic survey completed by Freeport over the Company's leases in the early 1990's. This raw data is currently being reviewed and will be reprocessed. It is hoped the data will provide good indications as to nature of the structural geology below the surface including the locations of intrusions. This data should further help the Company identify its initial drill targets.

### ***Alluvial Operation***

Good progress has been made with regard to the establishment of a hydraulic alluvial operation at Derewo. The topographic survey necessary for planning the operation was completed two weeks ahead of schedule. This survey allows for the finalisation of a mine plan providing locations for water storage dams, tailings dams and settling ponds all forming part of the gravity circuit for processing the high grade alluvial gravels. The completion of this work allows the Company to begin evaluating what tonnages can be processed per month through the circuit.

The completion of this survey puts the Company ahead of the timeline to establish an alluvial operation by early 2012 and then ramp up production over the first quarter of 2012. As part of this timeline a logistics office has now also been established at Nabire providing a support base for Derewo from which to deliver materials, supplies, survey teams and exploration teams.

Further milestones achieved over the quarter included the Company receiving a 10 year extension to the granted mining lease which contains the high grade alluvial gravels. This extension now provides the Company with security over this mining project until 2023 and paves the way for multiple alluvial circuits to be established over the longer term.

The Company also received the environmental approval required for the alluvial operation. The receipt of this approval leaves only the Forestry Permit to be obtained before mining can commence. The timeframe in which the environmental approval was achieved provides the Company with further confidence as to the capacity of our local team. The process of obtaining the Forestry Permit has begun with local department officials meeting the Company's representative's onsite last week. West Wits anticipates completing its permitting process by December 2011.

## **Preview for next quarter**

### ***Exploration***

The establishment of the alluvial operation will also act as a field base from which the regional exploration programs will be managed. The base is in proximity to the Company's primary Wopogi target.

As part of the Company's commitment to exploring for the source of the high grade alluvial gravels, West Wits is engaging an exploration manager who will be responsible for managing follow up exploration programs. This exploration manager will provide technical support to Trevor Neale and his local team. Trevor Neale has been appointed as Country Manager for Indonesia and is responsible for overseeing all exploration programs as well as the development of the alluvial operation at Derewo. This appointment was made due to Trevor's immense experience as a mining geologist who has been based in PNG for 25 years and managed several well known mining operations including Edie Creek for 14 years. Trevor has been involved in the Derewo for the past three years, understands the regional and local geology, possesses strong local and regional relationships and understand the steps required to develop a mining operation in this part of the world.

The initial exploration program at Wopogi will consist of geological mapping including structural, lithology and alteration mapping together with detailed geochemical sampling of streams and outcrop. It is anticipated this follow up sampling work will start at the beginning of November incorporating further stream, soil and rockchip sampling programs. From this work and the reprocessing of the Freeport geophysical data, the Company is planning to have drill ready targets by the end of the year.

The Company anticipates initial follow up sampling being undertaken in the coming week at a point of interest west of Wopogi where as previously mentioned a pan concentrate was returned of 6,864g/t Au and a corresponding rock chip at the same point of 125 g/t Au. In addition to the above exploration which will be focused on the areas identified from the Freeport data, a reconnaissance program to evaluate areas not sampled by Freeport will be undertaken.

### ***Alluvial Operation***

Now that the Company has received its environmental approval, construction of the gravity circuit will begin in earnest over the December quarter including the construction of water storage, settling ponds and tailings dams. As West Wits already has heavy equipment at site, including a front-end loader and bulldozer, the construction of this gravity circuit does not have any further impediments before construction can begin.

West Wits local Indonesian team will continue to work towards securing the Company's Forestry Permit over the December quarter. This permit is the final regulatory hurdle before the alluvial operation can be begin.

## **South Africa**

The Company has completed an initial drill program at the LIP Target and is currently completing a drilling program the 'Gap' Target which lies between the existing Monarch Gold Resource and the Emerald Gold Project.

The near surface program at LIP Target has been designed to explore for extensions of the Livingstone Reef, which was mined extensively in the West Wits Open Pit. The drilling around the shallow pit on Lip Target has produced significant intervals of conglomerate reef and the package appears to be about 25m wide, which incorporates the 3 main recognised zones of which the upper zone is generally the most strongly mineralised. These zones were evident in the core returned from a number of holes at the northern end of the program indicating the reef package extended for at least 300m. In several holes at the southern end of the program voids have been intersected indicating some underground mining has occurred. The Company anticipates receiving assays over the next 3-4 weeks.

The program being completed at the 1km 'Gap Zone' along strike to the north of the 74,000 oz Au Monarch resource, is untested and the Company believes that the continuity of the historical underground workings are a strong indication that the mineralised zone may connect up to the 59,000oz Au Emerald reserve. The company is anticipating receiving the assay results from this program in the next 6-8 weeks.

Defining the potential of these mineralised zones will provide the Company with a better understanding of their in-situ value. Once the potential of these mineralised zones has been further defined additional alternatives can be considered when contemplating as how to best commercialise these projects; be it through sale, joint venture or development by the Company.

For And On Behalf Of The Board



Michael Quinert  
Chairman  
West Wits Mining Limited

*The information in this report that relates to Exploration Results is based on information compiled by Mr Chris Taylor of West Wits Mining Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Chris Taylor has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves'. Mr Chris Taylor consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

# Appendix 5B – 1<sup>st</sup> Quarter

## Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

WEST WITS MINING LIMITED (ASX: WWI)
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ABN

89 124 894 060
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Quarter ended ("current quarter")

30 <sup>th</sup> September, 2011
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### Consolidated statement of cash flows

	Current Quarter \$A'000	Year to Date (3 months) \$A'000
<b><u>Cash flows related to operating activities</u></b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(133)	(133)
(b) development	-	-
(c) production	-	-
(d) administration	(528)	(528)
(e) contract services	(43)	(43)
(f) staff costs	(11)	(11)
(g) other working capital	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	25	25
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(690)</b>	<b>(690)</b>
<b><u>Cash flows related to investing activities</u></b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Acquisition of Subsidiaries, net of cash acquired	(97)	(97)
<b>Net investing cash flows</b>	<b>(97)</b>	<b>(97)</b>
<b>1.13 Total operating and investing cash flows (carried forward)</b>	<b>(787)</b>	<b>(787)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

		Current Quarter \$A'000	Year to Date (3 months) \$A'000
1.13	<b>Total Operating and Investing Cash Flows (Brought Forward)</b>	<b>(787)</b>	<b>(787)</b>
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	3,266	3,266
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	-	-
<b>Net financing cash flows</b>		<b>3,266</b>	<b>3,266</b>
<b>Net increase (decrease) in cash held</b>		<b>2,479</b>	<b>2,479</b>
1.20	Cash at beginning of quarter/year to date	470	470
1.21	Exchange rate adjustments to item 1.20	(8)	(8)
1.22	<b>Cash at end of quarter</b>	<b>2,941</b>	<b>2,941</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current Quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	109
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, directors' fees, corporate advisory and consulting fees at normal commercial rates

**Non-Cash Financing and Investing Activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

### Financing Facilities Available

*Add notes as necessary for an understanding of the position.*

	<b>Amount Available \$A'000</b>	<b>Amount Used \$A'000</b>
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated Cash Outflows for Next Quarter

	<b>\$A'000</b>
4.1 Exploration and evaluation	750
4.2 Development	-
4.3 Production	-
4.4 Administration	400
4.5 Contract Services	50
4.6 Staff Costs	10
<b>Total</b>	<b>1,210</b>

### Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	<b>Current Quarter \$A'000</b>	<b>Previous Quarter \$A'000</b>
5.1 Cash on hand and at bank	2,937	198
5.2 Deposits at call	4	272
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: Cash at End of Quarter (item 1.22)</b>	<b>2,941</b>	<b>470</b>

+ See chapter 19 for defined terms.

**Changes in Interests in Mining Tenements**

	<b>Tenement reference</b>	<b>Nature of interest (note (2))</b>	<b>Interest at beginning of Quarter</b>	<b>Interest at end of Quarter</b>
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

### Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	Number Quoted	Issue Price per Security (cents) (see note 3)	Amount Paid up per Security (cents) (see note 3)
7.1	<b>Performance +securities</b> (Non-voting, non-participating, contingent on achieving 20,000oz of gold by 28/07/2013)	46,000,000	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	46,000,000	-	-	-
7.3	<b>+Ordinary securities</b>	254,706,591	254,706,591	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	125,234,251	125,234,251	\$0.04 per ordinary share	-
7.5	<b>+Convertible debt securities</b> (description)	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> (description and conversion factor)	70,924,532	11,562,500	Exercisable @ \$0.08 to \$0.30	-
7.8	Issued during quarter	53,062,500	11,562,500	Exercisable @ \$0.08	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> (totals only)	-	-	-	-
7.12	<b>Unsecured notes</b> (totals only)	-	-	-	-

+ See chapter 19 for defined terms.

### **Compliance Statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 28 October 2011  
(Director/Company secretary)

Print name: Michael Quinert

### **Notes**

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.