



West Wits Mining Limited
Quarterly Report for the 3 Months
Ended 31st December 2008

Highlights

- A total of 2,930m drilling was achieved for the December 2008 quarter, comprising 1,780m RC and 1,154m diamond drilling. A total of 25,318m was (13,239m RC and 12,079m diamond drilling) achieved for the 2008 calendar year.
- West Wits' completed its Emerald Target Phase 1 and 2 drilling programs, with assay results confirming the presence of high grade near surface mineralisation along 2km of strike.
- These programs at the Emerald Target led to West Wits announcing, on 23rd January 2009, its maiden JORC Inferred Gold Resource of 157,019 ounces at 2.14 g/t down to 85m across a 2km strike length. The Company also had a further 3,779 ounces at 1.64 g/t upgraded to the Indicated Resource status.
- West Wits' received all Princess Target assay results from its Phase 1 and 2 drill programs, which confirmed the presence of high grade near surface mineralisation. A JORC resource calculation is anticipated in the March Quarter 2009.
- The Company received all Radiant Target gold assay results from its initial drill program completed in the September Quarter 2008. Results confirmed areas of high grade mineralisation over the 1.3km of strike and to a 230m vertical depth. A JORC resource calculation is anticipated in the March Quarter 2009.
- The recently identified Turk Target also had its initial exploration program completed in the December Quarter, with assay results highlighting two areas of near surface mineralisation.
- An initial drill program focused on the Hawk Target commenced in late October with five (5) diamond drillholes completed to a maximum depth of 70m for a total of 311m.
- All drill rigs left the Company's project area in mid November.

Review of Operations

West Wits Mining Limited (ASX:WWI) ("West Wits" or "the Company") completed the 2008 calendar year successfully, with key targets identified, mapped and trenched and with initial drill programs completed at 8 of 14 identified targets. The majority of the targets investigated thus far, have been assessed as having prospective near surface gold mineralisation that may be amenable to possible open cut mining operations. The remaining targets were viewed as having highly prospective underground gold and uranium potential from unmined parallel reefs or remnant pillar recovery. The Company has maintained a consistent strategy through the December Quarter to test near surface targets as a possible pathway to early cash flow generation through open cut operations, before investigating deeper and more capital intensive exploration targets.

This strategy has led to the Company announcing on 23rd January 2009, its maiden JORC resource at the Company's Emerald Target. West Wits had much pleasure in announcing a 157,019 ounce JORC Inferred Gold Resource at an average grade of 2.14g/t down to 85m across a 2km strike length. West Wits has also announced it had 3,779 ounces of gold upgraded to the Indicated Resource status. This initial Emerald Resource has significantly out-performed the Conceptual Target model, which provided for a joint Emerald and Princess Target resource of 33,000-38,000 ounces of gold.

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The Company believed that economic mineralisation still existed above the old workings and up to surface, as well as in the parallel mineralised reefs. This resource announcement is an important step towards validating this component of the Company's exploration model. The Company anticipates having further initial resource calculations completed for the Radiant and Princess Targets during the March Quarter 2009.

A total of 2,930m was drilled in the December Quarter, comprising of 1,780m of Reverse Circulation (RC) and 1,154m of Diamond (DDH) drilling. This led to the Company achieving a total of 25,318m drilled in the 2008, comprised of 13,239m RC and 12,079m of DDH drilling

The December Quarter saw the completion of Phase 2 drilling programs on the Emerald and Princess Targets. The drill programs were designed to further validate the high grade near surface assay results achieved from the Phase 1 programs. An initial 5 hole diamond drill program was also undertaken at the Hawk Target, a section of Kimberley Reef located on the East Champ d'Or Lease. All assay results have now been received on all targets and released to the market, except for the recently completed drill program at the Hawk Target.

The Company's historical data review has also continued through the December Quarter with the amount of historical maps and plans now reviewed, scanned and catalogued in the Company's library standing at over 12,000 documents. Regular review of the information is providing new areas of interest to the Company which will be further investigated in the second half of 2009.

The Company is also pleased to report the absence of any safety or environmental issues. In a continued effort, the Company implemented various measures to ensure the safety of its personnel, contractors and all other affected stakeholders. Our aim is to maintain world class environmental practices in all aspects of our daily operations, ensuring the Company protects both the natural and historical significance of the areas being investigated.

Emerald Target – West Rand Consolidated Lease

The Emerald Target remains the Company's primary open cut target for 2009. As previously stated, a major part of the Company's exploration plan, is to develop near surface targets conducive to open cut operations which may enable the Company to generate early stage cashflow.

The Emerald Target assay results release in December 2008, confirmed the presence of high grade mineralised conglomerate reef from 7.5m to 70m vertical depth. The majority of drillholes intercepted multiple mineralised conglomerate reef zones with gold grades up to 47.5g/t.

Significant Intercepts from the recently released assay results include;

- 5.5m @ 4.27g/t Au from 7.5m (WRCKP062)
- 4m @ 7.68g/t Au from 31.5m (WRCKP024)
- 4m @ 7.21g/t Au from 47m (includes 0.5m @ 47.5g/t) (WRCKP016)
- 4m @ 6.24g/t Au from 46m (includes 2m @ 10.10g/t) (WRCKP041)
- 3m @ 6.08g/t Au from 19.5m (WRCKP032)
- 1m @ 28.14g/t Au from 55m (WRCKD006)

On 23rd January 2009, West Wits announced its maiden JORC Inferred Gold Resource of 157,019 ounces at 2.14g/t, which a small resource of 3,779 ounces at 1.64 g/t being upgraded to an Indicated JORC Resource. The resource currently extends down 85m across a 2km strike length.

The Emerald Target will progress to a pre-feasibility scoping study upon completion of some minor further geological work with an anticipated completion in the June Quarter 2009. In conjunction with the scoping study, which will include pit optimisation assessments, metallurgical studies will also be undertaken to further understand the grade characteristics of the target reef tests, as well as, environmental studies assessing the impact of any operation undertaken. The Company is aiming for each of these studies to be completed by the middle of 2009, subject to which the Company

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anticipates being able to apply to the Department of Minerals and Energy for an approval to mine over the targeted area. If all these milestones are successfully achieved in a timely manner, West Wits' is confident that the Emerald Resource would be in production by the end of the year.

Princess Target – Luipaardsvlei Lease

The Princess Target is a section of Kimberley Reef located on the Luipaardsvlei lease, which is the continuation of the section Kimberley Reef known as the Emerald Target located on the Company's adjacent West Rand Consolidated Lease. The Princess Target is approximately 2.4km in strike length.

The Princess Target Phase 1 drilling program was completed in the September Quarter for 2,301m. The program confirmed near surface high mineralisation, that warranted an immediate follow up Phase 2 program to further test the continuity of the mineralisation. The Phase 2 drilling program, was a 525m RC program, completed in November.

All assay results were received and released in December 2008, the results returned numerous high grade intercepts across several zones of the Princess Target.

Significant Intercepts from the recently released assay results include;

- 3.5m @ 5.28g/t Au from 44.5m (LVKP039)
- 3m @ 5.54g/t Au from 14.5m (LVKP039)
- 2m @ 11.65g/t Au from 24m (LVKP026)

A geological model is currently being constructed with a resource estimation anticipated to be completed by the Company's geological consultant by end March Quarter 2009.

Radiant Target – Rand Leases

The Radiant Target is a 1.3km section of unmined Kimberley Reef located on the eastern margin of Rand Leases. The Kimberley Reef on each of the Company's leases was heavily mined to depths up to 2.5km below surface. However, Rand Leases mine production forecast plans found during a review of historical information indicated an approximate 1.3km area of unexploited Kimberley Reef on the Rand Leases.

The exploration model currently being executed at the Radiant Target has two objectives:

1. To confirm high grade near surface mineralisation conducive to an open cut operation; and,
2. To develop deeper underground resources targeted at the existing unmined reef, which may be accessed through historical infrastructure.

A complete initial drilling program of 5,204m (1,139m of RC and 4,065m of DDH) was achieved across the Radiant Target during the 2008 calendar year. The drilling program conducted between April and September confirmed the presence of high grade mineralisation. The assay results released in December 2008 for this extensive first up program, revealed high grade intercepts over mineable widths in a significant number of drillholes. The assay results confirmed the presence of multiple mineralised conglomerate reef horizons, as outlined in associated historical mining reports and maps.

Significant Intercepts from the recently released assay results include;

- 4.5m @ 2.91g/t Au from 239.35m (includes 1m @ 4.73g/t) (RLKPD021)
- 4m @ 3.55g/t Au from 77.65m (includes 1m @ 8.28g/t) (RLKPD012)
- 2m @ 4.06g/t Au from 268.37m (includes 0.5m @ 11.42g/t) (RLKPD020)
- 1m @ 8.25g/t Au from 177.38m (includes 0.5m @ 15.65g/t) (RLKPD018)

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A geological model is currently being finalised with a resource estimation anticipated to be completed in the March Quarter 2009. The Company will then assess as to the best way to advance the Radiant Target.

Turk Target – Luipaarsdvlei Lease

The Turk Target was identified in the June Quarter 2008, as part of the Company's historical data review, as having potential for near surface gold mineralisation. As a consequence, an initial drill program was designed and completed during September for 2,047m. The program was completed on 200m section spacing's across a strike of approximately 2kms to a maximum vertical depth of 80m.

All Phase 1 assay results were received and released in December 2008. The results highlighted 2 distinct areas of high grade near surface gold mineralisation.

Significant Intercepts from the recently released assay results include;

- 2.5m @ 4.28g/t Au from 64.5m (LVVP009)
- 1m @ 11.29g/t Au from 71m (LVVP017)

A Phase 2 drilling program will be designed in the March 2009 Quarter to further test to continuity of the mineralisation. The implementation of the program is likely to be scheduled for the 2nd half of 2009.

Preview of Operations: Next Quarter

West Wits has now completed in excess of 25kms of drilling and with excellent gold assay results being received. The Company is now moving into a resource delineation stage on selected targets during the March Quarter 2009.

As stated the primary focus will be completing all required studies at the Emerald Target by the middle of 2009 in anticipation of being able to apply to the Department of Minerals and Energy for an approval to mine over the targeted area. If all these milestones are successfully achieved in a timely manner, West Wits' is confident that the Emerald Resource may be in production by the end of the year.

The Company anticipates having further initial resource calculations completed at the Radiant and Princess Targets during the March Quarter 2009.

The Company has maintained a consistent strategy through the December Quarter to test near surface targets as a possible pathway to early cash flow generation through open cut operations, before investigating deeper and more capital intensive exploration targets.

The Raptor Target has been placed at a lower priority due to the continuing lower uranium prices. In 2009 a further review will occur to assess the further prospectivity of Raptor Target.

Corporate

West Wits is continuing to monitor the current market conditions and maintain a cautious expenditure attitude in all its activities. As the bulk of near surface exploration was conducted in the 2008 Calendar year, expenditure in 2009 will be focussing on the resource estimation and resource development of the particular explored targets (i.e. Emerald, Radiant and Princess).

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For And On Behalf Of The Board



Grant Ferguson
Executive Director
West Wits Mining Limited

Appendix 5B – 2nd Quarter

Mining Exploration Entity Quarterly Report

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

Name of Entity:

WEST WITS MINING LIMITED (ASX: WWI)

ABN:

89 124 894 060

Quarter Ended ('Current Quarter')

31st December, 2008

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (6 months) \$A'000
<u>Cash Flows Related to Operating Activities</u>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(1,900)	(3,678)
(b) development	-	-
(c) production	-	-
(d) administration	(359)	(679)
(e) contract services	(44)	(73)
(f) staff costs	-	-
(g) other working capital	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	187	395
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(2,116)	(4,035)
<u>Cash Flows Related to Investing Activities</u>		
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 to other entities	-	-
1.12a Other – Acquisition of Subsidiary	-	-
1.12b Other (provide details if material)	-	-
Net Investing Cash Flows	-	-
1.13 Total Operating and Investing Cash Flows	(2,116)	(4,035)

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		Current Quarter \$A'000	Year to Date (6 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(2,116)	(4,035)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
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 (provide details if material)	-	-
Net Financing Cash Flows		-	-
Net Increase / (Decrease) in Cash Held		(2,116)	(4,035)
1.20	Cash at beginning of quarter/year to date	10,588	12,469
1.21	Exchange rate adjustments to item 1.20	14	52
1.22	Cash at End of Quarter	8,486	8,486

**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	114
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 & consulting fees at normal commercial rates
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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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Financing Facilities Available

Add notes as necessary for an understanding of the position.

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

Estimated Cash Outflows for Next Quarter

	\$A'000
4.1 Exploration and evaluation	1,250
4.2 Development	-
Total:	1,250

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.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	688	3,048
5.2 Deposits at call	7,798	7,540
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)	8,486	10,588

Changes in Interests in Mining Tenements

	Tenement Reference	Nature of Interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

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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	Preference +Securities <i>(Description)</i>	-	-	-	-
7.2	Changes During Quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions	-	-	-	-
7.3	+Ordinary Securities	121,750,120	78,850,000	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	-	-	-	-
7.5	+Convertible debt securities <i>(Description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(Description and Conversion Factor)</i>	16,216,664	-	Exercisable @ \$0.20 to \$0.30	-
7.8	Issued during quarter	6,916,664	-	Exercisable @ \$0.20	-
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ 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: 29th January, 2009

Print Name:

Director
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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