

# Great Western Exploration Limited

ABN 53 123 631 470

## 1 Important Information

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This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 19 October 2016 (**Prospectus**) issued by Great Western Exploration Limited (**Company**).

This Supplementary Prospectus is dated 18 November 2016 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that day. ASIC, ASX Limited (**ASX**) and their respective officers do not take any responsibility as to the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at <http://www.greatwesternexploration.com.au>. The Company will send a copy of this Supplementary Prospectus to all Applicants who have applied for Shares under the Prospectus as at the date of this Supplementary Prospectus.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisors without delay.

## 2 Shareholder Approval of Proposed Acquisition

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Further to the Prospectus dated 19 October 2016, on 26 October 2016 the Company received Shareholder approval at the Shareholders General Meeting for (amongst other things) the acquisition of Vanguard Shares. A copy of the Company's announcement can be obtained at [www.asx.com.au](http://www.asx.com.au).

Additionally, Vanguard announced on 26 October 2016 it has received signed Application Forms from Vanguard shareholders in respect of 92.4% of the Vanguard Shares. As a result, subject to Completion occurring, the Company will be able to proceed to compulsorily acquire any remaining Vanguard Shares under section 414 of the Corporations Act so that Vanguard becomes a wholly owned subsidiary of the Company.

## 3 Acquisition of controlling interest (80%) in additional tenements

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As announced on 18 November 2016, the Company has signed an agreement to acquire an 80% interest in tenements E53/1612 and E53/1816 (**Harris Find Project**). The Harris Find Project is located adjacent to Vanguard's Ives Find Project in the Yandal greenstone belt, and is considered prospective for gold, lithium and base metals.

Details regarding the proposed acquisition are outlined in the Company's ASX announcement dated 18 November 2016 (**Harris Find Announcement**), which forms Schedule 1 to this Supplementary Prospectus.

## 4 Changes to capital structure

As noted in the Harris Find Announcement, the consideration for the Harris Find Project acquisition includes the issue of GTE shares and options. It is expected that the Harris Find Completion will occur prior to Completion of the Proposed Acquisition. As a consequence, following completion under the Harris Find Project acquisition agreement (**Harris Find Completion**), the Company will have:

- (a) 313,640,826 fully paid ordinary shares (up from 288,640,826 Shares at the date of the Prospectus)); and
- (b) 12,500,00 options (up from nil at the date of the Prospectus),  
on issue.

This has an impact on the information contained in sections 7.1 (Effect of the Proposed Acquisition on the Company) and 7.6 (Effect of the Offer on the Company's securities) of the Prospectus. In particular:

- (a) If the Harris Find Completion occurs prior to Completion of the Proposed Acquisition, the substantial Shareholders and the effect of the Proposed Acquisition and the issue of the Consideration Shares on the Company's substantial Shareholders is set out below:

Shareholder	Prior to Acquisition <sup>1</sup>		Post-Acquisition <sup>2</sup>	
	No. of Shares	% interest	No. of Shares	% interest
Kevin Somes and Associates	24,389,572	8.45	44,872,904	7.95
Holdrey Pty Ltd ATF The Don Mathieson Family Trust and Associates	28,218,496	9.78	28,218,496	4.99
Dilkara Nominees Pty Ltd	Nil	Nil	32,333,336	5.72
Jordan Lockett	22,783,333	7.89	22,783,333	4.03
BAM NR1 Pty Ltd and Associates	20,687,077	7.17	20,687,077	3.66
Sunden Pty Ltd and Associates	16,166,667	5.60	26,166,667	4.63
Total Shares on issue	288,640,826	38.89	564,473,950	30.98

<sup>1</sup> This is at the date of the Supplementary Prospectus, and prior to the Harris Find Completion.

<sup>2</sup> This assumes that 100,000,000 Shares are issued under the Placement and 25,000,000 Shares are issued in connection with the acquisition of the Company's interest in the Harris Find Project.

- (b) Assuming that both the Proposed Acquisition and Harris Find Project acquisition complete, at Completion the effect of the Offer will be that:
  - (i) cash reserves will increase by \$1,000,000 (before costs);
  - (ii) the number of Options on issue will be 12,500,000; and

- (iii) the number of Shares on issue will increase from 288,640,826 to 564,473,950.

## 5 Consolidated statement of financial position

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Set out in Schedule 2 is an unaudited Consolidated Statement of Financial Position of the Company and the unaudited Consolidated Pro-Forma Statement of Financial Position, as at 30 June 2016 and on the basis of the following assumptions:

- (a) the Proposed Acquisition had completed by 30 June 2016;
- (b) 25,000,000 Shares are issued in connection with the Harris Find Completion at an issue price of \$0.01;
- (c) 100,000,000 Shares are issued under the Placement at an issue price of \$0.01;
- (d) no further Shares are issued (other than the Consideration Shares referred to in the Prospectus and the Shares issued in connection with the Harris Find Completion); and
- (e) the costs of the Offer are \$55,000.

## 6 Application for quotation of shares

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As set out in section 10.3 of the Prospectus, the Company intended to apply to ASX for quotation of the Consideration Shares offered within 7 days after the date of the Prospectus. Due to an administrative oversight, this did not occur. As a consequence, in accordance with the Corporations Act (as modified by ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70), the Company advises that:

- (a) Vanguard Shareholders who have accepted the Vanguard Offer now have one month to withdraw their Application (**Withdrawal Right**). Any Vanguard Shareholder who wishes to exercise their Withdrawal Right may do so by written request addressed to the Company and lodged at the Company's registered office (as set out in the Prospectus) before 5pm (WST) on 22 December 2016 (**Withdrawal Period**); and
- (b) the Vanguard Offer will remain open until at least expiration of the Withdrawal Period.

The Company confirms that:

- (c) The number of Consideration Shares for which applications have been received as at the date of this Supplementary Prospectus is 145,333,124.
- (d) The Consideration Shares have not been admitted to quotation.
- (e) ASX has given no indication that the Consideration Shares will not be admitted to quotation, or admitted to quotation subject to certain conditions being satisfied.
- (f) It will apply to ASX for quotation of the Consideration Shares offered within 7 days after the date of this Supplementary Prospectus on ASX.
- (g) The date by which the new quotation condition must be satisfied is 17 February 2016.

## **7 Directors' Authorisation**

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This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Dated: 18 November 2016

Justin Barton

Company Secretary

On behalf of Great Western Exploration Limited

## **Schedule 1 - Announcement**

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## ASX Release

18 November, 2016

Great Western Exploration Limited

ABN 53 123 631 470

ASX Code: *GTE*

*Success starts with Opportunity*

GTE is an experienced exploration company focussed on the discovery of high value base metal, nickel and gold deposits.

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[info@greatwesternexploration.com.au](mailto:info@greatwesternexploration.com.au)

[www.greatwesternexploration.com.au](http://www.greatwesternexploration.com.au)

Board of Directors

*Kevin Somes – Chairman*

*Jordan Luckett – Managing Director*

*Craig Mathieson – Non-Executive*

*Terry Grammer – Non-Executive*

*Justin Barton – Company Secretary*

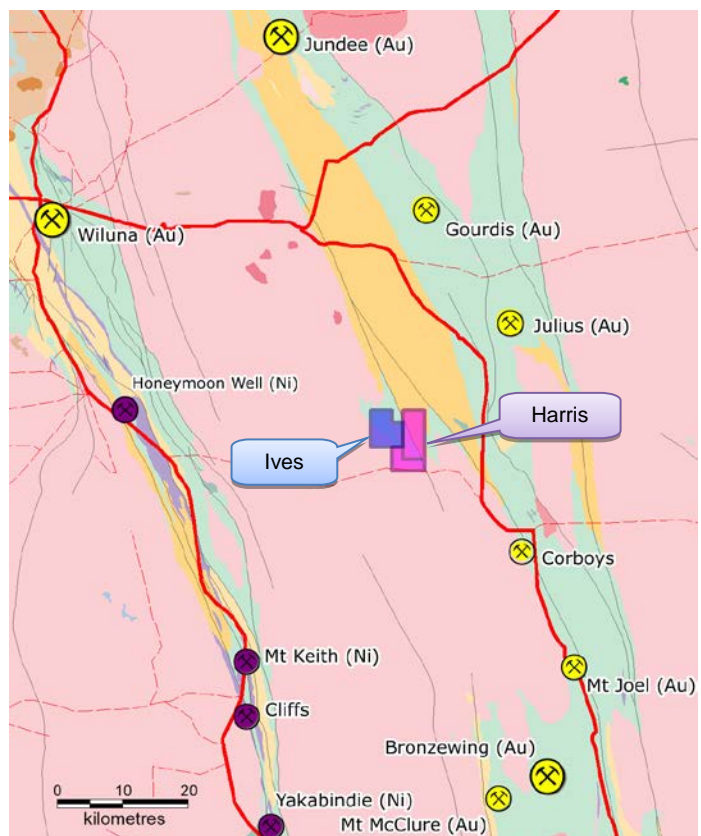
## Harris Find Project

Gold – Lithium - Base Metals

Great Western Exploration Limited (“the **Company**”; “**GTE**”) is pleased to announce it has acquired a controlling interest (80%) in exploration tenements E53/1612 and E53/1816 (the “**Harris Find Project**”).

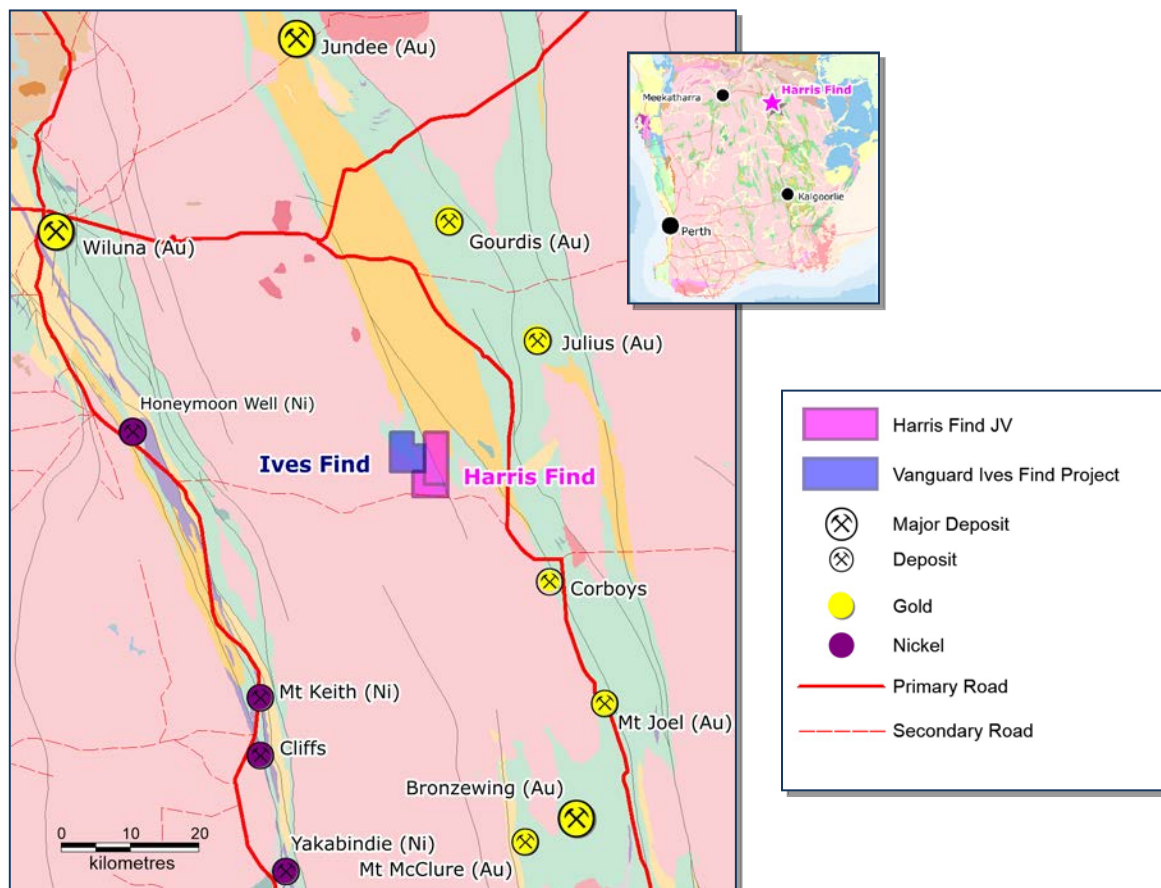
The Harris Find Project is located adjacent to Vanguard’s Ives Find Project in the Yandal greenstone belt, and is considered prospective for gold, lithium and base metals.

Subject to GTE successfully completing the Vanguard Acquisition (see ASX announcement dated 19 October 2016), GTE will control the majority of the under explored Ives Find – Harris Find gold district of the Yandal greenstone belt.



On 25<sup>th</sup> October 2016, the Company's shareholders overwhelmingly approved the Vanguard Exploration Limited ("**Vanguard**") acquisition and proposed capital raising. As set out in the Company's prospectus dated 19 October 2016, one of Vanguard's projects is a promising new gold-silver discovery with bonanza grades at its Ives Find project located in the Yandal greenstone belt.

The Company has now acquired a controlling interest (80%) in the Harris Find gold Project, which is located adjacent to Vanguard's Ives Find project (fig 1).



**Figure 1.** Location of Harris Find and Ives Find Projects

The Company recognised the Ives Find Project as being prospective for high grade lode gold & lithium, which was the reason why the Company initiated the Vanguard acquisition. Subsequently the Company identified that the favourable geology seen at Ives for both gold and lithium continues into the surrounding areas. Furthermore, because of the fragmented nature of tenement ownership over the years, the broader area has not been systematically explored like other areas of the Yandal belt. In fact, other than several small localised soil programmes, metal detecting, alluvial prospecting and the RC drilling completed by Vanguard, there has been very little exploration in the area since the 1990s. The Company saw this as an opportunity, and made the decision to try and consolidate this area.

Subject to the Company completing the Vanguard Acquisition, the acquisition of a controlling interest in the Harris Find Project will not only allow the Company to achieve its initial consolidation objective, but in the process the Company has also identified a number of exciting gold exploration targets.

## Terms of the Agreement

The Company has entered into an agreement with Diversified Asset Holdings Pty Ltd and Brutus Constructions Pty Ltd to acquire an 80% interest in tenements E53/1612 and E53/1816 under the following terms:

- 1) A total of \$120,000 in stage payments
  - a. \$25,000 on signing;
  - b. \$50,000 when capital raising is completed; and
  - c. \$50,000 in 12 months' time.
- 2) A total of 25 million fully-paid GTE ordinary shares and 12.5 million GTE options with the following conditions:
  - a. 4 million 2 cent options expiring 31 December 2017; and
  - b. 8.5 million 4 cent Options expiring 31 December 2018.
- 3) The remaining 20% is free carried to Decision to Mine.

## Harris Find Project

The Harris Find project is adjacent to Vanguard's Ives Find Project, and both projects occur within the Yandal greenstone belt approximately 63 km southeast ("SE") of the Jundee gold mine and 55 km northwest ("NW") of the Bronzewing gold mine.

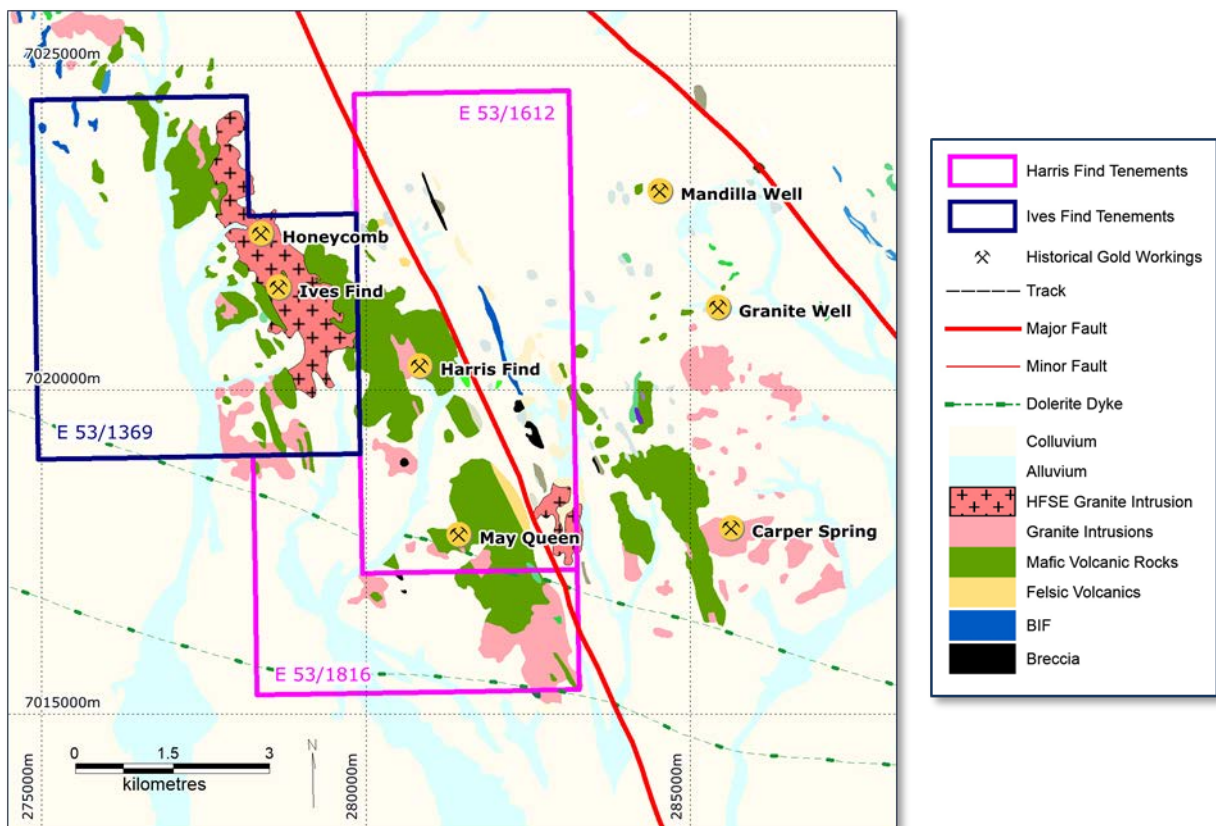


Figure 2. Harris Find and Ives Find Geology



The geology comprises of mafic volcanics interbedded with felsic volcanics and sediments intruded by granodiorites and HFSE granites (fig 2). The area is also structurally complex, with numerous minor faults orientated in several directions interconnected with several major NW trending faults that form part of the regional Moilers shear zone.

There are two areas of old workings within the project, Harris Find and May Queen. The main workings are at Harris Find, and were mined up to 1910 at a grade of 17.37 g/t gold. The gold mineralisation is within quartz veins up to 5 m wide that occur within northwesterly orientated shear zones. There are numerous similar shears 1 m to 15 m wide and up to 100 m apart located around the area of the mine.

The May Queen workings are located approximately 2.5km to the SE along strike of the Harris Find. There has been no drilling in this area, and in recent years over 100 nuggets have been recorded to come from this area.

There has been surprisingly little exploration carried out in the region, most likely due to the fragmented private ownership of the tenements over the years. Previous exploration included localised soil sampling and very shallow RAB drilling in 1990 by companies affiliated with Great Central Mines, which were targeting some of the interpreted shear zones. Only 11 RC holes have been drilled, mostly around the Harris Find workings and there was one diamond hole drilled in the 1970s in the days when the gold rights were not attached to the Mineral Claims used for base metal exploration.

The acquisition of a controlling interest in the Harris Find Project has not only allowed the Company to consolidate an area of the Yandal greenstone belt that is highly prospective for gold, but the geology is also prospective for lithium, base metals and cobalt.

## **Gold**

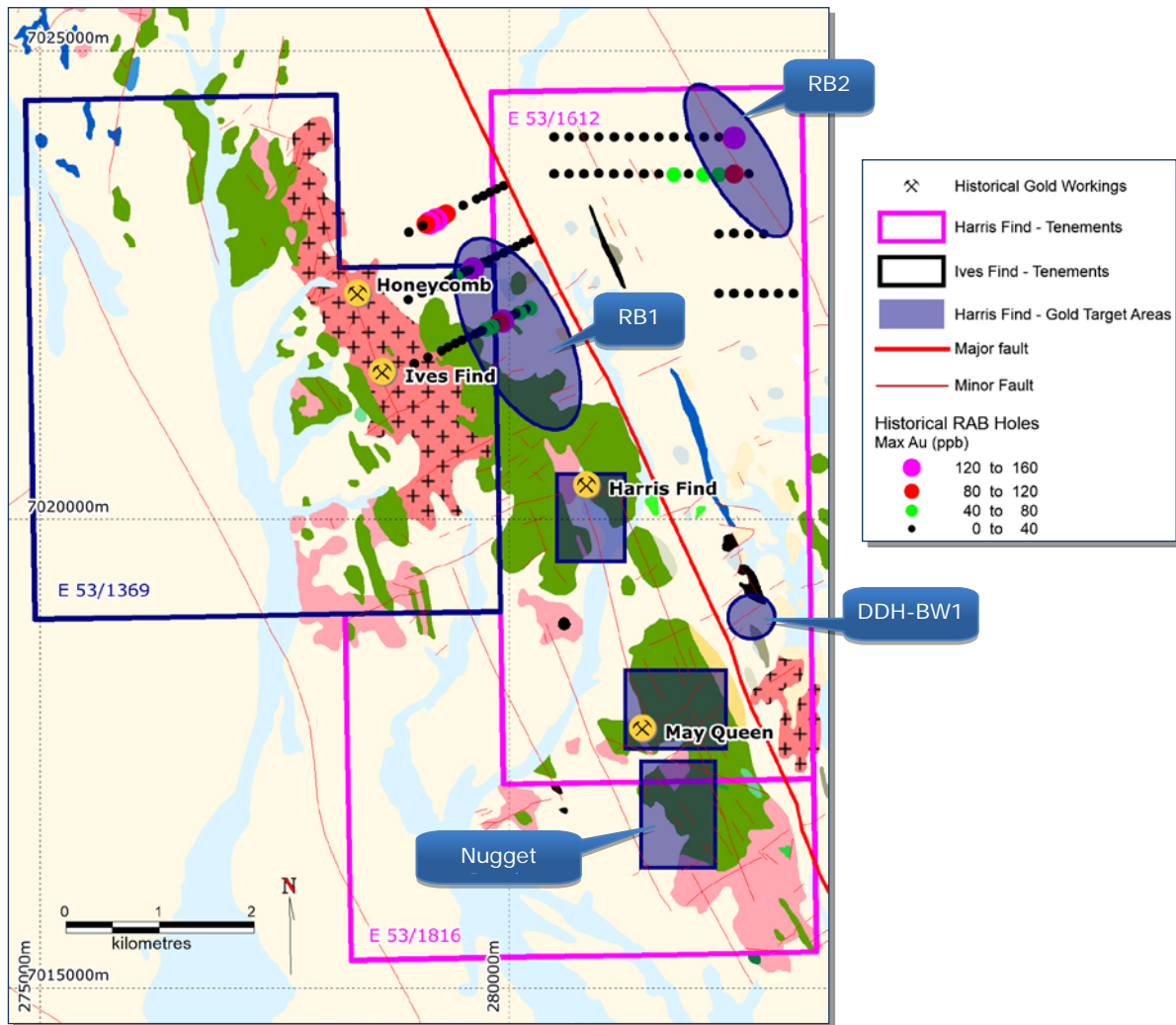
The primary focus at both Ives and Harris Find is on gold mineralisation. There are significant amounts of secondary and primary gold associated with shears that occur in a complex structural setting within greenstone sequences that have been intruded by several different types of granites. This is similar to what has been observed in other nearby locations where significant gold discoveries have been made including Julius, Corboys, Mt McClure deposits and Bronzewing deposits, as well as the major Jundee deposit located 65 km to the NW. Furthermore, the area has not been subject to the co-ordinated and systematic modern exploration programmes that resulted in these discoveries.

While the Company is confident that applying such programmes will result in the discovery of new exciting gold targets, it has already identified several priority areas for immediate follow-up from the limited historical work (fig 3).

### **Harris Find**

The Harris Find workings have strike length of approximately 250 m long and a maximum depth of 17 m. The reported mine grade was 17.37 g/t and a rock chip sample taken from bottom of the workings returned an assay of 105 g/t gold. There are 8 shallow (<30 m) RC drill holes drilled around the workings with 5 intersecting significant gold mineralisation that include 4 m @ 1.16 g/t gold, 3 m @ 2.84 g/t gold, 1 m @ 12.5 g/t gold, 4 m @ 6.87 g/t gold and 1 m @ 6.8 g/t gold. These intersections remain open at depth.

The drilling did not systematically test the workings and was not continued along strike where the shear zone continues, which is co-incident with a strong gold-in-soil anomaly ( > 10 ppb) that extends approximately a further 750 m to the southwest.



**Figure 3.** Initial gold areas identified for further follow-up at Harris Find.

### May Queen

No drilling has been reported at May Queen, and there appears to be no historical production records. Historical soil sampling delineated a 650 m x 500 m gold – in-soil anomaly (>10 ppb) that was not followed up. Further soil sampling completed by the Vendor covering the NW strike of the workings extended the gold anomalism a further 500 m with the highest value 6.34 g/t gold. The Vendor also carried some metal detecting and recorded 12 nuggets from the area.

May Queen is an interesting target and further soil sampling and geophysics surveys are required prior to drill testing this area.

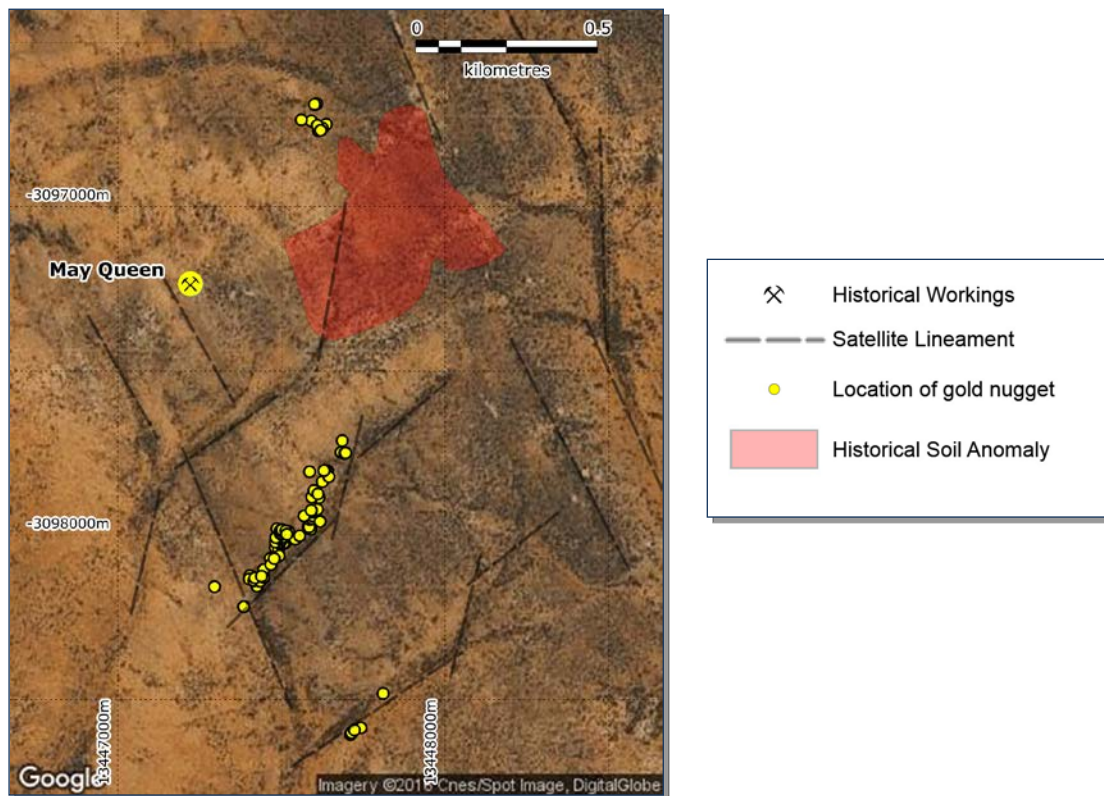
### DDH – BW1

The DDH – BW1 target is an exciting walk up drill target. It is a historical diamond hole drilled to a depth of 120 m in the 1970s by Anglo America exploring for nickel on one of their Barwidgee Project Mineral Claims (“MC”). The drill hole was not assayed for gold as MCs did not contain gold rights, only base metal rights.

It was reported that the drill hole intersected fresh sulphides within ultramafic rock at 24 m and then for the next 60 m before bottoming out in granite. Further examination of the drill log reveals that the hole intersected silicified amphibolite with up to 20% sulphides (pyrite, pyrrhotite and minor sphalerite), quartz veining, quartz sericite schists, chalcopyrite veinlets, strong chlorite alteration, and jaspilite. The bottom of the hole intersected granite porphyry with quartz sphalerite veining and was terminated in pegmatite.

The high grade mineralisation encountered in the RC drilling at Ives Find was within silicified amphibolite with strong sulphides, quartz veining and quartz sericite schists. The sequence described is also similar to what has been reported at the Julius gold deposit located 25 km to the east where gold occurs within altered mafic and ultramafic along the contact of a granite. Furthermore, government mapping has identified breccia and shearing near the drill hole location which is a feature of the Nimary-Jundee deposits located 65 km along strike to the NW that have the same type of alteration and lithologies.

The Company is planning to re-drill this hole using RC to test for gold and lithium, as well as carry out geochemical and geophysical surveys along strike of the shear and breccia zones.



**Figure 4.** Concentration of gold nuggets south of May Queen

### Nugget Patch

The Vendor carried out metal detecting in an area approximately 850 m SE of May Queen and discovered approximately 83 nuggets concentrated in an area that looks to be a cross fault within a NW trending shear zone (fig 4).

The nuggets range from smooth to jagged, suggesting that many of them have been liberated directly from nearby veins. The discovery of visible gold within vein quartz in the same location is further evidence that the source of the gold could be nearby undiscovered lodes (fig 5).

This is a very interesting area that has had no previous exploration. The Company intends to complete geological mapping, geochemical and geophysical surveys prior to drilling.



**Figure 5.** Examples of nuggets found at Nugget Patch. Note the primary gold visible in the quartz suggest the source is nearby.

#### RB1 & RB2

In the 1990s, Great Central Mines carried out some localised RAB drilling targeting interpreted shear zones. These areas have shallow cover so the drilling was not able to penetrate more than a few metres on average.

The drilling did delineate two encouraging geochemical gold anomalies that appear to be continuous across several broadly spaced lines co-incident with NW trending shears (fig 3). These anomalies will be followed by the company firstly carrying out mapping, geochemical and geophysical surveys followed by drilling.

### **Lithium**

As previously stated by the Company in relation to Ives Find, the geological setting of this area is text book for lithium exploration (USGS Lithium exploration guide) having the right type of granite source rock and numerous pegmatites with the right mineralogy. Furthermore diamond hole DDH-BW1 intersected pegmatite at the bottom of hole.

Within the Ives-Harris Find area the GSWA mapped large area of pegmatite outcrop and further field checking identified numerous pegmatites, in some locations over a strike length of approximately 6 km and up to 300 m in width (fig 6). Minerals that have been observed in hand specimen include spessartine (Mn rich garnet), green muscovite and white k-feldspar. There are additional minerals that are either tourmaline and/or tantalite as well as fluorite and/or spodumene. There is also abundant manganese oxide coating of the host basalts adjacent to the pegmatite intrusions.

The following table lists the main guidelines published by the United States Geological Survey ("USGS") for the exploration and discovery of economic lithium – tantalum pegmatites (LCT pegmatites):



**Table 1.** The USGS guidelines for lithium exploration

USGS Lithium Exploration Guidelines	Ives Find Project
The potential for giant LCT pegmatite deposits are within Archaean aged rocks	✓
All LCT pegmatites were emplaced into orogenic hinterlands, even those now in the cores of Precambrian cratons.	✓
LCT pegmatites represent the most highly differentiated and last to crystallize components of certain granitic melts.	✓
Parental granites are typically peraluminous, S-type granites. The genetic links between a pegmatite and its parental granite have been established through various lines of evidence. In the clearest cases, the two can be linked by physical continuity (Greer Lake, Canada) (Ç S-t and others, 2005).	✓
The identification of possible granitic parents is a key step in evaluating a region for LCT pegmatite potential. Fertile, peraluminous granites typically contain coarse muscovite that is green rather than silvery; potassium feldspar that is white rather than pink; and accessory garnet, tourmaline, fluorite, and (or) cordierite (Selway and others, 2005). Fertile granites have high caesium, lithium, rubidium, tin, and tantalum, and low calcium, iron and magnesium	✓
The most evolved pegmatites may contain orange, manganese-rich spessartine	✓

All of these criteria are observed at Ives – Harris Find



**Figure 6:** One example of Pegmatite Outcrop at Ives Find.

## Base Metals & Cobalt

There are bi-modal volcanic sequences (interbedded mafic and felsic volcanics) co-incident with a sulphidic black shale within the Harris Find Project. These types of sequences are known to host VHMS mineralisation and, more importantly, is similar to the sequence that hosts the Teutonic Bore and Jaguar VHMS deposits located approximately 125 km to the south.

There are further similarities with the Ives - Harris area enriched in HFSE, which is not common for the district, but is also a feature of the rocks that hosts the Jaguar and Teutonic Bore deposits.

In the 1970s, in addition to completing the diamond hole DDH-BW1, Anglo America completed 24 shallow (average depth 25 m) air track holes. The location of these holes are uncertain, but they appear to be in the vicinity of the diamond hole targeting the black shale/Chert ridge.

Some of the results from these holes are encouraging for base metal VHMS mineralisation, with the best results reported as being:

Cu (ppm)	Pb (ppm)	Zn (ppm)	Co (ppm)	Ni (ppm)	Ag (g/t)
560	120	360	110	120	2

As a side note, one of the holes, BW 7G, was reported as intersecting approximately 55' (~18 m) of disseminated sulphides to the bottom of the hole. The hole appears to be drilled down dip of an outcropping gossan somewhere along strike of DDH-BW1. Also, the hole appears to have been assayed only for copper-lead-zinc and returned an anomalous 400 ppm copper result.

**J A Lockett**

**Managing Director**

### Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Jordan Lockett who is a member of the Australian Institute of Mining and Metallurgy. Mr Lockett is an employee of Great Western Exploration Limited and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lockett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## Schedule 2 – Consolidated Statement of Financial Position

		30 June 2016 (audited)	Pro-forma 30 June 2016
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		39,184	864,464
Trade and other receivables		12,773	12,611
Other financial assets		400	400
<b>TOTAL CURRENT ASSETS</b>		<b>52,357</b>	<b>877,357</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment		6,950	6,950
Mineral exploration expenditure		3,611,559	3,981,559
Other financial assets		-	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>3,618,509</b>	<b>3,988,509</b>
<b>TOTAL ASSETS</b>		<b>3,670,866</b>	<b>4,865,866</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		530,334	530,334
<b>TOTAL CURRENT LIABILITIES</b>		<b>530,334</b>	<b>530,334</b>
<b>TOTAL LIABILITIES</b>		<b>530,334</b>	<b>530,334</b>
<b>NET ASSETS</b>		<b>3,140,532</b>	<b>4,335,532</b>
<b>EQUITY</b>			
Issued capital		20,244,437	21,439,437
Accumulated losses		(17,103,905)	(17,103,905)
<b>TOTAL EQUITY</b>		<b>3,140,532</b>	<b>4,335,532</b>