



ASX Code: GTE

ASX RELEASE

9th May 2017

Yandal West Update

Great Western Exploration Limited (**‘the Company’**; **“Great Western”**) is pleased to provide an update on its Yandal West Gold Project (**“Yandal West”**) located on the western side of the world class Yandal gold belt in Western Australia (fig 1).

Summary

The Company announced on 10 April 2017 that it had identified a new highly significant 6 km gold trend at its Yandal West Project. Subsequent to the Sandfire transaction (refer ASX release 12th April 2017) the company has been in a position to dedicate its management resources on Yandal West and further geological work has provided the company with confidence that Yandal West has the potential to become a major new gold discovery.

As a consequence of the interpreted potential size and scale of Yandal West, the company has resolved to augment its exploration programme and is pleased to advise that a whole of project soil sampling and detailed aeromagnetic surveys have been arranged as part of a systematic campaign considered appropriate for the Project. These works have been expedited and are scheduled for completion prior to the end of this month.

Following completion and interpretation of data, the company looks forward to announcing an immediate high impact drilling campaign which can be comfortably funded from the recent placement and Sandfire transaction once settlement has occurred.

Managing Director, Jordan Luckett, said; “The timing of the Sandfire transaction has worked well in relation to the newly identified gold trend at Yandal West by providing us with the capacity to undertake a more structured campaign which will significantly enhance our prospects of success.”

Commentary

On the 10th April 2017, the Company announced that it had identified a potential gold trend that has approximately 6 km of strike located at the convergence of two major regional faults; the first is the primary fault that hosts the Bronzewing gold deposit (> 3 million oz.) and the second is the primary fault that hosts the Mt McClure gold deposit (~1.2 million oz.). Both deposits are located approximately 55 km along strike to the south (fig 2).

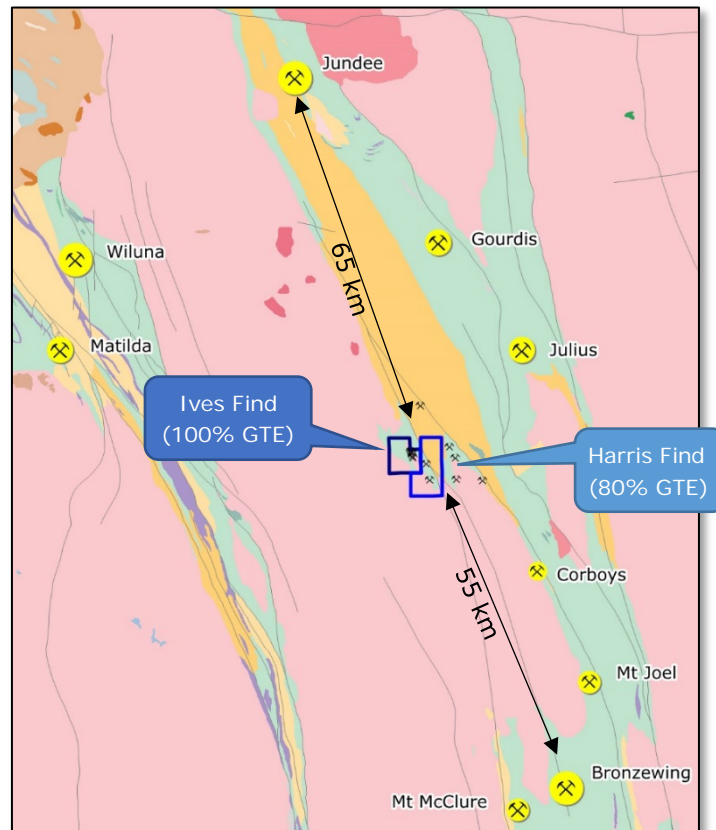


Figure 1. Location of Yandal West Gold Project in Yandal gold belt

This setting was not previously recognised because the last main period of exploration activity in the area was in the 1990s which was around the same time these deposits were discovered. The regional geological maps showing these faults were not updated until after the Yandal gold discoveries and their regional settings were better understood, which took a number of years. Since then the area has been held mainly by prospectors and only limited work has been carried out.

This explains why less than 20% of the Yandal West Gold Project has been subject to any gold exploration at all with only 11% of the area covered by historical soil sampling or RAB drilling with the remaining having little or no previous gold exploration (not even project scale geological mapping).

Furthermore, where there has been historical work there are significant gold anomalies that were never drill tested, or even followed up with infill sampling. These include lag (soil) anomalies with strike lengths of over

2km long (fig 3), coherent gold in RAB anomalies over consecutive broad spaced lines and hundreds of nuggets (fig 4) located with metal detecting (only includes nuggets discovered in the last few years that were recorded using gps by the most recent owner). There was also two small shallow RC (< 40m) programmes completed targeting the historical workings which intersected high grade gold that remained open in all directions.

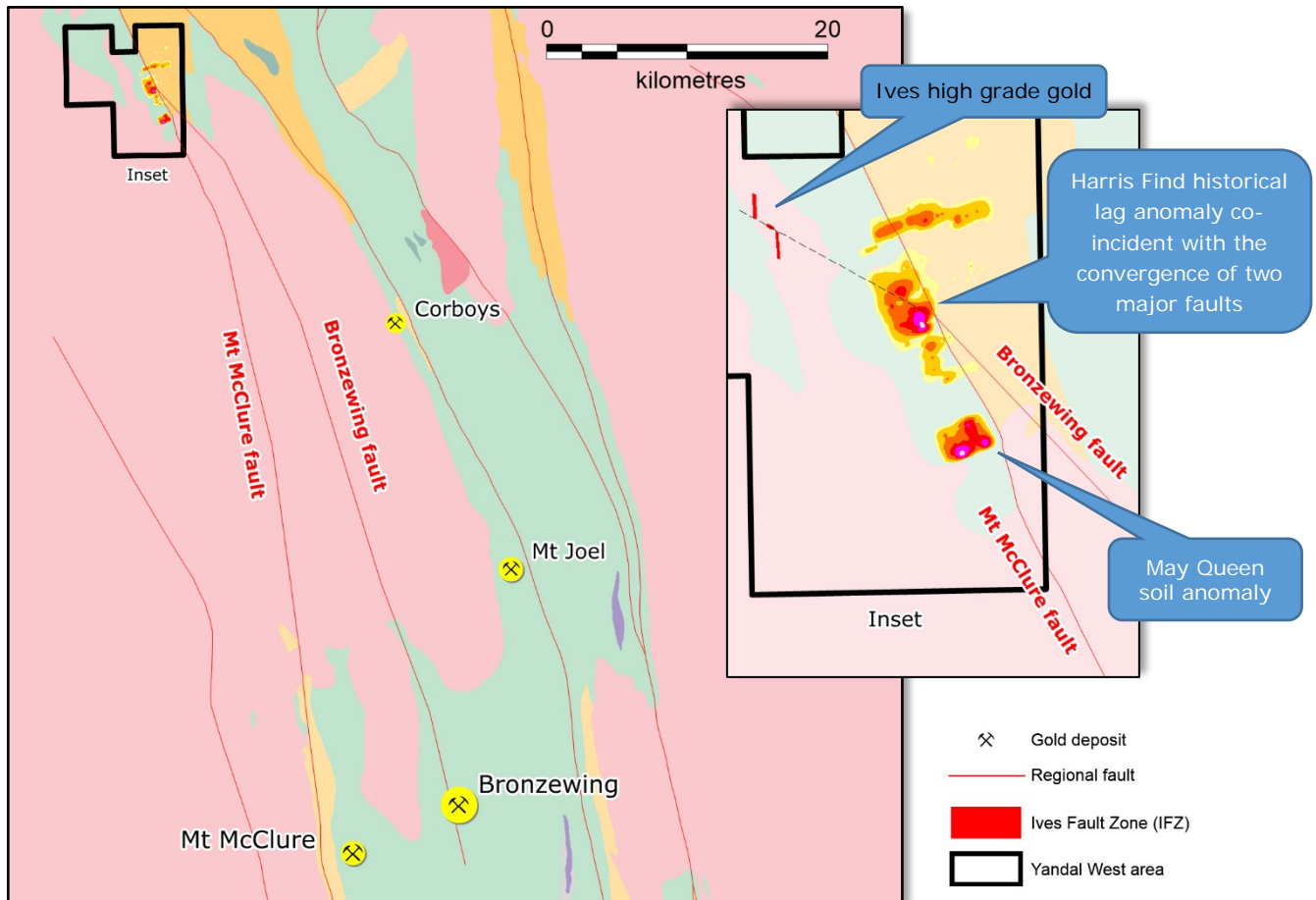


Figure 2. The GSWA map showing the convergence of the Bronzewing and Mt McClure faults at Yandal West. Note the significant historical soil anomalies are co-incident with these significant gold bearing faults.

The amount of the gold anomalism within the limited historical data is an indication of significant gold mineralisation within the project area. This is further supported by the maiden RC drilling completed by the company earlier this year where there was high grade gold associated with extensive hydrothermal alteration indicative of a strong gold system. The gold intersected in this drilling also remains open in all directions.

The Company believes this represents an exciting opportunity to make a significant gold discovery by carrying out the systematic exploration (utilising conventional methods) that resulted in the discovery of the major deposits along strike to the south and have not yet been applied to this area of the Yandal gold belt. The completion of the Sandfire transaction allows Great Western to focus its resources on getting this important work completed starting with soil sampling surveys, detailed aeromagnetic survey and project scale geological mapping.

The phase 1 soil sampling will initially be on a 640m x 80m grid which represents approximately 1,300 samples. The Phase 2 soils sampling will consist of infilling areas where there are anomalies and/or areas of further interest. The soil sampling is to encompass the whole project and is scheduled to commence later this week. The soil data will help identify both the important gold trends for the company to focus on and delineate new prospect areas.

The detailed aeromagnetic survey will be flown on 50m line spacing and will take 4 to 5 days to complete. The survey is scheduled to commence later this month and the data will provide important detail to assist with the geological interpretation of the area and also identify structural targets for further work.

Following the review of these programmes the company will be in a position to announce details of the next drilling campaign that is required to follow up the strong results from drilling announced earlier this year at the Ives Find prospect.

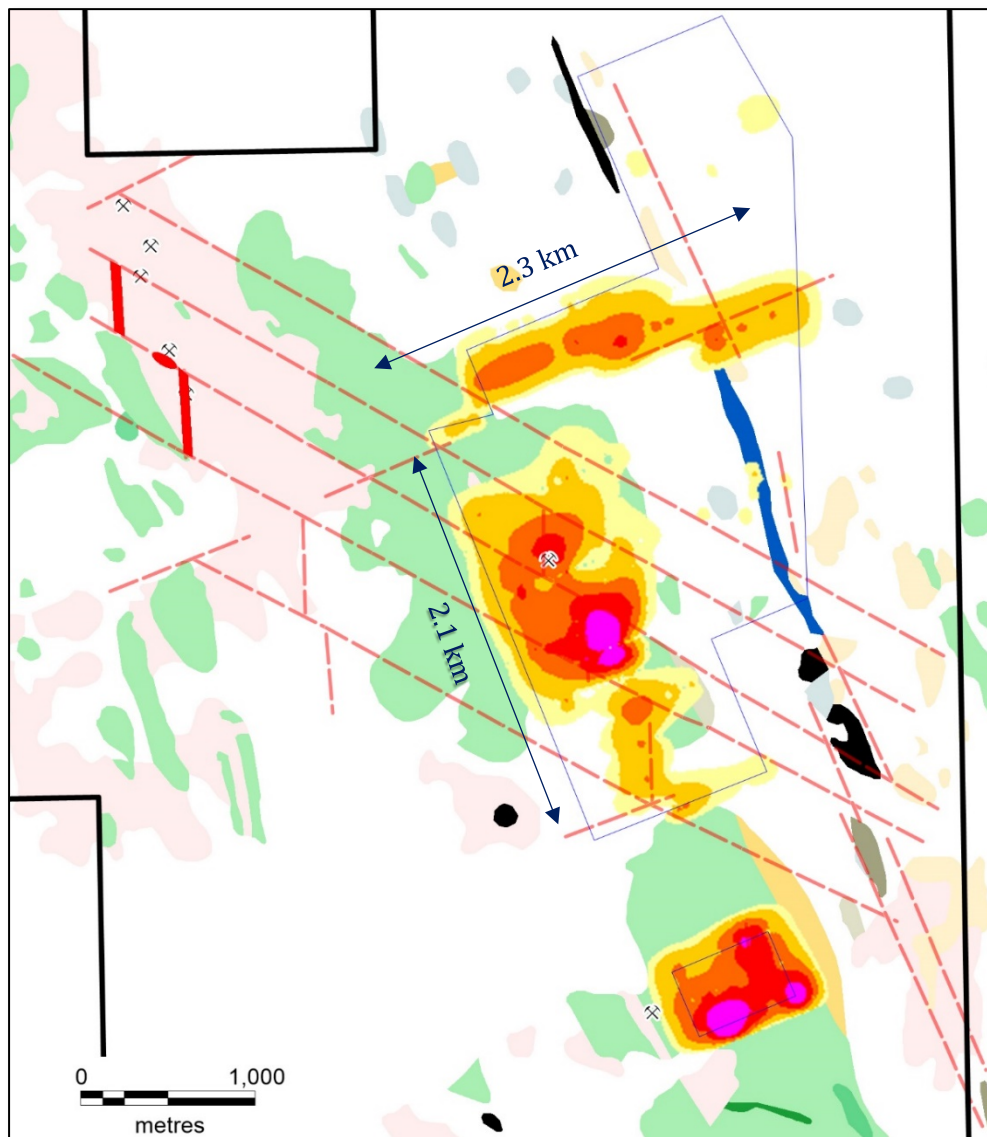


Figure 3. Historical gold – in lag anomalies over 2km in length within the Company’s interpreted structural corridor. Soils sampling on 640m x 80m grid will commence later this week and a detailed 50m line spaced aeromagnetic survey that covers the entire project area is scheduled to be completed by the end of this month.



Figure 4. Example of some of the recent nuggets found at the “Nugget Patch” prospect at Yandal west. This area comprising of mafic greenstone sequences adjacent to the Mt McClure fault has never been subject to any exploration. This is just one example of the potential of the area. Soil sampling and detailed aeromagnetic survey are scheduled to be completed over this area by the end of the month.

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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 Luckett who is a member of the Australian Institute of Mining and Metallurgy. Mr Luckett 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 Luckett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.