28th June 2017

ASX Announcement

EXPLORATION RAMPS UP AT WILUNA WEST GOLD PROJECT

Highlights

- **1,650m Reverse Circulation ("RC") drilling program at Golden Monarch to commence in July**
- **Targeting down plunge extensions to mineralisation**
- **New large geochemical anomaly 'The Blob' defined by recent program**
- **Emu and Eagle drilling programs receive regulatory approval**
- **Program of Work ("POW") lodged for aircore drilling program over 'The Blob' and Bowerbird targets**
- **POW lodged for RC drilling program over targets at Emu North, Eagle South and Comedy King**

Australian focussed explorer, GWR Group Limited (ASX: GWR) ("GWR" or "the Company") is pleased to provide an exploration update for the Wiluna West Gold Project in Western Australia (Figure 1).

Following the execution of a Memorandum of Understanding ("MoU") with Blackham Resources Limited ("Blackham") (ASX: BLK) for the potential treatment of deposits at Wiluna West, the Company has developed a two pronged strategy;

- Assessing its existing gold prospects that have the potential to be near term mining opportunities and generate positive cash flow, and
- Undertaking exploration activities designed to identify potential for "company making" gold deposits.

Golden Monarch Near Term Mining Opportunity

At Golden Monarch, previous shallow drilling identified a Mineral Resource (JORC 2004, Indicated Resource of 46,000 tonnes at 3.5g/t Au and Inferred Resource of 685,000 tonnes at 2.3 g/t Au) over a strike length of 1.5 km; (refer Table 1- Wiluna West Gold Project Gold Resource Estimate). Studies of the mineralisation over a strike length of 500m have identified two south plunging shoots within the deposit that have a combined length of approximately 300m. The northern shoot has been tested to approximately 45m in depth and the southern to approximately 75m in vertical depth (Figure 2).

The current drilling program aims to define these shoots down to a 120 m vertical depth and further test near surface mineralisation as the next stage in determining the economic feasibility of the project. The Company will be testing down plunge extensions to intersections including;

- 8m at 3.64 g/t Au from 68 m in WWRC045
- 13m at 3.57 g/t Au from 83 m in WWRC056
- 10m at 3.62 g/t Au from 51 m in WWRC060
- 10m at 2.95 g/t Au from 70 m in JFRC08
- 6m at 4.93 g/t Au from 71 m in JFRC01
- 3m at 20.77 g/t Au from 38 m in JRC153, including 1 m at 54.3 g/t Au

The RC drilling program comprising 21 holes for 1,650 metres will commence in mid-July and take approximately two weeks to complete. Results will be received in August with an updated Mineral Resource anticipated for September 2017.

Emu / Eagle RC Drilling

The recent review identified the Eagle (JORC2004 Inferred Mineral Resource Estimate of 489,000 tonnes at 2.4g/t Au for 37,800oz at a 1g/t cut off) and Emu (JORC2004 Inferred Mineral Resource Estimate 371,000 tonnes at 2.4 g/t Au for 28,700oz at a 1g/t cut off); as the next most attractive for short term production opportunities via the MoU with Blackham (refer Table 1 Wiluna West Gold Project Resource Estimate).

Approval has been received for 2,560 metres of RC drilling at Emu and Eagle of which 1,235m is considered as high priority. This program is planned to be undertaken towards the end of Q3 2017, subject to rig availability.

Table 1

Wiluna West Gold Project

JORC2004 Gold Resource Estimate at a 1g/t Cut Off

Prospect	Resource Type	Tonnage	Grade g/t Au	Ounces Au
Golden Monarch	Indicated	46,000	3.5	5,200
Golden Monarch	Inferred	685,000	2.3	50,900
Eagle	Inferred	489,000	2.4	37,800
Iron Hawk	Inferred	138,000	1.5	6,800
Iron King	Inferred	481,000	2.3	35,600
Goldfinch	Inferred	80,000	1.4	3,600
Bronzewing	Inferred	104,000	2.4	8,000
Bottom Camp	Inferred	329,000	2.0	21,100
Bowerbird	Inferred	169,000	3.1	17,000
Brilliant	Inferred	342,000	2.5	27,900
Comedy King	Inferred	183,000	1.8	10,800
Emu	Inferred	371,000	2.4	28,700
Wren	Inferred	61,000	2.5	4,800
TOTAL		**3,478,000**	**2.3**	**258,200**

Notes:

1) *Refer to GWR ASX announcement 14th June 2010*
2) *Differences may occur due to rounding*

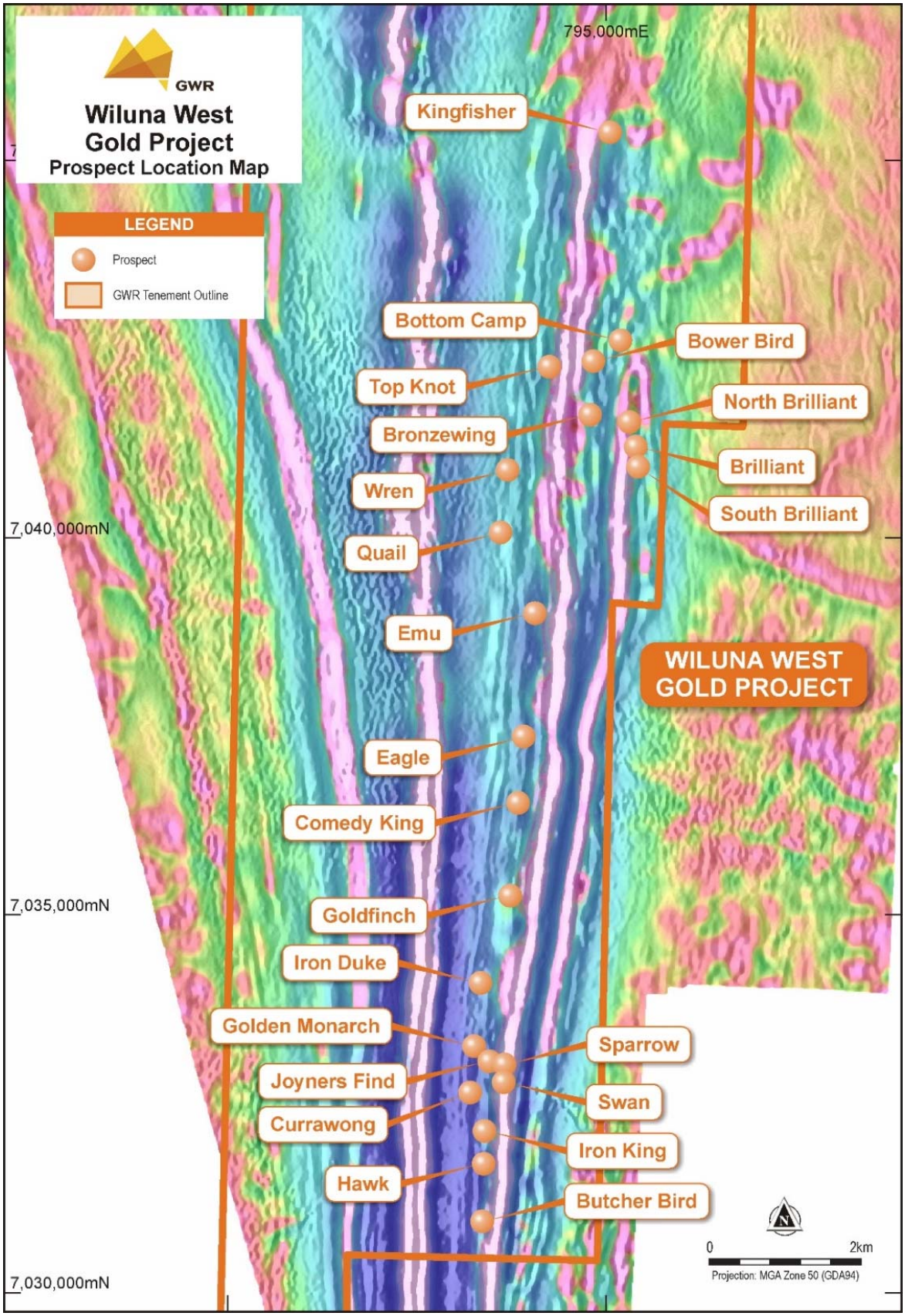

Figure 1 Wiluna West Gold Prospects

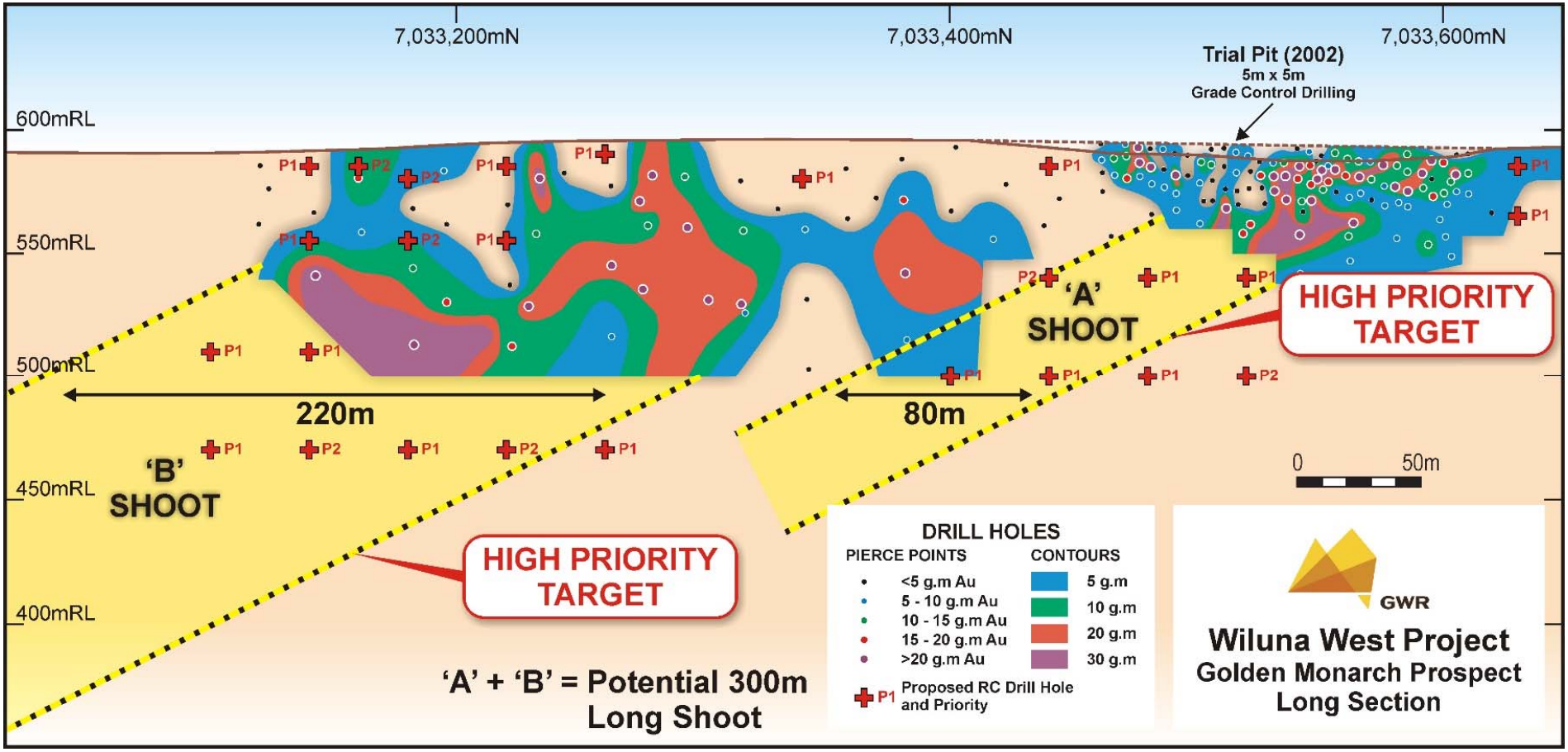

Figure 2: Long Section through Golden Monarch Deposit looking West

Regional Exploration Program & Results: Introducing "*The Blob*"

Over the last six months the Company has completed a comprehensive mapping and geochemical soil sampling program over the Bowerbird prospect and over a 4 km strike length of the Joyners Shear Zone between the Comedy King and Emu prospects (Figure 1). This work has included:

- Re-interpretation of the high-quality aerial magnetic data by Southern Geoscience Consultants ("SGC"), which was acquired as part of the iron ore project;
- 1:1000 scale detailed geological mapping over a strike length of 4 km;
- Orientation geochemical soil sampling program;
- Collection of 1,663 soil samples screened to -2.8 mm and +0.5 mm on a 100 m by 25 m spacing;
- Collection of 260 rock chip samples; and
- Survey of historical gold exploration drill hole collars with 1,000 targeted and 300 located.

The re-interpretation of the aerial magnetic data by SGC identified several structural targets and this, combined with previous drilling and historical geochemical sampling, highlighted the Bowerbird prospect and the area between the Comedy King and Emu prospects as high priority target areas.

Orientation geochemical soil sampling was undertaken and this assessment involved testing different size fractions to determine the optimal size for ongoing sampling and targeting. During this study, it was determined that the minus 2.8 mm to plus 0.5 mm fraction gave the best response at Wiluna West for gold.

The geochemical soil sampling identified a number of anomalies (>10 ppb Au) that justify following up including 4 samples of >1000 ppb Au, including one sample of 6,612 ppb (6.6 g/t) and the Blob and Bowerbird anomalies.

The Blob is a large +10 ppb Au anomaly measuring at least 400 m x 400 m and at +30 ppb: 300 m by 200 m (Figure 3); which is also anomalous in arsenic. As Figure 3 shows, The Blob anomaly is significantly larger than that expressed by the Eagle deposit (JORC 2004 Inferred Resource of 489,000 tonnes at 2.4 g/t Au) and occurs at the junction of a major north–south trending shear zone and a cross cutting northeast trending fault. It is also located in a zone of demagnetisation. No drilling targeting gold mineralisation has ever been undertaken over the peak of the anomaly.

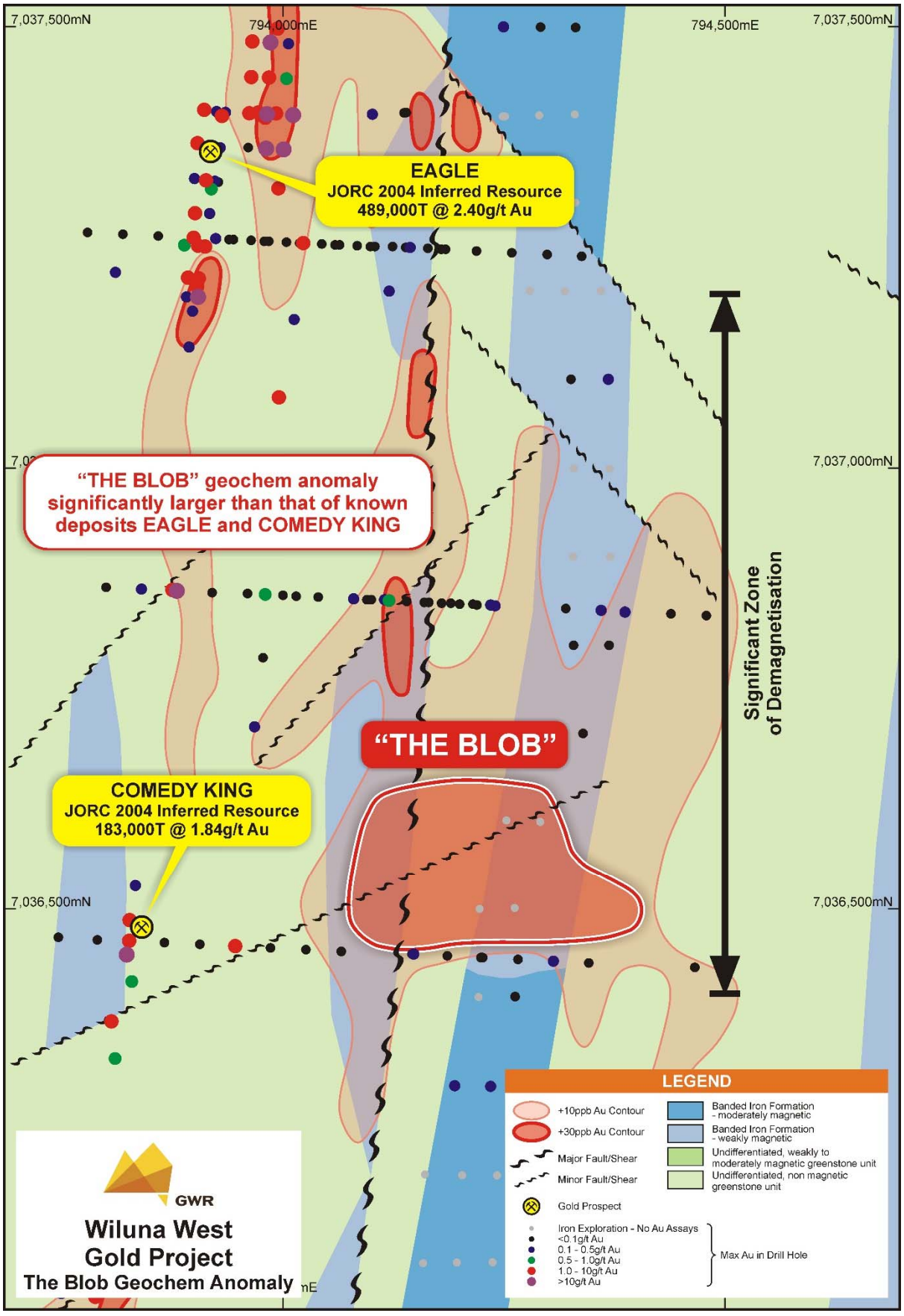

Figure 3: Plan view of 'The Blob'

Geochemical soil sampling over the Bowerbird area identified a strong +10 ppb Au anomaly over a strike length of 1.2 km. This contained a higher grade core of +30 ppb Au over a 1.0 km length with values of up to 136.9 ppb Au. The anomaly also overlays an interpreted dilatational feature identified by SGC.

A POW has recently been lodged with DMP to undertake an aircore ("AC") drilling program over the Bowerbird and The Blob prospects, with drilling planned for the latter half of 2017 once approvals have been received

Commentary

GWR's Chief Executive Officer, Craig Ferrier, said "*A much clearer development pathway at Wiluna West based on minimal capital outlay, has allowed us to significantly change the way that we look at the current deposits and prospects.*

"Our focus is firmly on defining Mineral Resources that meet the criteria for mining and processing through the Wiluna Gold Plant. This current program at Golden Monarch has the potential to meaningfully add to the resource base."

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Competent Persons Statement

The information in this report which relates to Exploration Targets, Exploration Results and Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 35 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard 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, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

Where reference is made to the Wiluna West Gold Project Mineral Resource Estimate including Golden Monarch, Eagle and Emu (refer Table 1), the Company notes that these Mineral Resource Estimates were prepared and first disclosed under JORC Code 2004. They have not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

JORC 2012 Table 1

Section 1: Sampling Techniques and Data

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Sampling techniques</td><td>The soil samples were collected upon a 100 m by 25 m spacing located with a hand held GPS. The samples were collected at a depth of approximately 0.2 m using a pick or shovel and screened to minus 2.8 mm in the field to obtain a sample of approximately 200 g. The field samples were then screened and the minus 2.8 mm plus 0.5 mm fraction was weighed and the approximate 100 g sample submit to Intertek Genalysis laboratories in Perth.

At Intertek Genalysis the samples were dried, pulverised then subject to aqua regia digest and read using ICP-MS, for the elements and detection limits as listed below;

<table>
<tr><th>Element</th><th>Detection Limit</th></tr>
<tr><td>Au</td><td>0.1 ppb</td></tr>
<tr><td>As</td><td>1 ppm</td></tr>
<tr><td>Cu</td><td>0.5 ppm</td></tr>
<tr><td>Ni</td><td>0.5 ppm</td></tr>
<tr><td>Pb</td><td>0.5 ppm</td></tr>
<tr><td>Zn</td><td>0.5 ppm</td></tr>
</table>
</td></tr>
<tr><td>Drilling techniques</td><td>Not relevant to this ASX release (no drilling carried out)</td></tr>
<tr><td>Drill sample recovery</td><td>Not relevant to this ASX release (no drilling carried out)</td></tr>
<tr><td>Logging</td><td>Not relevant to this ASX release (no drilling carried out)</td></tr>
<tr><td>Sub-sampling techniques and sample preparation</td><td>Not relevant to this ASX release (no drilling carried out)</td></tr>
<tr><td>Quality of assay data and laboratory tests</td><td>Intertek Genalysis hold the Management System Certifications as listed below;
• ISO 9001
• ISO 14001
• OHSAS 18001

The assaying techniques used are partial analyses.

Certified reference materials, blanks and replicates are analysed with each batch of samples. These quality control results are reported along with the sample values in the final report provided by Intertek Genalysis</td></tr>
<tr><td>Verification of sampling and assaying</td><td>The laboratory information was emailed to GWR’s in house database manager for validation and loading in a SQL database

No adjustments or calibrations were made to the any of the assay data used in this report</td></tr>
<tr><td>Location of data points</td><td>The soil sample locations were surveyed using a hand held GPS, which is sufficient for the purpose of compiling and interpreting the results.

The grid system used is MGA GDA94 Zone 50</td></tr>
<tr><td>Data spacing and distribution</td><td>The soil samples were collected on east–west orientated lines on a 100 m by 25 m spacing</td></tr>
</table>

Criteria	Commentary
Orientation of data in relation to geological structure	The soil samples were collected on east–west orientated lines which is considered approximately perpendicular to the mineralisation...
Sample security	Samples were collected in clip seal plastic sample bags; which were then placed into a calico bag, then placed in a polyweave bag and the bag sealed with a cable tie. The individual bags were then placed in cardboard boxes and this bag was sealed with tape. The cardboard boxes were transported by trucking contractors to Intertek Genalysis Laboratories in Perth.
Audits or reviews	Regular internal reviews are undertaken and Brian Varndell an independent geological consultant from Al Maynard and Associates has reviewed the sampling techniques employed.

Section 2: Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>The Wiluna West project is located in Western Australia approximately 45 km south west of the township of Wiluna The tenements comprising the project are listed below;

<table>
<tr><td>Tenement</td><td>Holder</td><td>Expiry</td><td>Area (Ha)</td></tr>
<tr><td>M53/971</td><td>GWR 100%</td><td>24/01/2023</td><td>9.71</td></tr>
<tr><td>M53/972</td><td>GWR 100%</td><td>24/01/2023</td><td>9.71</td></tr>
<tr><td>M53/1016</td><td>GWR 100%</td><td>29/01/2027</td><td>617.45</td></tr>
<tr><td>M53/1017</td><td>GWR 100%</td><td>29/01/2027</td><td>808.70</td></tr>
<tr><td>M53/1018</td><td>GWR 100%</td><td>29/01/2027</td><td>593.65</td></tr>
<tr><td>M53/1078</td><td>GWR 80%, Jindalee Resources 20%</td><td>31/01/2028</td><td>745.65</td></tr>
<tr><td>M53/1087</td><td>GWR 100%</td><td>22/09/2031</td><td>10837.00</td></tr>
<tr><td>M53/1096</td><td>GWR 100%</td><td>12/04/2037</td><td>200.00</td></tr>
</table>

All tenement with the exception of M53/1078 are 100% owned by GWR Group Limited. Jindalee Resources Limited hold a 20% free carried interest in M53/1078.

None of the gold targets described within this report are upon M53/1078

All tenements are covered by the granted Wiluna Native Title Claim (WCD2013/004) and are subject to a Mining Agreement with the Native Title Holders.

M53/1016, M53/1017 and M53/1018 are subject to a Royalty Agreement of $10 per troy ounce to 50,000 ounces of gold produced and $5 per troy ounce thereafter

All of the tenements are in good standing</td></tr>
<tr><td>Exploration done by other parties</td><td>The Wiluna West Gold Project has been explored for gold since approximately 1920 and evidence of historical mine workings and prospecting pits are found in more than 20 separate locations over a distance of 15 km confined to the better exposed portions of the Joyners Find Greenstone Belt. Gold exploration has been carried out within the project area since 1980 with a peak between 1984 and 1990. In total, approximately 23,000 metres of reverse circulation and 15,000 metres of rotary air blast drilling was completed. Detailed and regional geological mapping was also undertaken along with aeromagnetic and aerial photography surveys

The ground has been held by GWR Group limited since 2004; where the primary focus has been iron ore exploration.</td></tr>
<tr><td>Geology</td><td>Gold mineralisation is related to two regional shear zones within the Archaean Joyners Find Greenstone Belt; the Joyners Find and Brilliant Shear Zones. Mineralisation within the Joyners Find Shear Zone is dominated by BIF hosted mineralisation, whilst mineralisation within the Brilliant shear is hosted by quartz reefs and quartz stockworks.

The gold mineralisation and anomalies described in this ASX release are thought to be related to the Joyners Find Shear Zone</td></tr>
<tr><td>Drill hole Information</td><td>Not relevant to this report (no drilling carried out)</td></tr>
<tr><td>Data aggregation methods</td><td>Not relevant to this report (no drilling carried out)</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>Not relevant to this report (no drilling carried out)</td></tr>
<tr><td>Diagrams</td><td>Refer to diagrams provided in the body of the report</td></tr>
<tr><td>Balanced reporting</td><td>Refer to body of report</td></tr>
<tr><td>Other substantive exploration data</td><td>Refer to body of report and previous ASX releases made by GWR.</td></tr>
<tr><td>Further work</td><td>Refer to body of report</td></tr>
</table>