

22 December 2017

Yandal West Gold Project Drilling Update

HIGHLIGHTS

- Strong shearing, quartz veining and alteration observed in step-out lines along strike from the significant gold intersections previously reported in drill holes HFRC005 and HFRC019.
- A further 1,852m of RC drilling have been completed at Yandal West, and more RC drilling is planned for the new year
- Assay results are expected mid-January 2018
- Drilling scheduled to recommence in late January 2018 after results from current drilling have been interpreted

Great Western Exploration Limited (“the Company”; “Great Western”) [ASX: GTE] is pleased to provide an update on drilling at its Yandal West Gold Project where the Company announced the commencement of an approximate 3,000m reverse circulation (“RC”) drill programme on the 8 December 2017.

The program is following up maiden RC drilling that resulted in the discovery of a potentially large gold system (refer ASX release 30/11/2017). Much of the drilling is designed to systematically step-out along strike of the significant gold intervals (**Fig 1**) as well as test some structural targets identified along the eastern and western trends. Significant results from the maiden drilling included:

HFRC019: **24m @ 1.51 g/t gold (including 4m @ 5.68 g/t gold & 4m @ 2.63 g/t gold) from 12m**

HFRC019: **16m @ 1.24 g/t gold (including 4m @ 3.43 g/t gold) from 60m**

HFRC005: **20m @ 1.63 g/t gold (including 4m @ 6.19 g/t gold & 4m @ 2.8 g/t gold) from 52m**

HFRC015: **12m @ 1.17 g/t gold (including 4m @ 4.07 g/t gold) from surface**

HFRC022: **12m @ 0.57 g/t gold (including 4m @ 1.24 g/t gold) from 56m**

A further 1,852m have been drilled, with step-out lines having been completed north and south of HFRC005 as well a line south of HFRC019. ***Significantly, all the step-out lines have intersected strong shearing, quartz veining and alteration.***

The drilling has now been paused pending assay results which are expected to be received mid-January 2018. The northern step-out line for HFRC019 and all the lines planned for step-out along strike of the other significant intersections above are to be completed when drilling recommences in late January.

ASX ANNOUNCEMENT

ASX: GTE

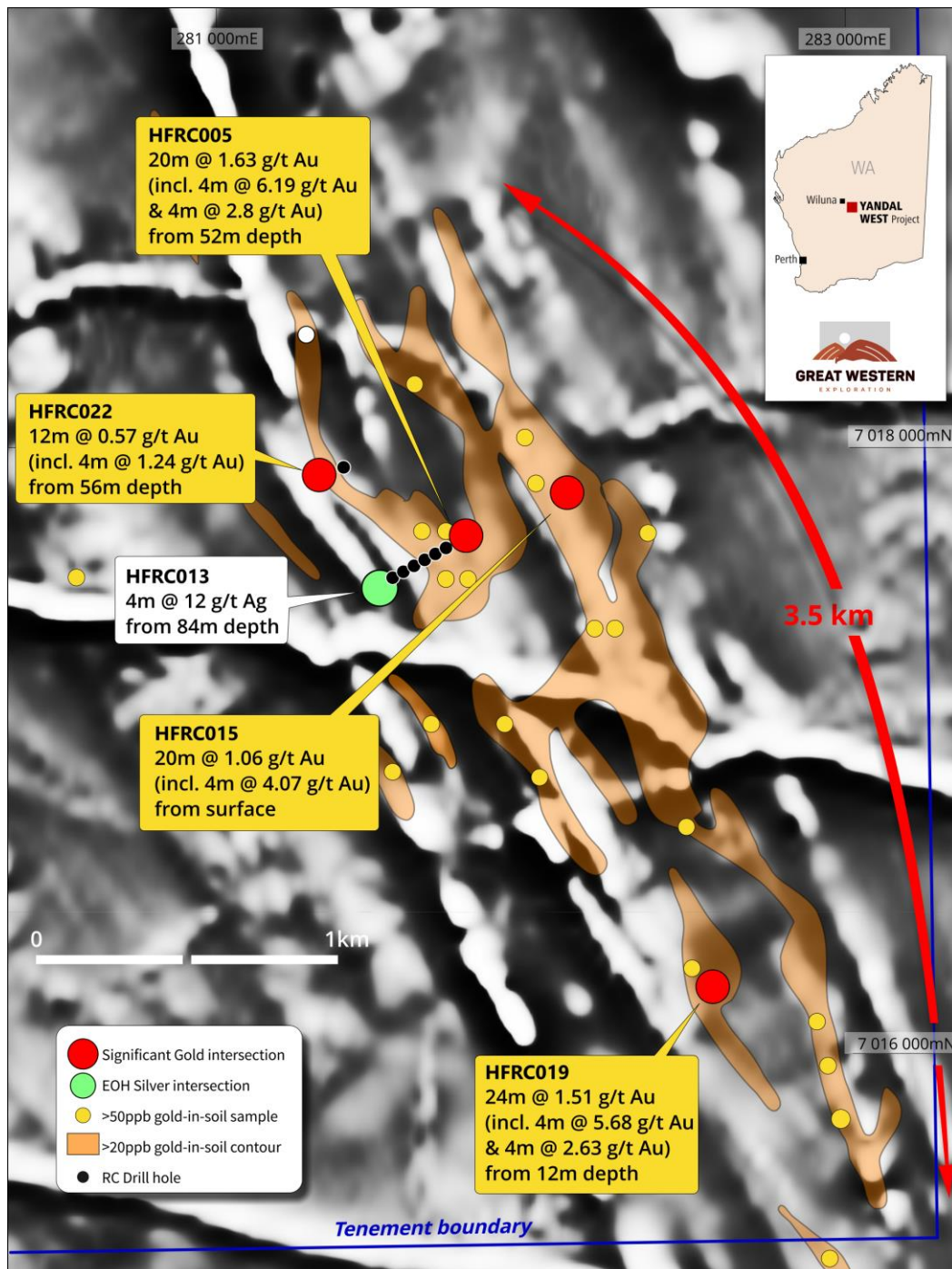


Figure 1: Location of previously reported significant maiden drill results at May Queen in relation to the > 20 ppb soil contour and aeromagnetic structures (ASX Release 30/11/2017).

About the Yandal West Gold Project

The Yandal West gold project is located within the world class Yandal gold belt (**Fig 2**), approximately 55km north of Bronzewing gold deposit (3.5Mozs) and 60 km south of Jundee gold mine (10Mozs). The Company acquired 100% of the Ives Find gold field and 80% of the Harris Find gold field in 2016 which is the first time that both goldfields have been consolidated into one project. Previously the area had a long history of fragmented ownership.

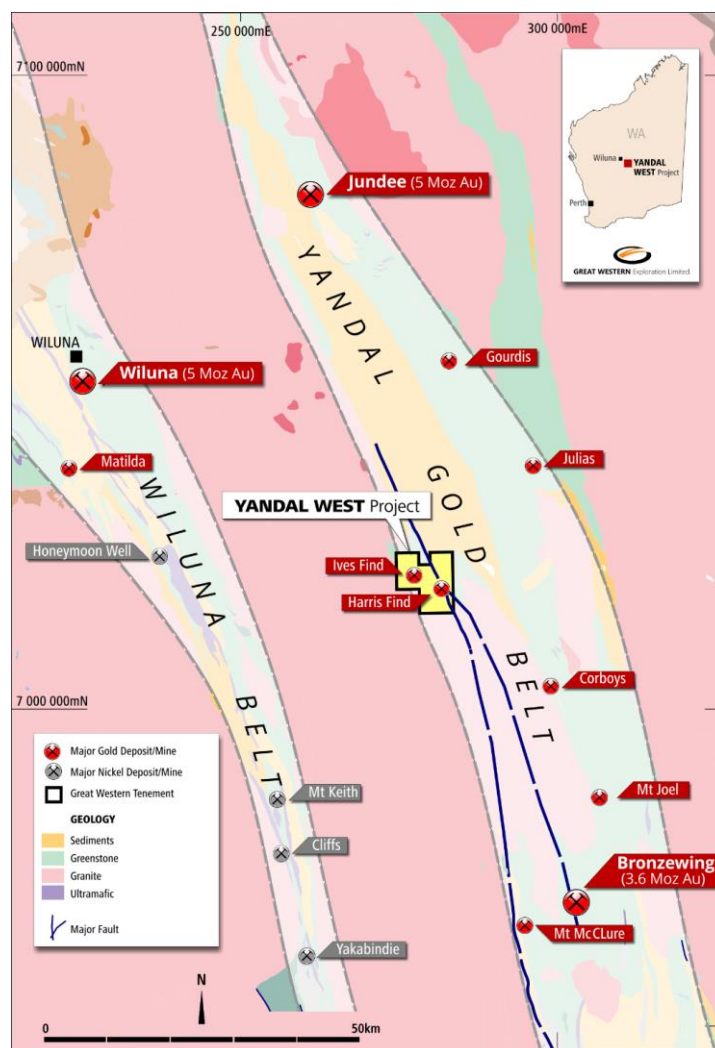


Figure 2. Location of the Yandal West gold project

In February GTE undertook a limited RC programme at Ives Find to understand the nature of the gold mineralisation. The drilling intersected high-grade gold mineralisation within a promising geological setting that has similarities to other major gold deposits in the region including Bronzewing and Jundee (ASX Release 29/03/2017).

Satisfied that similar mechanisms observed at other significant gold deposits elsewhere in the Yandal belt are also present at Yandal West, the Company commenced a program of systematic exploration, starting with regional scale soil programme (Phase 1 soils – 640m x 80m) and detailed aeromagnetics (50m line spacing). Newexco Consultants were contracted to carry out the geophysical interpretation.

This work resulted in the discovery of a 9km gold-in-soil trend that contained a strong (> 20ppb) 3.5km long soil anomaly at an area known as May Queen (ASX Release 19/10/2017). This anomaly is also coincident with a high priority aeromagnetic target identified by Newexco Consultants (ASX Release 01/08/2017).

References

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| <i>Commencement of Phase 2 RC drilling:</i> | ASX Release 08/12/2017 |
| <i>Latest RC drill results from May Queen Yandal West Gold Project:</i> | ASX Release 30/11/2017 |
| <i>Latest soil sampling results at Yandal West Gold Project:</i> | ASX Release 19/10/2017 |
| <i>Detailed aeromagnetic survey at Yandal Wes Gold Project:</i> | ASX Release 01/08/2017 |
| <i>Soils Identify 9 km Gold Trend at Yandal West Gold Project:</i> | ASX Release 05/07/2017 |
| <i>RC Drill Results at Ives Find Prospect:</i> | ASX Release 29/03/2017 |

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.

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